



ABOUT YOUR BENEFITS

*money
matters*

About your Benefits

The Government have passed an act that has changed the entire welfare system. This act is called the **Welfare Reform Act 2012**.

One of the biggest changes is that a new benefit was put in place. This benefit is called **Universal Credit**.



**IN 2012 THE GOVERNMENT
PASSED AN ACT WHICH CHANGED
THE ENTIRE WELFARE SYSTEM**

If you need any help with Welfare Benefits please contact:
Welfare and Debt Advice Officer
telephone: 020 8633 8767 email: income@ccha.biz

Universal Credit – What does it mean for you?

If you are of working age (even if you are not working) and getting any of the benefits below, in future you will get **Universal Credit**. You will receive one payment once a month. Working age is between 16 years and state pension age.

Benefit Entitlements included in this change are:

- ▶ Income Based Jobseekers Allowance
- ▶ Income Related Employment Support Allowance
- ▶ Income Support
- ▶ Working Tax Credits
- ▶ Child Tax Credits
- ▶ Housing Benefit which will now be called the **Housing Element**

Universal Credit started for new claimants in October 2013. Existing claimants will move over to Universal Credit over time and it will be nationwide by October 2022.

In most cases, Universal Credit will be paid to you directly. You will no longer have the option to have your Housing Benefit/Element paid directly to us. You will be responsible for paying your own rent and managing your own household budget.

This does not apply to people who have a vulnerability. An alternative payment arrangement can be applied for by the

landlord if you have large rent arrears or can not manage your money in an effective manner.

If you live with your partner and you are both eligible for any of the above benefits, you will receive **one** monthly payment for the two of you.

If you make a new claim for Universal Credit, you will not be paid for the first seven days. These days are known as waiting days. However, you should not let this delay your claim and you must apply as soon as you are eligible to do so.

The seven days' waiting period will not apply under certain circumstances, for example if you're terminally ill or vulnerable, have previously claimed Universal Credit, are splitting up from or moving in with a Universal Credit claimant, or are moving on to it from another benefit.

To make a claim for Universal Credit you will need an email address and a bank account.

Changes to Council Tax Benefit

From April 2013, if you are of working age and claim Council Tax Benefit, the amount of support you receive may be cut.

This is because the Government is reducing the amount of money available and asking local councils to run their own schemes, which may vary from area to area. Contact your local council for more details.

This benefit will now be called **Council Tax Support** and is **not**

part of your Universal Credit claim so this must be made separately.

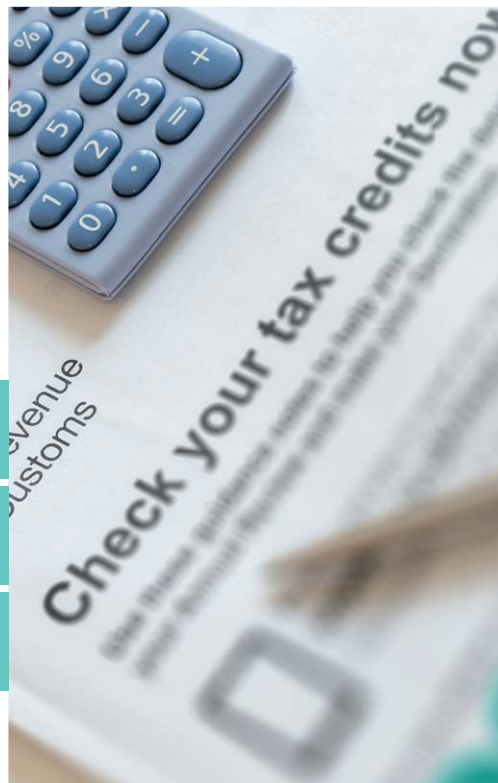
People who are not currently working will also be liable to pay a small amount of Council Tax and you will be told this by the council when you make your claim for Council Tax Support.

Reductions in your Benefit Entitlement

You are likely to see a reduction in your benefits if:

- ▶ You are of working age and you have a spare bedroom.
- ▶ You are a large family and no one in the household is working.
- ▶ You have a grown up son or daughter, or any other adult living with you.

**“YOU NEED TO MAKE
SURE YOUR FULL
RENT IS PAID”**



Underoccupation Charge

Under the new rules if you have more bedrooms than the Government says you need, you will lose part of your Housing Benefit / Element.

This means you will be allocated one bedroom for:

- ▶ Each adult couple.
- ▶ Any other person aged 16 or over.
- ▶ Two children of the same sex under the age of 16.
- ▶ Two children under the age of 10 regardless of their sex.
- ▶ Any other child.
- ▶ A carer (who does not normally live with you) if you or your partner need overnight care.

