

News, Tips & Advice

Issue # 7

April 2021

ABOUT CHAI

CHAI is a registered Scottish charity providing free and independent advice to people affected by housing, debt and benefit issues in Edinburgh and Midlothian.

Our vision is:

CHAI works to ensure no one in our communities has to endure hardship.

Our missing statement:

CHAI helps and empowers people through high-quality, impartial advice on welfare benefits, housing, and debt.

We are supported by the City of Edinburgh Council and NHS Lothian.

This newsletter includes information on benefits and money tips to help maximise your income.

Our **Advice Team** can help you address any financial worries you may have. **We can help you** with benefit checks, benefit and debt issues, employability & more! Contact us on **0131 442 2100** to make an appointment.



Happy Easter from
The Advice Team

Are you Eligible for a Self-Isolation Grant?

You may be entitled to a grant of £500 if you need to self-isolate due to COVID-19. Check out this step-by-step guide to work out if you're eligible. The grants are delivered by your local Council. Apply here: www.edinburgh.gov.uk/xfp/form/243

STEP 1	+	STEP 2	+	STEP 3
<ul style="list-style-type: none">•You are 16 or over & <ul style="list-style-type: none">•You have been told to self-isolate through Test & Protect OR <ul style="list-style-type: none">•You are a parent whose child (or a person over 16 whom you care for) has been told to self-isolate		<ul style="list-style-type: none">•You are employed or self-employed & <ul style="list-style-type: none">•You can't work from home & <ul style="list-style-type: none">•You're experiencing reduced income due to self-isolation		<ul style="list-style-type: none">•You're getting Universal Credit (UC) or a means-tested benefit (this can include council tax reduction) OR <ul style="list-style-type: none">•You would be entitled to UC based on your income if you applied for it OR <ul style="list-style-type: none">•You earn the Real Living Wage or less (£9.50 per hour)
NOTE: You can only make one claim per household in the same period.				

Covid-19—What Extra Help Can You Get?

◆ New Covid Spring Hardship Payment

The Scottish Government has announced a new payment of **£100** called the Covid Spring Hardship Payment which follows on from the Covid Winter Hardship Payment (delivered over Christmas). It will be paid to **low-income families** and delivered at **the same time as free school meals** during the **Easter** holidays.

Although the payment will be made **automatically** to eligible families, you must make sure that the Council have the **correct bank details** for you. If you only receive free school meals because your child is in P1 to P3, you will not qualify for this new payment, unless you are assessed as having a low income. If this applies to you, you may need to request this income assessment. You can email the Council at: school.grants@edinburgh.gov.uk

◆ Extended Furlough Scheme (CJRS)

The furlough scheme or Coronavirus Job Retention Scheme (CJRS) will be **extended** until the end of **September 2021** and will continue to provide **80%** of furloughed employees' **wages** for hours not worked up to the £2,500 monthly limit.

Contact your employer to discuss eligibility.

◆ Working Tax Credits

Working tax credits claimants who have been furloughed, or experience a temporary reduction in their working hours as a result of Covid-19, will continue to be treated as working their normal hours for the duration of the furlough scheme. This means that their tax credits will **continue as normal**.

◆ Extended Scheme for the self-employed

Two new grants will be provided to eligible self-employed workers as part of the SEISS (Self-Employment Income Support Scheme). The **fourth grant** will cover the three-month period from 1 February 2021 to 30 April 2021, and a new **fifth** grant covering May to September 2021.

People who have filed a tax return for the financial year 2019/2020 will qualify for the fourth grant. The **amount of the fourth grant** will remain at 80% of 3 months' average monthly trading profits, capped at £7,500.

The **fifth grant amount** will be calculated at 80% of the last 3 months' trading profits **if** the self-employed person's turnover has reduced by more than 30% in the year April 2020 to April 2021. Those whose turnover has reduced by less than 30% in the last financial year will receive 30% of their average trading profits.

In Summary

COVID Spring Hardship Payment	A one-off payment of £100 with your school meal payments at Easter
Furlough Scheme (CJRS)	80% of furloughed employees' wages for the hours not worked up to £2,500 per month + Working Tax Credits will continue as normal.
SEISS Scheme (self-employed)	A fourth grant for period 1 February 2021 to 30 April 2021, at 80% of 3 months' average monthly trading profits, capped at £7,500. A fifth grant for period May to September 2021, at 80% of your profits if your turnover has reduced by more than 30% in the last financial year or a grant of 30% of your profits otherwise.

