

Introduction to Benefits

The benefits system

You may be entitled to receive benefits if you are on a low income or have certain costs to meet because of your personal situation.

If any of the following apply to you:

- you're on a low income (employed or looking for work)
- you have dependent children
- you're ill or disabled
- you're caring for someone
- you're aged 60 or over
- you have been bereaved
- you're pregnant or have recently had a baby

You can check whether you may qualify to receive financial or other support by using the [benefit adviser](#) use this link. This will tell you who can and can't claim specific benefits and other support, and next steps.

In this section you will find information on the benefits system:

[The General Principles of benefits system](#)

[Overlapping benefit rule](#)

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[How to challenge most benefit decisions](#)

Benefits divide into 2 main groups: Means-tested benefits and Non-means-tested benefits

Means tested benefits

Means tested benefits are not affected by how much National Insurance contributions a person has paid. They are affected by the claimant's circumstances, capital and income and involve a calculation. Each means tested benefit has its own qualifying rules.

[A brief description of each benefit](#) - [Click here for further information](#)

- Council Tax Benefit
- Education benefits
- Employment and Support Allowance (income related)
- Health Benefits
- Housing Benefit
- Income Support
- Jobseeker's Allowance - income based
- Pension Credit
- Social Fund
- Tax Credits (Child Tax Credit and Working Tax Credit)

Non-means tested benefits

Non-means tested benefits have different rules. Once a person satisfies these rules they usually get the benefit regardless of any other income that they have. But there are exceptions (see below - overlapping benefits rules). For some, additional amounts may be claimed for dependants - although additions for children were replaced by Child Tax Credit for new claimants from 7 April 2003.

[A brief description of each benefit](#) - [Click here for further information](#)

The benefits are split into 2 main headings of contributory and non – contributory.

Contributory benefits

In order to qualify a person must have paid enough 'National Insurance contributions' - which are usually deducted from a person's wage. HM Revenue and Customs National contributions office keeps a record of all contributions paid.

The main contributory benefits are:

- Bereavement Benefits
- Bereavement Allowance
- Bereavement Payment
- Widows Benefits
- Widowed Parents Allowance
- Employment and Support Allowance (contribution based)
- Incapacity Benefit
- Jobseekers Allowance - Contribution based
- Maternity Allowance
- Retirement Pension

Non-contributory benefits

To get these, a person does not have to have paid National Insurance contributions; they just have to satisfy the basic conditions. The benefits are also usually paid whatever other income a person has.

The main non-contributory benefits are:

- Attendance Allowance
- Carers Allowance
- Child Benefit
- Disability Living Allowance
- Employment and Support Allowance in youth and Incapacity Benefit in youth
- Guardians Allowance
- Industrial Injuries Benefit
- Industrial Death Benefit
- Severe Disablement Allowance
- Statutory Adoption Pay
- Statutory Maternity Pay
- Statutory Paternity Pay
- Statutory Sick Pay
- War Pensions/Armed Forces Compensation Scheme

There are other benefits that do not neatly fit into either group e.g. 'in work' benefits.

Overlapping Benefit Rules

A person may be entitled to a combination of benefits, but some benefits overlap. This means the person may be entitled to two or more benefits but cannot be paid both of them. Overlapping benefits split into contributory and non-contributory benefits:

Where someone is entitled to more than one benefit the following rules apply:

- A contributory benefit is paid in preference to a non-contributory benefit. This is topped up by any balance of the non-contributory benefit due.

The highest rate of benefit is paid.

If two of them are the same amount only one is paid.

These benefits also 'overlap' with dependants' additions. For example, a wife could not get a dependant's addition on her Incapacity Benefit for her husband if he was already getting Contribution based Jobseekers Allowance.

Attendance Allowance and Disability Living Allowance care components overlap with Constant Attendance Allowance.

General principles of the benefits system

There is more to benefits than benefit rules e.g. which office deals with which benefit, how to claim payments, how to challenge a decision etc. This is a brief introduction to those areas.

Administration

Most benefits are administered by the Department for Work and Pensions (DWP) through Jobcentre Plus, the Pension Service and the Disability and Carers Service. Housing and Council Tax Benefits and Education Benefits are administered by local councils. Statutory Sick Pay, Adoption Pay, Maternity Pay and Paternity Pay are paid by employers. War Pensions and Armed Forces compensation schemes are administered by the Ministry of Defence Service Personnel Veterans Agency. HM Revenue and Customs run Tax Credits, Guardian's Allowance and Child Benefit. Different benefits are dealt with by different parts of an office or in some cases, completely different offices. Benefits are dealt with by local, regional or national offices. There is a different process for claiming some benefits in areas where a Jobcentre Plus system operates. Jobcentre Plus offices provide a single contact point for many benefits. The Data Protection Act allows people to see their files.

