

Benefit Matters

Our newsletter for advisers in Royal Greenwich

Finance and Legal Services Directorate

Changes to Local Council Tax Support Scheme (LCTS) from 1 April 2025

The Local Council Tax Support Scheme (LCTS) helps people with low or no income pay their council tax. Currently, Greenwich offers one of the most generous LCTS schemes in England, providing 100% support for those on the lowest incomes. Due to financial pressures, including a £46.7m budget deficit for the 2025/26 financial year—largely driven by inflation, increased demand for Adult and Children's Social Care services, and cuts in central government funding—the council has had to make some difficult decisions.

Greenwich undertook a consultation in December, which concluded on 9th January, and based on the feedback, key changes will be introduced to LCTS from 1 April 2025 to ensure its sustainability. Many councils across the UK are also reviewing their LCTS schemes, with about half of London's councils proposing changes to working-age schemes for the upcoming year.

1. Maximum support reduces from 100% to 80%

The maximum level of LCTS support will be reduced to 80% of council tax liability. This means that all working-age households (whether in or out of work) will need to contribute at least 20% towards their council tax. This change will affect both new claimants and approximately 14,700 existing claimants (12,400 on 100% support and 2,300 on partial support).

Pensioners are unaffected by this change, as their LCTS scheme is separate and governed by central government.

2. Increase in earnings taper to 25%

The earnings taper will rise from 15% to 25% for working age claimants. This means that as a claimant's income (including earnings and private pensions) increases above a set threshold, the level of support will reduce by 25% for every additional £1 earned. The taper will remain 20% for pensioner households.

3. Changes to non-dependant deductions (NDDs)

Non-dependant deductions apply when adults (other than the claimant's partner) live in the household, as they are assumed to be contributing financially.

- The flat-rate deductions will increase from £5 to £10 per week.
- The £10 deduction will also apply to non-dependants receiving passported benefits or those not in work, removing the current exemptions.

For working age claimants, exemptions remain for non-dependants who are full-time students or if the claimant or their partner receives a disability benefit (PIP, AA or DLA), or is registered blind.

For pensioners, deductions vary from £4.90 - £15.10 per week depending on the non-dependant's income. The same exemptions apply as for working age claimants, with an additional exemption for

Continued...

Welfare Rights Service

Advisers Advice Line

020 8921 6376

E: wrs.ce@greenwich.gov.uk

Weekdays: office hours

Public Advice Line

020 8921 6375

Mon, Wed, Thurs: 10am – 1pm

[Via online contact form](#)

Universal Support Team

020 8921 3333

Mon to Fri: 10am - 4pm

[Via online contact form](#)

non-dependants who receive a passported benefit and have no earned income.

4. **Abolition of Second Adult Rebate (SAR) for working-age households**

Second Adult Rebate, which provides up to 25% off council tax for those living with another adult on a low income, will be abolished for working-age households. It remains for pensioner households.

5. **Simplified LCTS claim process**

Going forward, the council will automatically use the first payment notification from Universal Credit (UC) as a claim for LCTS. This means that claimants will no longer need to apply separately. The council plans to test and implement this new process in Spring 2025.

6. **Introduction of Greenwich Supports Council Tax Hardship Fund**

A new discretionary Greenwich Supports Council Tax Hardship Fund will be established to provide additional help to residents facing significant financial hardship due to these changes. Details are still being finalised about how it will apply, but it will work alongside the broader support services available through *Greenwich Supports*. For more information, visit royalgreenwich.gov.uk/greenwich-supports.

The council has written to all working age households receiving LCTS so that they are aware of the changes, ahead of them receiving their new council tax bills in early March.

Visit the [Royal Greenwich website](https://royalgreenwich.gov.uk) for more information.

Upcoming Greenwich Advice Network (GAN) and Greenwich Advisers Forum (GRAF) Meetings

Be sure to add these dates to your calendars ...

- **Greenwich Advisers Forum (GRAF) – 10 April, 10am-12pm (via Zoom)**

This meeting will focus on **Sources of support with council tax**, including important changes to the Local Council Tax Support Scheme the 1 April. Invitations, meeting links, and further details will be emailed shortly.

- **Greenwich Advice Network (GAN) – 10 June, 10am-12pm (via Zoom)**

Unlike, GRAF which focuses on benefits, Greenwich Advice Network (GAN) covers broader social welfare issues. The next meeting will centre on **Advice for women**, with a particular emphasis on domestic abuse. More details will be shared soon.

