

MONEYmatters

Brought to you by Housing Solutions - Issue 2

July 2017



Updates on Welfare Reform

The welfare reform changes started in 2013. Further announcements have been made since then which we have outlined in this 2nd edition of our Money Matters Newsletter. Many of the changes will only affect new claimants.

We will be keeping you up to date on the changes through this newsletter, our website www.housingsolutions.co.uk and our Facebook page.

CHANGES TO BENEFITS

BENEFIT CAP

In April 2013, the government introduced a cap on the total amount of benefits that working age people could get, so that households on out of work benefits will no longer get more in welfare payments than the average weekly wage for working households. The benefit cap limit was reduced on November 7 2016 to:

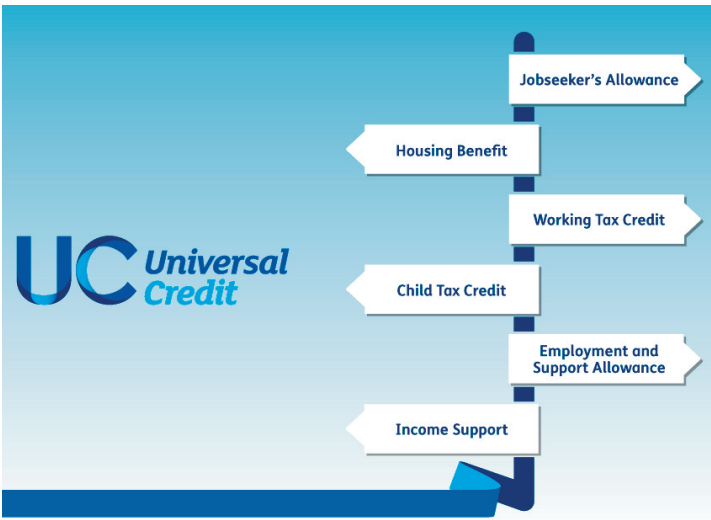
- £384.62 per week for single parents and couples - £20,000 per year;
- £257.69 per week for single people - £13,400 per year.

The Financial Inclusion Team & Community Engagement Team have been working closely with all customers affected by the benefit cap, looking at ways to help them into work to minimise the impact of the changes.

UNIVERSAL CREDIT

The Financial Inclusion Team and Community Engagement Team have been working closely with all customers affected by the benefit cap, looking at ways to help them into work to minimise the impact of the changes.

Universal Credit rolled out locally in September 2015. Currently we have just over 30 customers claiming. It is being introduced in stages, at present it is for single adults of working age. Below is a timetable of when certain areas will go live with the Full Digital Service.



Local authority	Due to go live
Reading	Dec 2017
Wokingham	Dec 2017
Basingstoke & Deane	Feb 2018
RBWM	Feb 2018
Slough	Feb 2018
South Bucks	Feb 2018
Wycombe	May 2018
Aylesbury Vale	Jun 2018

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The full digital service will be open to all new claims from claimants of working age. All new claims will need to be made via the digital service. Claimants on the current live service will be transferred across to the full service.

Under the full service you will have an online Universal Credit account to manage your claim. You can use your account to report changes, send messages to your work coach and find support. Eventually all Universal Credit claims will be on the full service and you will have a Universal Credit online

LOCAL HOUSING ALLOWANCE

The Government has announced that for new tenancies from April 2016, housing benefit (or the Housing element of Universal Credit) will be capped to a new rate called the Local Housing Allowance (LHA). This rate is already in place for recipients of housing benefit who live in private rented accommodation. This is a Government decision and not one made by Housing Solutions. There are maximum rates for different property sizes, and these maximum rates vary between areas. LHA rates are based upon the lower levels of market rents in an area.



It will apply to tenants who have signed new or re-let tenancies on or after 1 April 2016 and their social sector rent (including service charges) is higher than the Local Housing Allowance (LHA) rate. Those on Housing Benefit with tenancy start dates prior to April 2016 will not be affected unless they subsequently renew. The policy will see Housing Benefit (or the Housing element of Universal Credit) entitlement changing from 1 April 2019. For supported housing it will apply to all tenancies signed from April 2017. You will need to consider how you will afford any shortfall in your rent.

LHA FOR UNDER 35'S

The move also means that housing benefit (or the Housing element of Universal Credit) for single people in social housing under 35 without children will be restricted to shared accommodation rate (SAR). You will only be able to claim the same amount of benefit as a private tenant is able to claim for a room in a shared house. Even if you are single and under 35 with no children, your Local Housing Allowance will not be restricted to the shared accommodation rate, if you

- live with an adult non-dependent;
- are a foster carer;
- get the severe disability premium in your benefit;
- receive the middle or higher rate care component of the Disability Living Allowance or the daily living component of Personal Independence Payment or Armed Forces Independence Payment;
- need an extra bedroom for a carer who provides you with the overnight care you need but who doesn't normally live with you;

IF YOU NEED ANY HELP OR ADVICE ON WELFARE PAYMENTS OR ANY MONEY MATTERS.