It does not matter how the 'spare' bedroom is used, the new rules will apply even if:

- ▶ You and your partner need to sleep apart because of a medical condition.
- ▶ The main residence of your children is another address, but you have a spare room for when they stay with you.

If you have one 'spare' bedroom your Housing Benefit/Element will be cut by 14% of the rent you pay every week. If you have two or more spare bedrooms, you will lose 25%. If your benefit is cut you will have to pay your landlord the difference between your Housing Benefit/Element and your rent.

This could affect you:

- ▶ If you are aged between 16 and state pension age.
- ▶ Even if you only get a small amount of Housing Benefit/Element – for example, if you are working and/or on a low income.
- ▶ Even if you are sick or disabled.

You won't be affected if:

- ▶ You live in a one bedroom flat or bedsit.
- ▶ You or your partner are old enough to receive pension credits. In April 2013 the pension credit age changed to around 61 years and 6 months.

Benefit Cap/Limit on Benefits

From April 2013, the overall amount of benefit you can receive will be capped.

The Government will add up how much money you get from a range of benefits, including: Housing Benefit/Element, Jobseeker's Allowance, Employment Support Allowance, Child Benefit, Child Tax Credit and Carer's Allowance.

If the total comes to more than the maximum amount allowed, your Housing Benefit/Element payments will be reduced. However, you will still need to make sure your full rent is paid.

The maximum amount of benefit you will be able to receive from April 2013 will vary depending on where you live and who lives in your household.

Benefits included in the benefit cap:

- ▶ Child Benefit
- ▶ Child Tax Credit
- ▶ Housing Benefit/Element
- ▶ Incapacity Benefit
- ▶ Income Support
- ▶ Jobseeker's Allowance
- ▶ Employment and Support Allowance (except when in the support group)
- ▶ Maternity Allowance
- ▶ Severe Disablement Allowance
- ▶ Widowed Parent's Allowance & Bereavement Allowance

This will not apply to you if:

- ▶ You get Pension Credit or Working Tax Credit.
- ▶ A member of your household is claiming Disability Living Allowance, Attendance Allowance or the support element of Employment Support Allowance.



“WE WILL HELP

RESIDENTS MAXIMISE THEIR INCOME”

Other Benefit Changes

Disability Living Allowance (DLA) will become Personal Independence Payment (PIP).

Who is eligible for PIP?

People claiming Attendance Allowance (AA) will not be affected. People who were aged 65 or over on 8 April 2013 who are already receiving DLA will be invited to change their claim to PIP or apply for AA. Children under 16 will still be able to claim DLA but need to reclaim for PIP as soon as they reach their 16th Birthday. You can still claim PIP even if you are working. It is also paid regardless of savings.

How do I qualify for PIP?

There are two components of PIP:

- ▶ Living component
- ▶ Mobility component

Each component will be paid at either:

- ▶ Standard rate
- ▶ Enhanced rate

In order to qualify for PIP you will have to score a number of points from an assessment.

Child Benefit

Child Benefit is now means-tested. A **means-tested benefit** is a payment available to people who can show that their income and capital (their 'means') are below a certain amount. It is a central part of the welfare state in the United Kingdom.

Non Dependent Deductions

The amount deducted from your entitlement will vary as to the income of your non-dependent, it is therefore very important to let the Council know if they are working or are in full time education as this will affect the deduction. This deduction will increase annually.

The Assessment

There are a list of 12 activities each with different levels of ability. These activities will be based on every day events and your capacity to complete them. You will need to score at least eight points on each component to receive any allowance.

Under 35's

If you are 35 years old or younger, single with no children on 1st April 2019 and sign a new tenancy after 1st April 2016, you **will** be affected by these changes.

From 1 April 2019, if you are under 35 and childless, you will only be eligible for Housing Benefit/Element at the 'shared accommodation' rate, based on the cost of renting a room in a shared house or flat locally. The shared accommodation rate for the Croydon area is approximately half of the actual rent per week for a CCHA one bedroom or studio property.

This will not apply to you:

- ▶ If you are a care leaver. The shared accommodation rate does not apply until you are 22 years old.
- ▶ If you have left prison and you are managed under the Multi Agency Public Protection.
- ▶ If you need overnight care and someone gets carer's allowance for looking after you.
- ▶ If you receive the middle or high rate of Disability Living Allowance.
- ▶ If you get the daily living component of a Personal Independence Payment or the armed forces independence payment.

هل أنت بحاجة إلى مساعدة؟

مرستی ته اړتیا لري؟

需要帮助？

Potrzebujesz pomocy?

به کمک نیاز دارید؟

کیا آپ کو مدد کی ضرورت ہے؟

Besoin d'aide ?



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Also available in Braille, large print or audio

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