Contacting the benefit offices

Telephone

This may be the quickest way to sort out a particular problem or query. You will need the relevant information to hand, e.g. National Insurance number. Get the name, title and telephone extension of the person contacted if possible.

It is important to have an up-to-date authorisation signed by the claimant if you are ringing up on his/her behalf. Information may not be given out without it. It is also wise to make a brief note of what is said together with the date.

Writing

A letter or fax may be the best way to make contact. Copies of letters and forms should be kept. If there is a delay in getting a reply, the relevant office should be contacted.

Visiting

A personal interview is one way to get information across. It is usually best to arrange an appointment as many offices are very busy and a long wait should be expected. You should take along any documents that might possibly be relevant as it is frustrating to be asked to return because you are unable to provide one small item of information.

Private interview rooms are available – it is best either to request them in advance or at arrival at the office.

Claims and payments

Claiming All benefits have to be claimed in writing. Usually this means filling in a special form - one for each different benefit. With all benefits, particularly Income Support and Jobseekers Allowance - income based, you need to provide all information necessary (including National Insurance number) before a claim is accepted as valid. Delays in providing information can mean lost benefit.

You should claim as soon as you think you may be entitled. It is only possible to get benefit backdated in limited circumstances.

Backdating a Claim

Claims for most benefits can be backdated for up to three months, but only in limited circumstances.

Backdating must be requested, as it is not usually considered automatically. If the benefits office makes an error on a claim, or gives wrong advice it may be possible to get benefit backdated beyond the time limits.

Entitlement

A claim for benefit is considered by a 'decision maker' who has to abide by rules agreed by Parliament. If you think the decision is wrong it can be challenged.

Payments

Payment used to be made in various ways: by giro, directly into a bank or building society or by order book - cashed at nominated post offices. Statutory Maternity Pay and Statutory Sick Pay are usually paid with a person's wages. A person can be paid in advance and sometimes in arrears. Sometimes several benefits are combined. Housing Benefit can be paid either directly to the claimant or the landlord - if a private tenancy, or by a reduction in the rent - if a council tenant. Local Housing Allowance is normally paid direct to the tenant. The Council Tax bill is automatically reduced by any Council Tax Benefit entitlement.

Payment for some benefits may be made for an indefinite period until a person's circumstances change. Or it can be paid for a limited period, at the end of which it can be reclaimed e.g. Disability Living Allowance.

Overpayments

For most benefits, overpayments occur when the decision maker thinks the claimant has been paid benefit they may not have been entitled to. For example if a claimant has a change in circumstances, which means they are no longer entitled to that amount of benefit but have not informed the benefits authority. If the overpayment was due to fraud, the DWP, HM Revenue and Customs or the local authority can

prosecute or offer the option of paying a penalty as an alternative to going to court. Sometimes the overpayment was caused by the benefit authority. Some overpayments are not repayable.

Seek advice straight away as it is possible to challenge an overpayment decision.

How to challenge most benefit decisions

If you think a decision about your benefits is wrong, you can ask the office that made the decision to explain it. You can also ask to get the decision reconsidered and, if you're still unhappy, you can appeal against the decision to an independent tribunal.

You can ask for an explanation or reconsideration of every decision, but some benefit decisions cannot be appealed. E.g. you can't appeal against decisions on Budgeting Loans, Community Care Grants or Crisis Loans. The decision letter will make it clear if it can't be appealed.

Deadlines

You have one month:

- after getting a decision to ask for it to be explained, reconsidered or to appeal
- after getting a reconsidered decision to start an appeal

A late appeal may be accepted if you have special circumstances that prevented you appealing in time, but not if more than 13 months have passed.

The appeal must:

- Usually be on an appeal form: found in leaflet GL24. These leaflets are available from DWP offices or on the [DWP Benefits](#) website.
- Give the date of the decision being appealed
- State the appeal grounds
- Be sent to the office that made the decision, to reach them within one month of the date of the decision.

When the DWP receive an appeal, they may change (revise) their decision. If not, it goes to the nearest tribunal. For Blackpool and the surrounding area it is:

The Appeals Service 36 Dale Street, Liverpool, L2 5UQ

A person is sent a TAS1 enquiry form, which must be filled in and returned within 14 days.

There are strict time limits to be aware of. Tax Credits rules are different but the principles are the same.

Complaints and compensation

For most benefits in addition to the above ways of challenging decisions, the claimant may complain about the way their case is dealt with or wish to get a quicker decision or to have something properly taken into account.

If the claimant is dissatisfied with the way a case is handled, a more senior officer should be contacted within the relevant department.