- are aged under 22 and have been in care;
- live in supported housing provided by a housing association, registered charity, voluntary organisation or a county council (in England);
- are 25 or over and have spent at least three months in a homeless hostel or; hostel specialising in rehabilitating and resettling within the community. To benefit from this exemption you need to have been offered and accepted support services to enable you to be rehabilitated or resettled in the community;
- are 25 or over and are managed under active multi-agency management under the Multi Agency Public Protection Arrangements.



2 CHILD LIMIT

From 6th April 2017 the Child Tax Credit, Housing Benefit and Universal Credit Regulations are changing, to impose a limit of two child elements / child allowances in a Child Tax Credit / Housing Benefit / Universal Credit assessment , although exceptions will apply. This means that for most families who have a third or subsequent child on or after 6th April 2017 they will see no increase in their Child Tax Credit / Housing Benefit / Universal Credit award to help them support that child.

There will be exceptions for:

- Multiple births;
- Children likely to have been conceived as a result of sexual assault;
- Children living long term with family or friends including informal caring arrangements where the child would likely to be looked after by the local authority e.g. Kinship arrangements;
- Adopted children.

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BEREAVEMENT BENEFITS

Bereavement Support Payment will be:

- For claimants without dependent children, a lump sum of £2500, followed by eighteen monthly payments of £100;
- For those with dependent children, or who were pregnant when their spouse or civil partner died, the lump sum is £3500, followed by eighteen monthly payments of £350.

It will only apply to new claimants. Existing claimants of bereavement benefits will continue to receive current bereavement benefits. Marrying, cohabiting or entering a civil partnership will not affect BSP eligibility. The deceased spouse or civil partner must normally have paid National Insurance; however contribution requirements are reduced and simplified with BSP.



EMPLOYMENT & SUPPORT ALLOWANCE (ESA)

From 3 April 2017, new ESA claimants who are placed into the work-related activity group (WRAG) following a Work Capability Assessment (WCA) will not get the work-related activity component.

This change does not affect:

- Existing ESA claimants who made a claim before 3 April 2017;
- Claimants in the support group, who will continue to get the support group component.

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CHANGES TO ESA PERMITTED WORK RULES

The 52 week time limit for permitted work that applies to ESA WRAG claimants and claimants who get the assessment rate will be removed. This includes claimants who are already doing permitted work. This means, from 3 April 2017 claimants can:

- Work for less than 16 hours a week;
- Earn up to £120.00 each week (2017 rates);
- Do permitted work for an unlimited number of weeks while getting ESA and keep all of their ESA payments.

Claimants must tell The Jobcentre Plus straightaway if they are doing or are thinking about doing any work. The rules for claimants doing ESA supported permitted work will not change.



BEDROOM TAX CHANGES

The bedroom tax was introduced in April 2013. It limited the amount of Housing Benefit you could receive according to how many spare bedrooms you were deemed to have. It affects people of working age.

Housing Benefit will be reduced by a percentage:

1 bedroom too many	14% reduction
2 or more bedrooms too many	25% reduction

From 1st April 2017 the changes allow an extra bedroom for some couples who are unable to share a bedroom due to a disability, and for some non-household carers of a child or other person not living with the claimant who stays overnight on a regular basis.

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18 - 21 YEAR OLDS

From 1st April 2017 a small proportion of young people aged 18-21 will be excluded from having a Housing Costs Element included in their 'Full'/Digital service Universal Credit award. This measure does not affect anyone on Housing Benefit. It is only the Universal Credit Regulations that are being amended and then only for those claimants on the 'Full'/Digital service. We are not in the Full/Digital service area at present so the change will not impact on any of our customers.



GOING ABROAD?

Quick reminder of changes that were brought in July 2016. You cannot receive Housing Benefit or Pension Credit, if you go abroad for more than four weeks. It counts as going abroad if you go anywhere outside of Great Britain; visits to Northern Ireland, the Channel Islands and the Isle of Man count as going abroad. You will need to notify your local council and The Pension Service (if in receipt of Pension Credit) of your departure and arrival dates prior to leaving the UK.



IF YOU NEED ANY HELP OR ADVICE ON WELFARE PAYMENTS OR ANY MONEY MATTERS.

Meet our Financial Team

Here to help you - when you need them



Pal Sandhu is our Financial Inclusion Team Leader.

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Simone Poole is our Financial Inclusion Officer.

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The Financial Inclusion Team offer free impartial advice and assistance with all aspects of welfare benefits. Our aim is to ensure that our customers are not missing out on their entitlement to benefits. Our Financial Inclusion Team can:

- Carry out benefit checks;
- Maximise your income through benefit take-up;
- Assist with completion of benefit forms;
- Make benefit applications online;
- Help to dispute a benefit decision if you do not agree with it;
- Advise you on the benefit changes and how they may affect you.

If you are worried about any of the changes in this newsletter then please contact the Financial Inclusion Team on the details above.



Our brand new Housing Solutions Website and Customer Portal is now live!

www.housingsolutions.co.uk

 housing solutions