

Cost of Living Payment

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The Cost of Living Payment

The Cost of Living Payment is intended to support claimants with the recent cost of living increases.

Eligible claimants, or couples on low-income benefits and Tax Credits, will receive a payment of up to £650. This is divided into two separate payments, each with their own eligibility periods.

For other benefit groups, see Payment of the Cost of Living Payment and Tax Credits.

Claimants do not need to apply for this payment. If they are eligible, they will be paid automatically using the same payment method by which their benefit payments are made.

More information is available on the [Cost of Living Payment](#) page on www.gov.uk.

Eligibility criteria

For universal Credit claimants, eligibility for the Cost of Living Payment is based on their circumstances in the relevant assessment period which ends on or within the eligibility period.

Claimants may be eligible for the Cost of Living Payment if they get any of the following qualifying benefits:

- Universal Credit
- Income-based Jobseeker's Allowance (JSA)
- Income-related Employment and Support Allowance (ESA)
- Income Support
- Pension Credit
- Child Tax Credit,
- Tax Credit (see the Tax Credit section)

Payment will not be made to claimants who are only receiving:

- New Style Employment and Support Allowance,
- Contributory Employment and Support Allowance, or
- New Style Jobseeker's Allowance

unless the claimant is also receiving Universal Credit.

If a claimant was entitled to a payment of the qualifying benefit during the eligibility period but payments then ended or they changed benefits, they will keep their entitlement to the Cost of Living Payment.

In circumstances where a sanction or earnings reduces Universal Credit entitlement for the relevant assessment period to nil, the claimant is not entitled to the Cost of Living Payment.

Eligibility period

The eligibility period is set by Parliament.

To get the first Cost of Living Payment, a claimant 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 on or within 26 April 2022 to 25 May 2022, or
- income-based JSA, income-related ESA, Income Support or Pension Credit for any day in the period 26 April 2022 to 25 May 2022

To get the second Cost of Living payment, a claimant 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 on or within 26 August 2022 to 25 September 2022 or
- income-based JSA, income-related ESA, Income Support or Pension Credit for any day in the period 26 August 2022 to 25 September 2022

If a claimant qualifies, they will be paid automatically and they do not need to contact the Department.

If it is later found that a claimant was not entitled to Universal Credit for the eligibility period, they will be required to pay back the Cost of Living Payment.

Cost of Living Payments in 2023-2024

The Government has announced that there will be further Cost of Living Payments in 2023-2024.

Exact payment windows will be announced nearer to the time but will be spread across a longer period to ensure consistent support being offered throughout the year. Broadly, this will be as follows:

- £301 – First Cost of Living Payment – during Spring 2023
- £150 – Disability Payment – during Summer 2023
- £300 – Second Cost of Living Payment – during Autumn 2023
- £300 – Pensioner Payment – during Winter 2023/4
- £299 – Third Cost of Living Payment – during Spring 2024

Right of appeal

The Cost of Living Payment is based on the claimant's eligibility to a qualifying benefit during the qualifying period.

There is no right of appeal against the eligibility criteria for Cost of Living Payments.

If a claimant believes they were entitled to a qualifying benefit for one or more of the qualifying periods, they must make enquiries for the relevant benefit.

Payment of the Cost of Living Payment

Most of the first payments of £326 were made before the end of July 2022.

The second payment of £324, was made between 8 November and 23 November 2022.

Cost of Living Payments are made separately from the claimant's benefit payment or Tax Credits.

If the claimant is also entitled to a qualifying disability benefit, they may get an additional Disability Cost of Living Payment.

Claimants entitled to the Winter Fuel Payment will get an extra amount in addition to any Cost of Living Payment. See [Pensioner Cost of living Payment](#) on GOV.UK for details of the exact amounts.

Payments do not affect the claimant's entitlement to Universal Credit and are disregarded when calculating their income, savings and investments. See Capital disregarded indefinitely.

Reassurance that payment has been made

Claimants only need to check the account their benefit is paid into to confirm whether a payment has been made.

The first set of payments will appear on the claimant's bank statement as 'DWP Cost of Living', although some banks may shorten this.

The second set of payments will appear on the claimant's bank statement as 'NINO DWP Cost of Living' (for example, 'AA123456A DWP Cost of Living').

Credit Union, corporate appointees and care homes

Where Credit Unions, Corporate Appointees or Care homes have received payments but are unable to identify which claimant the payments belong to, administrators must email the Bank Liaison Service. They must provide the payment reference number and include 'Cost of Living Payment' in the subject header of the email.

The inbox address is not to be shared with claimants, it is for use of Credit Unions, corporate appointees and care homes only.

Some Credit Unions may ask the claimant for an 18 digit reference number to help identify the payment. Credit Unions must contact the bank to get the 18 digit reference number which can then be sent to the Department's Finance Section.

Banks

The Right of Appropriation law means that a bank must not use a benefit payment or Cost of Living Payment made by the Government to repay the claimants overdraft. Claimants who suggest this has happened will need to speak to their bank.

If the payment has been credited to a claimant's bank account which is no longer in use, DWP are not able to recall or replace the payment.

With regard to the first set of payments where the claimant account details have been changed after the 7 July 2022, DWP may not be able to replace the payment.

For the second set of payments where the claimant account details have been changed after the 1 November 2022, DWP may not be able to replace the payment.

If the account belongs to someone other than the claimant, the claimant should approach that person for the payment where it is safe to do so.

If the payment is credited to an account that is closed, the payment will be returned to DWP by the bank. Once DWP have confirmed the return of this payment, it will be reissued to the account that the claimant's Universal Credit is paid into.

Missing Cost of Living payment report

Claimants who have not received the payment, but feel they should have, can raise a request to investigate this using the link on the [Report a missing Cost of Living Payment for a benefit](#) page on www.gov.uk after 23 November.

Claimants who are unable to raise a request or do not have a friend or family member that can help them can ask staff to do this for them

Missing payment requests are responded to in 14 calendar days.

Claimants do not have to take any further action and are automatically notified when their query has been resolved. The notification will appear in their journal if their account is still live or posted to them if it is closed.

A notification on the claimant journal will inform them if their account is still active.

Tax Credit recipients

HMRC is issuing Cost of Living Payments to Tax Credit recipients later to allow time to ensure those who claim Tax Credits, as well as a means tested benefit, do not receive the payment twice.

Once the DWP has made payments and informed HMRC who it has paid, HMRC will then issue payments to those who claim Tax Credits but do not receive any eligible means-tested benefits from DWP.

For further information on the Cost of Living and Tax Credits, see the [Cost of Living Payment](#) page on www.gov.uk.

Security alert

The Department has been alerted to bogus emails and SMS Text messages that are being issued.

DWP will not ask for bank details by email or SMS text message and the Department will never send claimants a link to click into. If a claimant receives an email or SMS asking for bank details, they must not click into it.