

# Benefits Update

October 2024

# Pensions, tax & benefits

- On 30 October, Chancellor of the Exchequer Rachel Reeves will deliver the autumn budget, accompanied by a full fiscal statement from the Office of Budget Responsibility. The budget will set out the government's planned spending and revenue gathering going forward.
- The full new State pension is likely to increase by almost £9 to £230 a week from next April – equating to £11,962 a year – as a result of the 'triple lock', latest wage growth figures have suggested.
- The Department for Work and Pensions (DWP) has urged those receiving Employment Support Allowance (ESA) to take immediate action as it overhauls the benefits system. Individuals claiming ESA will need to put in an application for Universal Credit, as the DWP phases out the allowance – a benefit for people who are unable to work as a result of sickness or disability. The DWP will substitute ESA with Universal Credit, but this change will not happen automatically for claimants. Migration notices were sent out by the DWP in September, informing ESA recipients of a three-month window in which they need to secure their application for Universal Credit.
- Five 'legacy' benefits are being retired with Universal Credit taking their place as the DWP attempts to simplify the benefits system. Income Support, Income-based Jobseeker's Allowance, Housing Benefit, Working Tax Credit and Child Tax Credit will eventually be replaced by Universal Credit.
- From September, the way Personal Independence Payment (PIP) claims are assessed will change across the UK as new companies take over. The change will see all benefits that require a functional health assessment carried out by a single provider in any given region as the DWP awards new contracts. This means PIP assessments, as well as Work Capability Assessments for ESA and Universal Credit, will all be assessed by just one provider in one region, rather than several as before.
- A new report shows that thousands of people are missing out on the benefits they are entitled to, with PIP claimants being underpaid the most. Last year, claimants received around £4.2b less than they were entitled to, a report from the National Audit Office shows. This includes £870m worth of PIP payments being underpaid, alongside £750m in Disability Living Allowance. The majority of this is due to 'unfulfilled eligibility,' which means people are not claiming what they could be.
- Vulnerable households will receive support for the cost of essentials this winter, as the DWP has announced an extension to the Household Support Fund for the next six months.

- The Scottish government has expanded their pilot to seven new local authority areas for new claims to Carer Support Payment, their replacement for the DWP's Carer's Allowance for eligible citizens living in Scotland. Further information, including the pilot areas and how to claim, can be found on **mygov.scot**
- Thousands of people missing Home Responsibilities Protection on their National Insurance record could boost their State pension for free. Some parents who claimed child benefit before 2000 are missing out on State pension payments they are entitled to because of gaps in their National Insurance records but may be able to top up their State pension. You can check if you're eligible online:  
**[www.gov.uk/home-responsibilities-protection-hrp/eligibility](http://www.gov.uk/home-responsibilities-protection-hrp/eligibility)**
- The Pensions Dashboards Programme (PDP) has confirmed that gov.uk's 'One Login' will be the identity service provider for anyone using the dashboards service. One Login ensures users only have to prove their identity once and can use this proof to access other services they use. This means users who have already registered to use government services through One Login will not have to prove their identity again when registering to use the dashboards service.

# General

- The cost of a first-class stamp is to rise by 30p in October – the fifth increase in less than three years. The price goes up to £1.65 as of 7 October, while second-class stamps will remain at 85p.
- The government has unveiled plans for a new Renters' Rights Bill. The bill will introduce enhanced tenant rights and protections, including the power to challenge unreasonable rent increases, and will see the practice of rental bidding wars come to an end. The bill will also make it easier for tenants to keep pets, end the blanket bans for those on benefits or with children and will abolish Section 21, also known as 'no fault' evictions.
- The government is urging all those across the UK who use a physical immigration document to take immediate action to transition to an eVisa. All visa holders who live in the UK and use a physical immigration document to prove their rights can visit **gov.uk/eVisa** to access their eVisa.
- By April 2025, all visitors who do not need a visa will need an electronic travel authorisation (ETA) to travel to the UK. An ETA costs £10 and permits multiple journeys to the UK for stays of up to six months at a time over two years or until the holder's passport expires – whichever is sooner.
- A new government consultation will investigate introducing regulations for third-party services in the energy retail market. Energy brokers and price comparison websites will be among those set to be held to account by a new regulatory regime, to provide better protections and save money for consumers and businesses. The proposals are a response to an increase in individuals being scammed by unregulated brokers and other third-party intermediaries.
- The Driver and Vehicle Standards Agency (DVSA) is warning that scammers are sending text messages about fake DVSA parking penalty charges. The text messages warn that failure to pay the fine could result in a driving ban, an increased fine or even a court process. The DVSA does not issue or deal with parking fines, so if you receive a text like this, you can safely ignore it. You can report scam texts to the National Cyber Security Centre for free by forwarding it to 7726.
- The government has unveiled new measures to support small businesses and the self-employed by tackling late payments. The government will consult on new laws which will hold larger firms to account by introducing new legislation that will require all large businesses to include payment reporting in their annual reports.

- The Energy Secretary has committed to a consultation by the end of the year to boost minimum energy efficiency standards in private and social rented homes by 2030, potentially lowering energy bills for millions of households. Currently, private rented homes can be rented out if they meet Energy Performance Certificate E, while social rented homes have no minimum energy efficiency standard at all.
- The new Private Parking Sector Single Code of Practice will officially be implemented at the start of October to create a fairer environment for motorists. The code, which has been created by the BPA (British Parking Association) and the IPC (International Parking Community), aims to raise standards and deliver transparency and consistency for motorists. One of the biggest changes is the mandate of a 10-minute grace period for drivers, allowing them to avoid fines if they have accidentally overstayed their time by a few minutes. The code also looks to ensure the protection of the most vulnerable in society, including protecting Blue Badge bays and cracking down on those who park selfishly, putting their own convenience above the needs or rights of others.