Covid-19—Housing News

The Tenant Hardship Fund

The Tenant Hardship Loan Fund will continue to receive applications **beyond the original deadline of 31 March 2021**. This is a Scottish Government Scheme providing **interest-free loans for private or social tenants to avoid evictions**. Tenants may apply for help with rent arrears accrued since 01 January 2020, or may use the loan to pay up to 3 months of future rent payments.

To be eligible, you need to have explored other forms of funding first, i.e., Universal Credit or Housing Benefit or Discretionary Housing Payments (DHP)*. You also need to pass an affordability check and a credit check. The applicant's landlord or letting agent will be contacted to confirm the level of any arrears.

Loan repayments will be deferred for 6 months following payment of the loan, but the loan must be repaid within 60 monthly instalments.

Apply at: <https://tenanthardshiploan.est.org.uk>

NOTE: * **Discretionary Housing Payments** are additional payments you can apply for to help with rent shortfalls that are not covered by Housing Benefit or Universal Credit. The amount awarded depends on your financial needs and the Council's funds at the time of the application. Apply on the Council's [website](#).

Eviction Grounds and Notice Periods

The Scottish Government is extending most provisions from the Coronavirus (Scotland) Act 2020 until **30th September 2021** to protect social and private tenants.

—> Extending notice periods

All landlords need to give their tenants notice (a period of time) before ending their tenancy. The 2020 Act temporarily extends most notice periods by up to **6 months**—although it remains one month/28 days in case of antisocial and criminal behaviour.

—> Grounds for eviction



To end a tenancy, landlords also need valid grounds (or reasons). The Act makes all grounds for eviction in the private rented sector discretionary. A landlord needs to get an eviction order from the First-Tier Tribunal (Housing and Property Chamber) before being able to evict a tenant. In the past, some eviction grounds were mandatory—the Tribunal was compelled to grant an eviction order if certain grounds were met. Now, the Tribunal can use its **discretion** in **all** eviction cases and decide if it is **reasonable** to evict a tenant based on all the circumstances of the case.

—> Additional requirements to comply with before evicting a private tenant.

The Act has made it compulsory for private landlords to comply with 'pre-action requirements' before an eviction can be considered 'reasonable' by a Tribunal. Private landlords must now make efforts to work with tenants to manage rent arrears, **for example, by** providing tenants with information about their rights and details of free and independent sources of debt help and advice. This was already the case for social tenancies but has now been extended to private tenancies until 31 September, although the Scottish Government is considering making this change permanent.

Ban on Eviction Enforcement

Evictions are still possible, as long as the above requirements are met. However, there is a current ban on eviction **enforcement** in areas subject to level 3 or 4 restrictions until 31 March 2021. Sheriff officers cannot remove a household from a property, after a court or Tribunal order has been made, except for cases of serious antisocial or criminal behaviour, or domestic abuse.

Scottish Benefits - At a Glance



Social Security Scotland
Tèarainteachd Shòisealta Alba

Benefit name	Who is it for?	Income eligibility	How much is it?
Benefits for Parents			
Scottish Child Payment	Parents with a child under the age of 6 This will be extended to children aged 6 to 16 by end of 2022.	You must receive a means-tested benefit like Universal Credit, or Tax Credits.	£10 per week for each child under 6.
Child Winter Heating Allowance	Parents of a child and young person.	The child must receive the highest rate care component of DLA.	£202 each winter per eligible child, paid automatically by Nov-December.
Best Start Grant Pregnancy & Baby Payment	You can apply from week 24 of your pregnancy until the baby is 6 months old.	- People over the age of 19 must be in receipt of a means-tested benefit. - If you are 18 or 19 , the person you live with (i.e. a parent or carer) must claim a benefit for looking after you (like child benefit). - The under 18's qualify regardless of income.	£606 for your first baby & £303 for every other child after that + £303 extra if it's a multiple birth.
Best Start Grant Early Learning Payment	Parents of toddlers aged between 2 and 3.5.		A one-off payment of £252.50.
Best Start Grant School Age Payment	Eligible families with a child born between 1 March 2016 and 28 February 2017.		A one-off payment of £252.50. Apply between 1 June 2021 and 28 February 2022.
Best Start Foods	Pregnant women and children under the age of 3.	Same as above + You (and your partner's) earnings are below the relevant earnings threshold : - Housing Benefit Claims: £311, net, per week - Universal Credit Claims: £610, net, per month - Child Tax Credits claims: £16,190, gross, per year - Working Tax Credits claims: £7,320, gross, per year	£17 every four weeks to pay for milk, infant formula, fruit and vegetables, eggs & pulses, for pregnant women and children under the age of 3. £34, every 4 weeks, if your baby is under 1.

