

# Written Ministerial Statement

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## Department for Communities

### SOCIAL SECURITY (ADDITIONAL PAYMENTS)

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**Ms Hargey (The Minister for Communities):** On 26<sup>th</sup> May, the British Chancellor of the Exchequer announced measures to support people impacted by the cost of living crisis. This included cost of living payments to households in receipt of means-tested benefits and additional disability cost of living payments to people who receive eligible non-means tested disability benefits.

It is with deep regret that, due not having a functioning Executive, I am unable to legislate for these payments through the Assembly. However, in recognition of the need for urgent financial assistance, my Department has been engaging with the Department for Work and Pensions to ensure this support is available to low income households and individuals here.

While these payments are a step in the right direction, they do not go far enough to protect all those impacted. Many people are struggling, including workers and families who are not eligible for benefits. It's incomprehensible that £435 million pound remains locked in a non-functioning Executive.

This locked away life line would go some way to ease the burden people, families and workers are experiencing, therefore it's imperative that the Executive is restored immediately and this money is put directly into the pockets of people who desperately need it.

A Bill will be introduced in Westminster imminently to make provisions to enable the cost of living payments and the disability cost of living payments as a new benefit, reserved in Britain. Despite Social Security being a transferred matter, the absence of a functioning Executive has required this "work-around" ensuring these additional payments are available for means-tested and disability benefit recipients here.

#### The Cost of Living Payments

The Cost of Living Payments will provide £650 in two instalments to those with qualifying entitlement to the following social security benefits

- a) Universal Credit
- b) State Pension Credit
- c) Income-based Jobseekers Allowance
- d) Income-related Employment and Support Allowance
- e) Income Support

The first payment of £326 will be made in July 2022 and the second payment of £324 will be made in the autumn 2022.

Those in receipt of both Child and Working Tax Credits will also receive a payment of £650 paid in two instalments in autumn and winter 2022

#### First Payment Eligibility

To get the first Cost of Living Payment of £326, a person must have been entitled to a payment (or later found to be entitled to a payment) of either:

- Universal Credit for an assessment period that ended in the period 26 April 2022 to 25 May 2022
- income-based JSA, income-related ESA, Income Support or Pension Credit for any day in the period 26 April 2022 to 25 May 2022
- received a payment, or an annual award of at least £26, of tax credits on any day in the period 26 April 2022 to 25 May 2022

### **The Disability Payment**

A £150 disability payment will be paid to eligible individuals to help with the particular extra costs they may face.

Eligibility is determined if an individual had a qualifying entitlement on 25 May 2022 to one of the following disability benefits —

- (a) a disability living allowance
- (b) a personal independence payment
- (c) an attendance allowance
- (d) an adult disability payment under the Disability Assistance for Working Age People (Scotland) Regulations 2022 (S.S.I. 2022/54);
- (e) a child disability payment under the Disability Assistance for Children and Young People (Scotland) Regulations 2021 (S.S.I. 2021/174);
- (f) an armed forces independence payment
- (g) a constant attendance allowance (social security and Ministry of Defence)
- (h) a war pensions mobility supplement

These payments also do not address what was, in real terms, a reduction in benefit rates from April. Given that the inflation rate is currently sitting at 9% and is expected to rise further, more needs to be done and I have written to Chloe Smith, Minister for Disabled People, Work and Health urging her to do so.

This cost of living crisis will not end anytime soon and members are fully aware of the pressures faced by workers, families and communities here. We need to do all that we can to help people and families during this extremely difficult time.

I am committed to doing all within my power to put more money into people's pockets and to implement all additional support measures that I can to mitigate the impacts our people are enduring.

Together with the Voluntary and Community Sector Emergencies Leadership Group on Cost of Living, I will explore all options to ensure help is provided to those who need it most.

I will update you as we make progress.