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for Work &
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Our Ref: TO2024/14080

22 February 2024

Dear Mr Hooper

Thank you for your email of 20 February about support for those who are unable to work.

There is already a system in place to support people who are unable to work, either because of ill health, caring responsibilities or unemployment. Information regarding this support can be found on the Government website at:

www.gov.uk/browse/benefits.

There are also a number of benefit calculators that people can use to see what financial help may be available to them. Details of these calculators can be found on the Government website at: www.gov.uk/benefits-calculators.

The system is intended to meet basic living costs only when somebody is unable to work and earn for good reason, such as sickness, disability, old age, redundancy or childbirth.

However, there are entitlement conditions in place that applicants must satisfy, thereby showing that their circumstances are those for which the benefit is designed. For example, Universal Credit supports people who are on a low income or out of work and helps to ensure that they are better off in work than on benefits. It provides claimants with the support they need to prepare for work, move into work, or to earn more if already in work. In return claimants need to accept a Claimant Commitment following a conversation with their Work Coach. The Claimant Commitment sets out what the claimant has agreed to do to prepare for and look for work, or to increase their earnings if already employed. It's based on the claimant's personal circumstances and this is reviewed and updated on a regular basis.

The Government recognises that there are those who, for various reasons, are sometimes not in a position to work such as some single parents, carers, disabled

people and people who have retired. Therefore, assistance from the social security system has also been designed with them, and their needs, in mind. Nevertheless, the entitlement conditions attached to every social security benefit ensure that where individuals have rights to benefit, they have responsibilities as well.

Ultimately, however, the Government strongly believes that the best way to tackle adult poverty is through work. Those in work in the long term are better off than on benefits as training, promotion and career opportunities can enable many workers to attain a better standard of living for themselves and their families. Ministers are therefore placing an increased priority on helping all groups of people, including disabled people and those with health conditions, lone parents and long-term unemployed people get into rewarding and sustainable jobs.

To date, the national minimum wage, tax credits, Housing Benefit, council tax support and help with NHS costs to people who move into work but remain on a low income have improved the provision of in-work support; usually, the combined total of tax credits and other income should mean people will have a higher income in work.

The Government is committed to ensuring that people have the skills to keep them in work and make them better off. That means a stronger framework of rights and responsibilities for benefit claimants so that people who can work have the right support to enable them to do so; it means making the support available more responsive to the needs of individuals and employers; it means a new emphasis on skills so that there is a focus on retention and progression, not just job entry.

In short, the Government is taking steps to ensure that people make the most of the support and opportunities that are available to them since the advantages offered by work are clear.

The Government understands the pressures people are facing and is taking action to support them, providing total funding of £104 billion over 2022/23 to 2024/25 to help households with the rising bills.

Those on eligible means-tested benefits will receive up to £900 in means-tested Cost of Living Payments, paid in three separate instalments of £301, £300, and £299 across the 2023/24 financial year. The first £301 payment was made to 8.3 million households.

The Department for Work and Pensions made the second means-tested Cost of Living Payment worth £300 to over seven million households between 31 October 2023 and 7 November 2023 (99 per cent of eligible households). There will be a further means-tested Cost of Living Payment worth £299 made by Spring 2024.

In addition, over six million people across the UK on eligible 'extra costs' disability benefits have been paid a £150 Disability Cost of Living Payment and more than eight million pensioner households have received an additional £300 Cost of Living Payment from November 2023 as a top up to the Winter Fuel Payment.

From April 2024, subject to Parliamentary approval, working-age benefits will rise by 6.7 per cent, in line with inflation. □ The basic and new State Pensions will be increased by 8.5 per cent, in line with the increase in Average Weekly Earnings in the year to July 2023.

For those who require further support, the Government is providing an additional £1 billion of funding, including Barnett impact. In England support is being delivered through an extension to the Household Support Fund backed by £842 million, running from 1 April 2023 to 31 March 2024. This extension allows Local Authorities in England to continue to provide discretionary cost of living support to those most in need. It is for the devolved administrations to decide how to allocate their additional Barnett funding.

Yours sincerely

A handwritten signature in black ink that reads "Naomi Agius". The script is cursive and elegant, with the first letters of "Naomi" and "Agius" being capitalized and prominent.

Naomi Agius
Acting Head of the Ministerial Correspondence Team