

Wordshop Benefits Update

August 2021

Pensions & benefits

- The Supreme Court has ruled that limiting child tax credit to two children is not incompatible with the right to family life. The limit, which came into force in April 2017, restricts Child Tax Credit and Universal Credit to the first two children in a family, with a few exceptions. The case was brought by two single mothers and their children, supported by the Child Poverty Action Group.
- On 15 July, a draft plan was laid before Parliament which will extend bereavement support to an extra 22,500 people. This will extend Widowed Parent's Allowance and Bereavement Support Payment to surviving co-habiting partners with children who were living with their partner at the time of death. These changes will be retrospective and will apply from 30 August 2018, with any backdated payments being made as lump sums. Previously, a surviving parent could only claim the financial support if they had been married or in a civil partnership at the time of their spouse or civil partner's death.
- The Government has extended the COVID Local Support Grant to the end of September, which provides support to vulnerable families in England who are struggling with food and utility costs. The extension brings it in line with the end date for furlough and other COVID-related support. Across England, the total new funding is £160 million, bringing the overall value of the support since December 2020 to £429.1 million. Those who are in need of support should contact their council to find out how they can access it and what support will be available over the coming months.
- The current Special Rules for Terminal Illness, which fast-track benefit applications for those with a terminal diagnosis of six months, will be replaced with a new 12-month end-of-life definition. Ministers plan to implement the 12-month end-of-life approach across five DWP benefits, beginning with Universal Credit and Employment Support Allowance next year and Attendance Allowance, Disability Living Allowance and Personal Independence Payment when parliamentary time allows. The change will ensure that people in the final year of their life will receive financial support quicker than they can at present, at a higher rate through revised Special Rules.

- A new Government service called MoneyHelper has been launched to provide an easy way to get free, trusted help for your money and pension choices. The services previously provided by the Money Advice Service, the Pensions Advisory Service and Pension Wise now come under the MoneyHelper brand, and their websites will redirect you to the new MoneyHelper website at **www.moneyhelper.org.uk**
- Child Disability Payment (CDP) is the new Social Security Scotland benefit replacing Disability Living Allowance for children (DLAc) for eligible people living in Scotland. The Scottish Government has introduced new claims to CDP in three local authority areas – Dundee City, Perth and Kinross, and the Western Isles. People across the rest of Scotland will be able to claim CDP from autumn 2021. The majority of entitlement conditions for CDP will remain the same as DLAc. Rates will be the same as DLAc. CDP will be treated the same as DLAc for entitlement to reserved DWP benefits. You can find out more on the **mygov.scot** website.

General

- The Government is consulting on a number of proposed legislative changes aimed at modernising and improving the Child Maintenance Service (CMS). These include changing the way the CMS takes unearned income into account and ways to make it easier for self-employed paying parents to declare income changes. The consultation will be available for comments until 6 August 2021.
- The law has been updated to make it possible for non-religious wedding and partnership ceremonies in England and Wales to legally take place outside, at approved venues, in a boost to the wedding sector. The time-limited change will run from 1 July 2021 until April 2022. A consultation in the autumn will consider the practical impacts of this policy before the Government decides whether to make the changes permanent. A Law Commission report later this year will also present options for further reforms, which will include allowing the ceremony to take place in a much broader range of locations, and powers to hold weddings remotely in a national emergency.
- A new Government campaign targets first-time buyers to help provide a greater awareness and understanding of the government home-ownership schemes to help them own their first home. The list of the help available includes the new and growing First Homes scheme, the mortgage guarantee scheme, Help to Buy: Equity Loans, Shared Ownership, Stamp Duty relief and Right to Buy for council tenants.

<https://www.ownyourhome.gov.uk>

- A new online tool has been launched that will help expectant couples share time off in the early stages of their baby's life, allowing them to check eligibility, calculate pay entitlements and download the documents they need to secure leave from their employer. Shared Parental Leave and Pay allows working parents across Great Britain to share up to 50 weeks of leave and up to 37 weeks of pay in the first year of their child's life (or within a year of placement if the child is adopted). Government research has found that nearly all parents who used Shared Parental Leave would recommend it – and the new tool will ensure more families can make the most of the scheme to spend time with their newborns. Find out more at **www.gov.uk/shared-parental-leave-and-pay**

- Last year, the Competition and Markets Authority (CMA) completed its in-depth market investigation into the funerals sector. This identified a number of concerns, including that prices for similar services differed considerably between funeral directors and the way that information was provided made it hard for families to compare prices and choose the right combination of services for their loved ones. As a result, from 16 September 2021, all funeral directors must display a Standardised Price List at their premises and on their website. This list must include:
 - The headline price of a funeral
 - The price of the individual items comprising the funeral
 - The price of certain additional products and services.

In addition, from 17 June 2021, funeral directors may not:

- Make payments to incentivise hospitals, palliative care services, hospices, care homes or similar institutions to refer customers to a particular funeral director
 - Solicit for business through coroner and police contracts.
- New rules on whiplash claims came into force in England and Wales on 31 May 2021, which will save motorists up to £35 a year on their insurance. The changes are designed to reduce the very high number of whiplash claims made each year, with more than 550,000 in 2019/20 alone, which will allow insurers to cut premiums for millions of drivers. The reforms include a new user-friendly online portal (**www.officialinjuryclaim.org.uk**) for road traffic accident claims under £5,000 – simplifying the process and removing the need for expensive lawyers. They also introduced a ban on settling whiplash cases without medical evidence – a practice which has opened the door to fraudulent or embellished claims. The new online portal has been tested by professionals in the industry and reviewed to ensure it is easy to understand, with user guides available to explain how to make and progress a claim at every stage. For those who require additional assistance, a helpline will also be available.