If you're not on our mailing list but would like to attend or receive updates on future meetings, please email your name, organisation, and contact number to sandra.pierre@royalgreenwich.gov.uk

Government launches Green Paper introducing stricter PIP criteria and Universal Credit changes for people with health conditions

The government has outlined plans to reform Personal Independence Payment (PIP) to focus on those with higher needs, as well as changes to Universal Credit (UC) for people claiming on health grounds.

In an [oral statement](#) to Parliament, Work and Pensions Secretary Liz Kendall announced the publication of a Green Paper detailing proposals to make welfare spending more 'sustainable'. The government aims to save £5bn by 2030 through reforms to health and disability benefits, while

'encouraging employment' and 'ensuring support remains for those with the greatest needs'.

The *Pathways to Work: Reforming Benefits and Support to Get Britain Working* Green Paper, published on 18 March, includes the following proposals:

- **PIP** – introducing new eligibility criteria from 2026 requiring claimants to score at least 4 points in one daily living activity to qualify, in addition to scoring at least 8 points overall.

This means that if a claimant selects multiple activities that each score three or less points, adding up to 8 points in total, they would not qualify for an award unless one descriptor scores at least 4 points. The change will apply to new claims and to award reviews without consultation, so people could lose the daily living component and other entitlements linked to it. The mobility component remains unchanged.

The government says the reforms are being introduced amid rising PIP claims, which are unsustainable.

Other key changes include **increased face-to-face assessments for both PIP and [Work Capability Assessments \(WCA\)](#)**,

[The Resolution Foundation](#) estimates that the PIP changes could result in up to 1.2 million people losing between £4,200 and £6,300 a year.

- Abolishing the **Work Capability Assessment (WCA)*** by 2028 as part of a move to a 'more active, enabling, pro-work benefits system. Other proposed changes include **standard recording of assessments**, and **reduced reassessments** for those with the most severe conditions. Linking the extra health additions payable in UC to PIP instead.

**The WCA is used to assess whether someone who claims UC and reports a health condition that affects their ability to work, or claims Employment and Support Allowance (ESA), is capable of working.*

- **Universal Credit**
 - UC health elements - will be frozen for existing claimants until 2029/30 and reduced for new claimants by £47 per week to £50 per week in 2026/27. Claimants already receiving the UC health element will not be impacted and will benefit from the increased [standard allowance](#).

Eligibility for the health element will be deferred until claimants reach the age of 22.

- An additional premium will be introduced for people with severe, lifelong conditions.
- The UC Standard Allowance will increase above inflation.

- **Reforming contributory benefits** (New Style Jobseeker's Allowance and New Style Employment and Support Allowance) and introducing a new Unemployment Insurance Benefit based on national insurance contributions.
- allowing people to **try work without affecting their benefits**.
- **DWP safeguarding** – current safeguarding processes will be strengthened, particularly to help disabled people and those with health conditions move into work. DWP will conduct a thorough review of its current safeguarding processes, collaborate with stakeholders, and develop a new, 'transparent' safeguarding approach, which will be published in the autumn along with a detailed plan and timeline for implementing the changes.

[Child Poverty Action Group \(CPAG\) response](#)

Whilst welcoming the increase in the UC standard allowance and increased employment support, CPAG states that 'This is the biggest cut to disability benefits in a generation and will push children and families into poverty and reduce living standards for many.'

Other organisations have also raised concerns that the consultation process does not allow for public input on key changes, such as the new PIP eligibility criteria and WCA abolition. Some disability groups are calling for an alternative consultation, and legal challenges may arise over the process.

The consultation closes on **30 June 2025** and is available on [GOV.UK](#)

Universal Credit Update

Managed Migration

Moving ESA claimants to Universal Credit

More than 100,000 Employment and Support Allowance (ESA) claimants have moved to Universal Credit (UC) since the government accelerated the migration timeline, according to an update from Neil Couling (Senior Responsible Owner for UC).

Originally, ESA-only claimants (or those receiving ESA with Housing Benefit) were due to migrate by 2028. However, in April 2024 the government announced an earlier deadline, with all migration notices to be issued by December 2025. The DWP began small-scale rollout in June 2024, expanding from September 2024.

