

## 17-22: Cost of Living Additional Payments 2022

Contents	Paragraphs
Introduction	1
Background	2
Means -tested additional payments	3
Means tested benefits	4
Qualifying day	5
Qualifying entitlements	6
Applicable benefits	7 - 8
Disability Additional Payments	9
Qualifying Disability Benefits	10
Effect on Social Security Benefits	11 - 12
Contacts	

### INTRODUCTION

1. This memo provides guidance on the Social Security (Additional Payments) Act 2022<sup>1</sup>. The Act came into force on 28.6.22 and extends to England and Wales, Scotland and Northern Ireland.

[1 SS \(AP\) Act 22](#)

### BACKGROUND

2. The governments cost of living package has confirmed that certain households will receive an additional cost of living payment of up to £650. The payments are part of a package which supports vulnerable households helping with the cost of living which were announced by the chancellor in May 2022. The additional payments will be automatically issued to eligible persons in two separate payments. These additional payments are not taxable and will not affect a person's benefits or tax credits.

**Note 1:** DWP is using a computer program to identify eligible persons for the additional payments.

Therefore, there is no claims process for persons to follow to claim the additional payments. The payments will be paid into the bank account where claimants normally receive benefits or by the claimant's preferred alternative arrangements where applicable.

**Note 2:** This memo provides guidance on the effect of additional payments on Social Security Benefits. For guidance on the effect of additional payments on tax and tax credits contact HMRC.

## **MEANS-TESTED ADDITIONAL PAYMENTS**

3. A single payment of

**1.** £326 to any person who has a qualifying entitlement to a means tested social security benefit payable in respect of the first qualifying day **and**

**2.** £324 to any person who has a qualifying entitlement to a means tested social security benefit payable in respect of the second qualifying day<sup>1</sup>.

**Note 1:** Reference to a "person" is to an individual or to a couple but not to each member of a couple separately.

**Note 2:** For the list of means tested benefits see paragraph 4. For the meaning of qualifying day see paragraph 5 and for guidance on qualifying entitlement see paragraph 6.

**Note 3:** Payments will be staggered. The first payment should have been paid into the eligible persons' bank accounts or by their approved alternative method of payment from 14.7.22. It is expected the majority of the first payments will be made by the end of July 2022.

1 SS (AP) Act 22, s 1

### **Means tested benefits**

4. Means-tested benefits are

**1.** Universal Credit (UC)

**2.** Income-based Jobseeker's Allowance (JSA(IB))

**3.** Income-related Employment and Support Allowance (ESA(IR))

**4.** Income Support (IS)

**5.** State Pension Credit (SPC)<sup>1</sup>.

**Note 1:** For the purposes of these additional payments, contributory benefits are not qualifying benefits.

**Note 2:** Tax credits are also qualifying benefits for the additional payment. For guidance on the effect of additional payments on tax and tax credits contact HMRC.

*1 SS (AP) Act 22, s 1(3)*

## **Qualifying day**

5. The

**1.** qualifying day for the first payment is 25.5.22<sup>1</sup> which means the claimant is entitled to a payment of

**1.1** UC in an assessment period ending between 26.4.22 to 25.5.22 **or**

**1.2** JSA(IB), ESA(IR), SPC or IS in the period 26.4.22 to 25.5.22 **and**

**2.** the qualifying day for the second payment will be no later than 31.10.22, to be specified by the Secretary of State in regulations<sup>2</sup>.

*1 SS (AP) Act 22 s 1(1)(a); 2 s 1(4)*

## **Qualifying entitlements**

6. A person has a qualifying entitlement to a social security benefit in respect of a qualifying day if in respect of

**1.** UC, the person is entitled to a payment of at least 1p in respect of an assessment period ending during the period of one month ending with the qualifying day **or**

**2.** SPC, JSA(IB), ESA(IR) or IS, the person is entitled to a payment of at least 1p in respect of any day during the period of one month ending with the qualifying day<sup>1</sup>.

**Note 1.** For the meaning of qualifying day see paragraph 5.

**Note 2:** A person receiving a payment or having an award does not include payments received or awards made as a result of fraud.

**Note 3:** Where a person has entitlement to UC and another social security benefit on the qualifying day see further guidance at paragraph 7.

*1 SS (AP) Act 22, s 2*

## Applicable benefits

7. Where a person has a qualifying entitlement in respect of a qualifying day to

**1. UC and**

**2. another social security benefit**

the benefit by reference to which the additional cost of living payment in respect of the qualifying day is to be made is UC<sup>1</sup>.

*1 SS(AP)Act 22, s 3*

8. Where HMRC make a payment to a claimant thinking they are someone who does not have entitlement to a DWP benefit and it later transpires that the claimant does have an entitlement to a DWP benefit in the qualifying period, the original HMRC payment is treated as if it were the correctly made payment by DWP<sup>1</sup>.

*1 SS(AP)Act 22 s 6 & 7(5)*

## DISABILITY ADDITIONAL PAYMENTS

9. The Secretary of State will issue a further disability additional single payment of £150 to anyone who is entitled to a payment of a disability benefit that is payable in respect of 25.5.22<sup>1</sup>.

**Note:** A disability additional payment is made to each individual who is entitled to a payment of a disability benefit.

*1 SS (AP)Act 22, s 5*

## Qualifying Disability Benefits

10. The list of qualifying benefits includes

**1. Attendance Allowance**

**2. Constant Attendance Allowance**

**3. Disability Living Allowance for adults**

**4. Disability Living Allowance for children**

**5. Personal Independence Payment**

**6. Adult disability payment (Scotland)**

7. Child disability payment (Scotland)

8. Armed Forces independent payment

9. War pension mobility supplement.

**Note:** The full list of qualifying disability benefits can be found in the legislation<sup>1</sup>.

*1 SS (AP) Act 22, s 5(2)*

## **EFFECT ON SOCIAL SECURITY BENEFITS**

11. No account is to be taken of any cost of living additional payments when considering a person's entitlement to a means tested social security benefit<sup>1</sup>.

**Note:** For calculating benefit entitlement purposes the additional payment is completely ignored.

*1 SS(AP) Act 2022, s 8*

12. Additional cost of living payments<sup>1</sup> are an entirely new benefit which are automatically passported from existing benefit entitlement. Therefore, there

1. is no entitlement decision **and**

2. are no rights of appeal

in respect of these payments.

*1 SS(AP) Act 22, s 6*

## **CONTACTS**

If you have any queries about this memo, please write to Decision Making and Appeals (DMA) Leeds, 3E zone E, Quarry House, Leeds. Existing arrangements for such referrals should be followed, as set out in [Memo ADM 7/19](#) Requesting case guidance from DMA Leeds for all benefits.

**DMA Leeds: August 2022**

The content of the examples in this document (including use of imagery) is for illustrative purposes only