

*your
benefits could
be changing*



**Be
moneywise**

find out how
you could be
affected

Introduction

The Government is making changes to benefits through the Welfare Reform Act which could affect you.

This leaflet tells you about these changes and the support available to help you.

Please remember, these are all proposed changes and the rules may change so please keep checking with us.

Let us know if your circumstances change so we can give you the right advice and support.

If you are in financial difficulty and need support and advice on how to pay your rent, then Homes for Northumberland is here to help you. Please contact us on 01670 542424 for free, confidential advice or speak with your Housing Officer.

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Be Moneywise is Homes for Northumberland's Welfare Reform campaign to keep you up to date with changes as they happen. Whenever you see this logo we will be giving you important information about proposed changes to your benefits. Please look out for this logo in the coming months.

Under Occupation

What is under occupation?

Under occupation is when you have more bedrooms than the Government says you need in your home.

DID YOU KNOW...

Children under 10 are expected to share with another child regardless of gender.

What is going to change?

From April 2013, the Government is going to reduce the amount of housing benefit paid to people of working age who have spare bedrooms in their home. You may have heard people call this "Bedroom tax."

"Working Age" is everybody between 16 and pension age.

DID YOU KNOW...

A child under the age of 16 is expected to share with another child of the same gender

How much will my Housing Benefit be reduced?

The two rates of reduction are:

- 1 Your Housing Benefit will go down by 14% of your eligible rent if you have one extra bedroom
- 2 Your Housing Benefit will reduce by 25% of your eligible rent if you have two or more extra bedrooms

What are my options?

You can:

- Pay the difference and stay living where you are. To help with budgeting and money advice contact us on 01670 542424.
- Think about moving to a property with the number of bedrooms that meet your circumstances. Visit www.northumberlandhomefinder.org.uk for more information. If you are already a tenant, another way of moving house is by swapping homes with another tenant – this is called a mutual exchange. You can apply for a mutual exchange online at the HomeSwapper website: www.homeswapper.co.uk. Alternatively, you can contact Homes for Northumberland for advice on 01670 542424.



DID YOU KNOW...

If you are a couple living in a two bedroom property or a couple with one child living in a three bedroom property you will be affected

Benefit Cap

What is the Benefit Cap?

The benefit cap is a limit that has been set on the amount of benefit some working age people can receive.

“Working Age” is everybody between 16 and pension age.

What will change?

From April 2013, the cap for the total amount of benefits you can receive per household has been set at:

- £500 per week for couples and single parents
- £350 per week for single adults with no children

Who will it apply to?

The cap will only apply to working age households, and the following households will be exempt:

- Households that include a member who is receiving Disability Living Allowance (known as PIP from 2013), Attendance Allowance or Constant Attendance Allowance
- Where the claimant/partner receives some Working Tax Credit
- Those getting the Support Component of Employment and Support Allowance
- Those in receipt of a War Widow Pension
- Anyone over pension credit age

If you are able to find employment and qualify for Working Tax Credit the cap will not apply

Which benefit will be cut?

If the cap applies to you, then any extra benefit you have above the cap will be taken from your Housing Benefit. When you move to Universal Credit (see page 12), the extra will be taken from that.

You will need to pay the shortfall to your landlord to make up your full rent.

Where can I go for support?

For money advice, including paying your rent and budgeting, contact us on 01670 542424

Non dependant deductions

What does “non dependant” mean?

A non-dependant person is someone, aged 18 or over, who lives in your home – for example a grown up son or daughter.

A non dependant is not a partner. It is someone who does not depend on the tenant financially.

Remember...

a non dependant is expected to make a contribution towards rent.

What are non dependant deductions?

The ‘non-dependant’ is expected to make a contribution towards the rent and Council Tax. The amount they are expected to pay will depend on how much they earn or how old they are and which benefit they receive.

The deduction will be made from your Housing/Council Tax Benefit.

A deduction is an amount of money taken off your Housing Benefit or Council Tax Benefit. It means that the benefit you receive could be lowered.

Back in April 2011, the Government started to increase the amount any non-dependants pay towards the rent and Council Tax.

How much is the deduction in 2012?

Council Tax

There will not be a deduction if you are in receipt of Pension Credit, Income Support, Job Seekers Allowance (Income based) or Employment Support Allowance (Income related)

If you are aged 18 or over and in paid work the deduction will range from £3.30 to £9.90, depending on your weekly wage.

Housing Benefit

There is **no** deduction if you receive Pension Credit

A deduction of £12.15 will be made if you are:

- In receipt of main phase Employment Support Allowance (Income related)
- Aged 25 or over and receive Income Support or Job Seekers Allowance (Income based)
- Aged 18 or over and not in paid employment.

If you are aged 18 or over and in paid work the deduction will range from £12.15 to £78.37, depending on your weekly wage.

The changes for 2013 will be issued in Your News.