Speaking to the Work and Pensions Committee on 29 January, Mr Couling reported that of the 900,000 ESA claimants, over 100,000 had already moved to UC. He also provided an update on other legacy benefit claimants:

- 9,660 people remain on Income Support (many with vulnerabilities) – down from 1.5 million.
- 3,000 are on Jobseeker's Allowance (JSA).
- 27,000 to 28,000 still claim tax credits, significantly down on 4.5 million.

Mr Couling stated that, aside from tax credits, the attrition rates (the percentage of people failing to claim UC after receiving a migration notice) “are basically zero”. He says that approximately 96% of those receiving migration notices successfully claim UC.

In response to concerns about vulnerable claimants struggling with migration, he confirmed that the DWP have introduced an **enhanced customer journey**, which includes:

- multiple contact attempts, including texts and phone calls.
- coordination with social services and other stakeholders.
- home visits if other contact methods fail.

For more details on the enhanced customer journey, visit [GOV.UK](https://www.gov.uk) or check the [May 2024 issue](#) of *Benefit Matters*. You can also read the full Work and Pensions Committee at parliament.uk

What can advisers do?

Despite Mr Couling's assurances, we know from experience that many vulnerable claimants will face

challenges transitioning from legacy benefits to UC. With the migration of ESA claimants ramping up to 60,000 a month – a significant increase from the 100,000 migrated between September 2024 to January 2025 – more people will need support.

If you are working with vulnerable claimants, it's crucial to help them maximise their income and claim all the benefits and premiums they are entitled to before moving to UC. The higher their legacy benefit award before migration, the higher their transitional element will be – which tops up their UC award so they are not worse off at the point of transfer.

It's also important to ensure that they:

- understand their obligations once they receive a migration notice.
- know the sources of support available to them as migration continues.
- are aware that claimants who fail to apply for UC in time, have a **one-month grace period** after their legacy benefit award ends to apply for UC and will still qualify for transitional protection.

To help those who are vulnerable or have complex needs, encourage them to complete a **Benefits Safeguarding Alert Form** before they receive a migration notice (or complete one with them). This notifies the DWP of their vulnerabilities or complex needs and may assist in securing an extension if needed. The form is available on the [Royal Greenwich website](#).

If you need advice about a resident you are working with:

- Contact our Advisers Advice Line on 020 8921 6376 (weekdays during office hours) or email wrs.ce@royalgreenwich.gov.uk
- Direct residents to our Public Advice Line on 020 8921 6375 (Monday, Wednesday and Thursday, 10am – 1pm).
- Signpost those with migration notices and needing specialist support to our managed migration advice sessions. The drop-in sessions run every Tuesday from 10am to 12pm in the Woolwich Centre, Wellington Street, Woolwich SE18 6HQ. Claimants must bring their migration notice and are advised to attend from 9.30am onwards to be triaged as the session operates on a first come, first served basis.

Ensure you can best support your clients by attending our **UC Managed Migration – The Final Countdown ESA Briefings**. We strongly encourage all advisers, advocates and volunteers to attend even if you've attended a previous session. Our latest briefings cover the key practice issues that have emerged during the managed migration process, including the accelerated rollout of ESA claimants to UC. You can pick from two dates in

our new Spring Training Programme:

Monday, 28th April (Online) 10am – 1pm

Thursday, 26th June (Face-to-Face) 1 – 4.30pm

Find out more and book your place on the [Learning Hub](#).

A note about tax credits

With tax credits set to close on 5 April 2025, it's crucial that claimants respond to their migration notices by their deadline to ensure they continue receiving financial support. The DWP is aware that some tax credit recipients may delay claiming UC until close to their deadline so the **UC Migration Notice Helpline (0800 169 0328)** will be open on **Saturday 5 April** to provide additional support and assist with queries if needed.

Thousands could get up to £5,000 compensation after moving to UC

Over 200 benefits claimants have received compensation ranging from £200 to £3,000 for income losses after being moved to UC before January 2019.

When claimants were transferred to UC, many lost their "Severe Disability Premium" (SDP) and "Enhanced Disability Premium" (EDP). This caused a drop in their monthly income by up to £180. At the time, the DWP had not yet introduced the SDP Gateway scheme, which was later set up to ensure people no longer missed out.

