

A quick guide to Welfare Reform changes

From August 2018



**Network
Homes**

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make everything possible

Welcome to our short guide on current benefit changes brought in by the Government as part of Welfare Reform.

What Welfare Reform changes will affect me and my family?

You could be affected by the following:

- › Appeals against benefit decisions
- › Backdated payments (Housing Benefit)
- › Bedroom tax (Under Occupancy Charge)
- › Benefit caps
- › Benefits for disabilities or illness
- › Death of a partner
- › Emergency financial support
- › Employment and Support Allowance
- › Family Premium
- › Freeze on benefits
- › Income Support changes
- › Mortgage support
- › Savings Credit
- › State Pension changes
- › Travelling abroad
- › Universal Credit



Appealing against benefit decisions

There are different ways to appeal if you disagree with a decision about your benefits. First, you must ask for the decision to be looked at again through mandatory reconsideration. The exception is Housing Benefit where your appeal will need to be made to your local council.

Backdated payments (Housing Benefit)

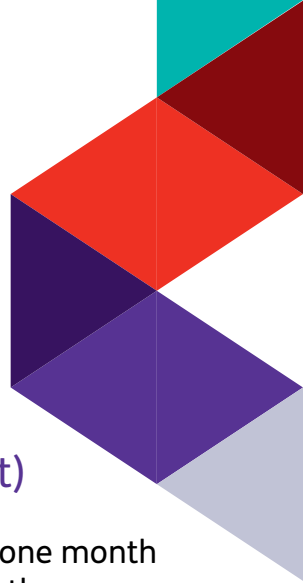
Backdated payments of Housing Benefit apply for one month for those under pension age and three months for those over pension age. We've been successful in getting further backdated payments in some very specific cases. For example when the claimant has had dementia or there was an error on made by Housing Benefit department. This is rare though and these payments can be very difficult to obtain.

Bedroom Tax (Under Occupancy Charge)

The Under Occupancy Charge (the so called Bedroom Tax) only affects those in receipt of Housing Benefit. If you've more than one spare bedroom, your Housing Benefit will be reduced by 14%, two spare rooms the reduction is 25%.

You can be exempt from the charge for one room if:

- › you can prove you need an extra bedroom for a carer
- › partners need separate rooms due to medical reasons
- › you have a room set aside specifically for medical needs for example if you have a room for home dialysis.



Benefit caps

The benefit cap is a limit on the total amount of benefit that most people aged 16 to 64 can claim. So the amount you get from some benefits might go down to make sure you don't get more than the cap limit. The cap amounts are listed below.

Living inside London (2018)	Per year	Living outside London (2018)	Per year
Couple with/without children	£23,000	Couple with/without children	£20,000
Single with children	£23,000	Single with children	£20,000
Single without children	£15,000	Single without children	£13,400

Housing Benefit is reduced by the amount you go over the benefit cap so you will have to pay any **shortfall between your Housing Benefit and rent**.

You might be able to apply for a Discretionary Housing Payment as as a short term option.

Benefit cap for two children

Families are now limited to claiming for only two children on all means tested benefits including Housing Benefit, Tax Credits, Income Support and Universal Credit. This means that you will not get any extra income for your third child onwards. There are some rather complex exemptions for those whose third child was the consequence of rape.

Benefits for disabilities or illness

Personal Independence Payments

Personal Independence Payments (PIP) replaced Disability Living Allowance (DLA) for claimants between the ages of 16 and 64. Children under 16 can still claim DLA, whilst those aged 65 and above will continue to claim Attendance Allowance.

Claimants for PIP are now expected to attend an assessment with the only exception being those with a terminal illness (but not always).

Employment and Support Allowance

Contribution based Employment and Support Allowance (ESA) is now limited to one year. After this you will be moved to Income based ESA unless you're in an ESA Support Group.

Death of a partner

If you lose your partner and you have dependant children you could receive a £3,500 lump sum followed by £350 per month for the following 18 months. If you don't have children you will receive a £2,000 lump sum and £100 per month for 18 months.

These payments will depend on how much National Insurance you have paid and you will need to make a claim straight away.



Emergency financial support

The Social Fund, Crisis Loans and Community Care Grants no longer exist. Your local council might be able to help you with grants, loans or vouchers. If you're struggling while waiting for the first payment of a new benefit you might be able to get a 'short term benefit advance'. This means your benefit will be paid early, with a small amount taken off future payments to pay it back - usually for 12 weeks.

Family Premium

You can no longer apply for the Family Premium. If you've been claiming since before October 2016 then your payments will continue unless you break your claim.

Freeze on benefits

A four year freeze on benefit payments was imposed from April 2016 except for pensioner benefits/pensions and disability benefits.

Income Support changes

A child of a lone parent claimant must now be aged five or younger to qualify.

Mortgage support

The waiting time for Support for Mortgage Interest (SMI) is now 39 weeks. This is a loan and you'll need to repay the money you get with interest when you sell or transfer ownership of your home. The current rate of interest is 2.61%.



Savings Credit (pensioners)

You can no longer apply for Savings Credit unless you were receiving a pension before April 2016. Current claimants will continue to get it unless there is a break in your claim.

State Pension

New State Pension

You'll be able to claim the new State Pension if you're:

- › a man born on or after 6 April 1951
- › a woman born on or after 6 April 1953.

The earliest you can get the new pension is when you reach 65 for both women and men by November 2018. This will rise to 66 by 2019. Changes are likely to be ongoing.

The full new State Pension is £164.35 per week (2018) though the actual amount you get depends on your National Insurance record.

Old State Pension

For men born before 1951 and women born before 1953 the old rules still apply. Those under the old rules could receive anything from £180 to £250 per week.



Travelling abroad

If you travel abroad you can now only continue to receive Housing Benefit and Pension Credit for four weeks. You will need to provide evidence of your tickets showing departure and return. If you or a close family member fall ill while abroad and your return is delayed you will need to provide evidence of this.

Exclusions include those:

- › serving in the armed forces
- › fleeing domestic violence
- › undergoing medical treatment.

Universal Credit

Universal Credit replaces six current benefits (please see our separate Universal Credit leaflet for more details). It's being gradually rolled out across the whole country for new claims and all those currently on what is now referred to as 'legacy benefits' such as:

- › Income Support
- › Tax Credits
- › Housing Benefit
- › Job Seekers Allowance
- › Employment and Support Allowance.

Employment advice and support

We provide our residents with a variety of exciting internal and external employment and training opportunities.

Through our Worksmart training and employment programme, we support our residents to achieve their goals such as looking for a job, thinking of a career change or looking for training opportunities.

Worksmart is able to support our residents through:

- › Information on job opportunities
- › Referrals to local third party agencies
- › Training and employment opportunities in construction.

For more information please call **0300 373 3000** or email **Worksmart@networkhomes.org.uk** or call **0300 373 3000**.





How can we support you?

Our Welfare Benefit Advice Team can help you. You can contact them on **Welfareadvisors@networkhomes.org.uk**

Need help in managing your payments?

Our Income Team will help email **customerservice@networkhomes.org.uk**

Call any of our teams on **0300 373 3000**

Where can I get further information?

- › Visit **www.gov.uk** for the Government's information on benefits and entitlements.
- › Visit **www.entitledto.co.uk** to calculate what benefits you may be entitled to.
- › Visit **www.citizensadvice.org.uk** for information on the support and advice offered by Citizens Advice.

Please note that this information is correct as of August 2018 and is subject to change. Please visit our website **www.networkhomes.org.uk** for updates.




Contact us

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 **Network Homes**