To apply for Scottish benefits, go to: www.mygov.scot/benefits/ or phone **0800 182 2222**.

Benefit name	Who is it for?	Income eligibility	How much is it?
Benefits for Carers			
Carer's Allowance Supplement	People claiming Carer's Allowance.	You must receive Carer's Allowance in the qualifying weeks which are the 2 nd Monday in April and in October.	2 automatic payments in June and December. Each payment in 2021 will be £231.40.
Young Carer Grant	Young carers aged 16 to 18 who do NOT claim Carer's Allowance.	You must be caring for someone (like a family member) on 16 hours per week (which can be averaged over a 3-month period). A 3-week break in care is allowed. & The person cared for must have been in receipt of the middle or higher rates of DLA (Disability Living Allowance), PIP (Personal Independence Payment) or Attendance Allowance for 13 weeks before the application.	An annual payment of £308.15.
Other Benefits			
Job Start Payment	Young people aged between 16 and 24 inclusive. Note: Criteria are different for care leavers.	You have been out of paid work and in receipt of a means-tested benefit for 6 months before your job offer. & The job must be for at least 12 hours per week, which can be averaged over 4 weeks.	One-off payment of £252.50 OR £404 if the person has a child.
Funeral Support Payment	Those who are deemed responsible for funeral costs for someone.	You must receive a means-tested benefit. Those with working tax credits, must also be getting the disabled worker or severe disability element.	It varies. Seek advice. The average payment made is £1,700.

Scottish Disability Benefits - What's to come

The Scottish Government will roll out new Scottish disability benefits to replace DLA (Disability Living Allowance), PIP (Personal Independence Payment) and Attendance Allowance. The first benefit to be implemented, **the Child Disability Payment**, will be rolled out by **autumn 2021**. More details soon.

The UK Budget & Your Benefits

The Weekly Benefit Uplift

The **Universal Credit £20 per week uplift** has been extended for 6 months **until October 2021**. This means that Universal Credit claimants will continue to get an additional £20 per week. This will be automatic, so you do not need to claim it.

The uplift does not apply to any other means-tested benefits, with the exception of **Working Tax Credits claimants** who will automatically receive a **one-off payment of £500** by 23 April 2021.

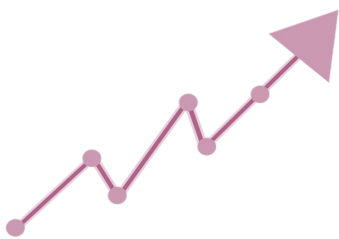
Eligible tax credits claimants will include those who, on 2 March 2021, receive working tax credit payments; both working tax credit and child tax credit payments; or child tax credit payments where they are eligible for working tax credit but do not get a payment because their income is too high.



Universal Credit: Debt Recovery Changes

The rules related to debt recovery under Universal Credit have changed. From April 2021, Universal Credit **advances** will now be **recovered over 24 months**. In practice, your direct deductions may reduce significantly as you will have more time to repay the advance—i.e., up to 2 years instead of 1.

In addition, the **maximum rate at which deductions** can be made from a Universal Credit award will **reduce from 30% to 25% of the standard allowance**. The standard allowance is the basic benefit rate that you receive before any additional elements like the child element or carer element are added to your award. For example, a single person will only ever get a maximum of 25% of their standard allowance (£409.89) deducted to repay debts—which comes to £102.47 per month.



Money Advice News In Brief

POST OFFICE CARD ACCOUNTS CLOSING

The Post Office card (POca) service is closing! If you get your State Pension or benefit payments paid into a Post Office card account, you need to phone the POca Customer Service Centre, on 0800 085 7133, to provide alternative bank account details. For anyone who is unable to open a bank account or provide new account details, a payment exception service will be available. If you don't have a bank account, you can set up a **basic bank account**, with no credit facility, at most high street banks. More details here:

www.moneyadvice.org.uk/en/articles/basic-bank-accounts

PRACTISING ONLINE BANKING

If you are new to online banking, check out the new Money Advice Scotland's online banking practice tool. This is not a real bank account. It is a practice platform that allows users to have a go at setting up direct debits and viewing bank statements etc. See:

www.moneyadvice.org.uk/about-mas-online-bank

STUDENT LOANS

New legislation has increased the student loan repayment earnings threshold to £25,000 (gross, per year) in Scotland. You won't need to repay your student loan until you earn this amount.

For an appointment, contact CHAI on 0131 442 2100.



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