The issue was challenged in the High Court by two claimants, TP and AR, supported by law firm Leigh Day. Their successful case led to the introduction of the SDP Gateway in January 2019. Following this victory, Leigh Day's Ryan Bradshaw represented 275 other claimants who transferred before this date and had faced similar losses.

The DWP has now agreed to compensate these claimants for the distress caused, with each person receiving a payment for the harm they suffered.

Additionally, the DWP has committed to setting up a scheme by August 2025 to compensate claimants for the lost income, which could total over £5,000 per person.

Bradshaw believes that over 15,000 more claimants who experienced a similar loss when moved to UC may also be entitled to compensation.

Advisers should be aware of this development as it may affect clients who were moved onto UC before January 2019 and lost similar entitlements. Claimants who think they may be affected should [get advice](#).

Further information is available on the [Leigh Day website](#).

Key ruling on transitional Severe Disability Premium (SDP) erosion when health worsens

A recent ruling by the Upper Tribunal in *Secretary of State for Work and Pensions v MJ* (2025) has important implications for advisers working with Universal Credit (UC) claimants who have migrated to UC.

MJ, a former Employment and Support Allowance (ESA) claimant, moved to UC and was awarded a transitional Severe Disability Premium (TSDPe). However, when her circumstances changed and she was diagnosed with a health condition, the Secretary of State reduced her TSDPe to nil due to the addition of the Limited Capability for Work and Work-Related Activity (LCWRA) elements, while removing the carer element.

MJ challenged this, arguing that this reduction violated her rights under the European Convention on Human Rights (ECHR). The First-tier Tribunal agreed, ruling that MJ's treatment was discriminatory compared to other

claimants whose circumstances had changed which resulted in their needs increasing. The Tribunal found that MJ should only lose the difference between the carer element and the LCWRA element, not the entire TSDPe.

The Secretary of State appealed to the Upper Tribunal (UT). Although the UT set aside the original decision on a point of law, they remade it to the same effect, but on the correct legal basis, confirming that the full erosion of MJ's SDP was discriminatory. The ruling highlighted that transitional protection should not be removed entirely in cases where a claimant's health worsens and their needs increase.

For advisers, this case clarifies that where the LCWRA element replaces the carers element in a UC claim, the TSDP element should only be reduced by the difference

between the two, ensuring claimants are not unfairly penalised when their circumstances change for the worse. The full decision is available on [GOV.UK](https://www.gov.uk)

UC Hardship Payments

Benefit claimants who were required to repay a Recoverable Hardship Payment from Universal Credit may be able to request a review of this decision and get a refund.

Hardship Payments are issued to claimants facing financial difficulty due to a sanction or a fraud penalty. Some may now be eligible for a refund if the DWP previously refused a request made between 1 January 2014 and 11 January 2021 to:

- waive the repayments, or
- review the repayment rate.

To qualify, claimants will also need to show:

- Financial hardship - that they were unable to afford the repayments at the time.

- That repayment had a significant effect on the claimant's or their family's health and wellbeing at the time.

Full details on eligibility and the application process are available on [GOV.UK](https://www.gov.uk).

The deadline for applications is **4 May 2025**.

Clients who need assistance completing their application can call the scheme helpline on **0800 158 5557**.

Please encourage eligible claimants to apply before the deadline to ensure they don't miss out on potential refunds.

Child Benefit backdating for refugees to be limited to three months

From 7 April 2025, refugees granted status will only be able to backdate Child Benefit claims by three months, aligning with standard backdating rules for other claimants. Currently, refugees can backdate claims to the date they applied for asylum if they claim within three months of receiving their status.

The Social Security Advisory Committee (SSAC) has raised concerns that this change penalises asylum seekers who are granted refugee status after this date through no fault of their own, particularly due to delays in Home Office processing.

HMRC argues that the change is intended to simplify administration and align Child Benefit backdating rules with those for Universal Credit and other DWP benefits. However, the SSAC criticises the lack of a clear policy rationale, questioning the purpose and fairness of the reform.

The Committee suggested basing eligibility on when a person submitted their asylum claim rather than when they were granted status, but HMRC rejected this, stating it would delay implementation and complicate administration.

HMRC plans to consult stakeholders, including the Refugee Council, before finalising the regulations.

Advisers should be aware of this upcoming change and ensure clients granted refugee status **before 7 April 2025** apply for backdated Child Benefit as soon as possible.

For more details, see the SSAC meeting minutes (22 January 2025) published on [GOV.UK](https://www.gov.uk).

