

## **Benefits Update**

February 2023

## Pensions, tax & benefits

- Thousands of vulnerable families will be protected from homelessness this winter thanks to an extra £50 million of government support. Councils will have the flexibility to target the additional financial support at those who need it most. This may include helping households at risk of eviction pay off their rent arrears or supporting families struggling to secure a new home with their search and deposits. The funding is on top of the £316 million Homeless Prevention Grant already allocated to councils for 2022/23 year and is part of a £2 billion package of government support to tackle homelessness and rough sleeping over the next three years.
- Millions of the lowest-income households across the UK will get up to £1,350 from the
  government in 2023/24 to help with the cost of living. Exact payment windows will be
  announced closer to the time but they are spread across a longer period to ensure a
  consistent support offering throughout the year. They will be broadly as follows:
  - £301 First Cost of Living Payment during Spring 2023
  - £150 Disability Cost of Living Payment during Summer 2023
  - £300 Second Cost of Living Payment during Autumn 2023
  - £300 Pensioner Cost of Living Payment during Winter 2023/4
  - £299 Third Cost of Living Payment during Spring 2024

Those eligible will be paid automatically, and there will be no need to apply. For more information, please visit **GOV.UK**.

- Support with winter energy bills is on the way for millions more households across the UK with additional schemes that include:
  - All households in Northern Ireland will receive a single payment totalling £600 to help with their energy bills, with payments starting in January
  - Households across Great Britain that use alternative fuels like heating oil will receive a £200 payment this winter
  - 900,000 households in England, Scotland and Wales without a direct relationship to an energy supplier – such as care home or park home residents – will be able to apply online for £400 of non-repayable help with their fuel bills.

These schemes sit alongside the Energy Price Guarantee, which saves a typical household in Great Britain around £900 this winter and an equivalent level of support in Northern Ireland.

- The Department for Work & Pensions (DWP) has created two short videos answering key questions about Winter Fuel Payments. The videos are now also available in British Sign Language and Welsh Language versions. You can view them on the DWP's YouTube channel: https://www.youtube.com/@dwpgovuk/videos. DWP's Cold Weather Payments are an automatic bank top-up of £25. The payments are triggered to eligible households when the average temperature has been recorded as, or is forecast to be, zero degrees C or below over seven consecutive days at the weather station linked to an eligible person's postcode. Customers will have the payment credited to their bank account within 14 days of the trigger. You can check if payments are being issued in your area on GOV.UK.
- Scottish tax rates were announced in December and confirmed that the additional rate
  threshold will reduce from £150,000 to £125,140 from April 2023, in line with the
  chancellor's earlier announcement. While no changes will be made to the starter, basic
  and intermediate rates, one pence will be added to the higher and top rates of tax, to
  42p and 47p respectively.

## **General**

- The government plans to introduce a statutory code of practice to protect employees against employers who use the controversial practice of 'fire and rehire'. Subject to consultation, the new code will make it explicitly clear to employers that they must not use threats of dismissal to pressurise employees into accepting new terms, and that they should have honest and open-minded discussions with their employees and representatives. 'Fire and rehire' refers to when an employer fires an employee and offers them a new contract on new, often less-favourable terms. Once in force, Courts and Employment Tribunals will be able to take the code into account when considering relevant cases, including unfair dismissal. They will have the power to apply a 25% uplift to an employee's compensation in certain circumstances if an employer is found to not comply with the statutory code.
- Millions of employees will be able to request flexible working from day one of their employment, under new government plans to make flexible working the default.
   Flexible working doesn't just mean a combination of working from home and in the office it can mean employees making use of job-sharing, flexitime, and working compressed, annualised or staggered hours. If an employer cannot accommodate a request to work flexibly, they will be required to discuss alternative options before they can reject the request. The new legislation will also remove the requirement for employees to set out the effects of their flexible working requests to employers, removing a large administrative burden for both sides.
- The government has launched a consultation into the way holiday pay and entitlement is calculated for temporary, part-year and zero-hours workers. The consultation is intended to explore how the process of calculating holiday pay for these groups can be simplified for employers and provide clarity to employees. The consultation will close on 9 March 2023. The consultation follows the UK Supreme Court's ruling last year during the Harpur Trust v Brazel case that annual leave entitlement could not be pro-rated for part-year workers. Those on a term-time, zero-hours or irregular hours contract are entitled to receive 5.6 weeks of paid annual leave regardless of how many weeks per year they worked.
- All state-funded schools in England currently without a defibrillator will receive one by
  the end of the year. It follows campaigning from the Oliver King Foundation and its
  founder Mark King, who has worked tirelessly to raise awareness of the need for
  defibrillators since he tragically lost his son at the age of 12 to cardiac arrest while
  swimming at school. Over 20,000 of the life-saving devices will be delivered to almost
  18,000 state-funded schools by the end of the academic year.