2025/26 Benefits Upating – April changes

The 30 October Autumn Statement confirmed that from April 2025, social security benefits will increase by 1.7% in line with the Consumer Price Index (CPI). The Pensioner Triple Lock will be maintained, and the basic State Pension, New State Pension and Pension Credit minimum income guarantee will rise by 4.1%.

The Carer's Allowance earnings limit increases from £151 to £196 a week.

We're currently working on updating our '**Benefit Rates' card**' which will be available in early April. We will email when they are ready, with details of how to get stocks for your organisation. In the meantime, the proposed benefit rates are available via the following GOV.UK and Parliament UK links:

- [2025/6 Benefit Rates](#)
- [Child Benefit and Guardians Allowance](#).

National Living/Minimum Wage increases

The National Living Wage/National Minimum Wage increases by 6.7% from 1 April. New hourly rates are:

	2025/26 Rate	2024/25 Rate
National Living Wage (aged 21 or over)	£12.21	£11.44
18-20 Year Old Rate	£10	£8.60
Under 18 Rate	£7.55	£6.40
Apprentice Rate	£7.55	£6.40

Welfare Rights Service Spring Training Programme

We're pleased to share our Spring training programme for March to July 2025 with courses to help you stay up to date with benefits. Courses must be booked through our platform on the [Learning Hub Royal Greenwich](#). View the full programme [here](#) - a step-by-step guide of how to access the Learning Hub is included with this newsletter, so please take a look.

Upcoming courses include:

Challenging Benefit Decisions (Face-to-Face)

31st March, 10am-4pm

This full-day course is designed to help you support claimants in challenging benefit decisions. It is ideal for anyone advising on benefit entitlement and who possesses a good understanding of the benefits system.

Challenging Personal Independence Payment Decisions (Online)

2nd and 3rd April, 10am – 1pm*

If you have some experience of PIP and work with working age people with long term health problems or disability, this course will help you challenge decisions more effectively.

Universal Credit and Students (Online)

24th April, 1-4pm

Most students are outside the UC system, but it's crucial to know which students are not. If you work

with students and have a working knowledge of the benefits system, this course will provide an essential overview and help you identify possible entitlement.

UC Managed Migration – The Final Countdown Briefing (Online)

28th April, 10am - 1pm

Even if you've attended a previous session, we highly recommend attending our "Final Countdown" briefing. This session will cover the key practice issues that have emerged during the managed migration process, including the accelerated rollout of Employment and Support Allowance (ESA) claimants to UC. There is also a face-to-face session available on 26th June, 1-4.30pm.

**These are full-day courses spread over two half-days – you must attend both days.*

Places are limited, so book early to secure a space by logging in to the Learning Hub Royal Greenwich <https://royalgreenwich.learningpool.com>. Your manager will also need to authorise the booking through the Learning Hub.

If you have any questions about training or if you have any difficulties, please email us at

wrs.training@royalgreenwich.gov.uk

This will help ensure your query is addressed promptly.

Our courses are free to Greenwich Council staff, Health Service staff and to local community groups/voluntary sector advice services who work with Greenwich residents. Please [email us](#) if you work for a voluntary sector/community organisation and would like to check if you are on our waiting list

for free training or would like to be added to the list.

Please note that while many courses are free, there is a charge if you do not attend or leave early. Be sure to review the terms and conditions before booking.

Welfare Rights Service emails

Signing up to our mailing list ensures you receive regular training updates and benefits-related information from the Welfare Rights Service. If you would like to join, just email [wrs.training@royalgreenwich](mailto:wrs.training@royalgreenwich.gov.uk), using '**Mailing List**' as the subject heading, and include your **name, organisation, and email address** in the body of the email. Your information is confidential and will never be shared with a third party.

If you're already signed up, we would also ask you to confirm your details (if you haven't already), and keep us updated on any changes to ensure our records remain accurate.

Reminder: if you receive updates on behalf of your organisation, please do share it with your colleagues.

Remember to call our [advice line for advisers and staff](#) (020 8921 6376) if you need advice about a resident or family you are working with.

Next issue: April/May 2025

Royal Greenwich Welfare Rights Service produces '*Benefit Matters*'. If you would like to contribute in any way, please email Sandra Pierre (sandra.pierre@royalgreenwich.gov.uk)



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