DID YOU KNOW...

If you or your partner are in receipt of Disability Living Allowance (Care Component), Attendance Allowance or registered blind a non-dependant deduction will not be made whatever their income is.

Where can I go for support?

For money advice, including paying your rent and budgeting, contact us on 01670 542424

Employment and Support Allowance (ESA)

What is ESA?

ESA is paid to people who have difficulties working because of an illness or disability.

There are two types of ESA, contribution based and income related.

What is changing?

- From May 2012 Contributory ESA (formerly Incapacity Benefit) will only be paid for a maximum of 12 months, except for people who have been placed in the Support Group
- Contributory ESA in Youth (formerly Incapacity Benefit in Youth) has been abolished for new claims. Young people already receiving the benefit who are in the support group will continue to be entitled. Those in the work related activity group will continue to be entitled only if they have not been receiving the benefit for a year.

In both cases people will be able to make a claim for Income Related ESA if they are eligible.

Where can I go for support?

- For money advice, including paying your rent and budgeting, contact us on 01670 542424.
- If you are unhappy with the results of your medical – remember you can seek advice and appeal by contacting Northumberland Citizens Advice Bureau on 0844 4111309.

Social Fund

What is the Social Fund?

At the moment, people on a low income can apply to the Department for Work and Pensions (DWP) for help with one off payments, like furniture or help following a disaster such as flooding, through the Social Fund.

Depending on their circumstances they may receive a Community Care grant, Crisis Loan or Budgeting Loan.

What is changing?

From April 2013 the Government plans to abolish Community Care grants and Crisis Loans. They will be replaced by a local scheme managed by the Local Authority. It is likely that goods will be given in place of cash loans. The details of the scheme are still being worked out.

Budgeting loans will continue until the introduction of Universal Credit. As people move on to Universal Credit they will be able to access a 'payment on account' which will be recovered from their monthly payment.



Universal Credit

What is Universal Credit?

The government is introducing a new benefit called Universal Credit for working age people.

“Working Age” is everybody between 16 and pension age.

Universal Credit will bring together a range of existing benefits into one monthly payment.

DID YOU KNOW...

the Benefit Cap will apply to Universal Credit

Which benefits will Universal Credit combine?

- Housing Benefit
- Job Seekers Allowance
- Income Related Employment and Support Allowance
- Income Support
- Working Tax Credit
- Child Tax Credit

It will not include any other benefits including Disability Living Allowance, Carers Allowance, Council Tax Benefit or any contribution based benefit.

DID YOU KNOW...

Universal Credit will be paid monthly in arrears. You will be responsible for paying your own rent out of this monthly payment.

When will Universal Credit start?

It is likely that the first claims for Universal Credit will start in our area in 2014. The government is planning to have everyone who is entitled to Universal Credit receiving it by 2017

DID YOU KNOW...

You will need to make your claim online

Where can I go for support?

For money advice, including paying your rent and budgeting, contact us on 01670 542424

DID YOU KNOW...

you will need a bank account to claim Universal Credit

Personal Independence Payment (PIP)

What is PIP?

Disability Living Allowance (DLA) will start to be replaced by Personal Independence Payment from April 2013.

At the moment this will not apply to children under 16 or people aged 65 or over.

How will it work?

PIP will have two components in the same way as DLA:

- A mobility component
- A daily living component

There will be two rates of award for each component

The amount of money you would get in each component is still to be set.

How will it affect me?

Everyone who receives DLA will be assessed for PIP. **You will not automatically be transferred over to PIP.**

The assessments will start in April 2013 and you will be contacted by the Department of Work and Pensions (DWP) to make a claim.

Where can I go for support?

If you are not happy with the results of your claim, remember you can appeal by contacting Northumberland Citizens Advice Bureau on 0844 4111309

Contacts



For more information contact
Homes for Northumberland on 01670 542424

You can also speak with
Northumberland Citizens Advice Bureau on 0844 4111309.

Useful Websites

For information on benefits including a benefit checker
visit Direct Gov www.directgov.uk

For information on Tax Credits visit HMRC
www.hmrc.gov.uk



All of the information included in this leaflet was correct
at time of print (Nov 2012). Please be aware that the rules
may change so please keep checking with us.

This leaflet was prepared working alongside tenants.



Please contact our Customer Services Centre if you would like to receive this information in another language or format, for example Braille or audio.

URDU

اگر آپ یہ معلومات کسی دوسری زبان یا فارمیٹ، مثال کے طور پر بریل یا آڈیو، میں چاہتے ہیں تو برائے مہربانی ہمارے کسٹمر سروسز سینٹر سے رابطہ کریں۔

BENGALI

আপনি যদি এই তথ্যাবলী অন্য ভাষাতে বা অন্য রূপে যেমন টাইপ বা ডিউতে পেতে চান, অনুগ্রহ করে, আমাদের কাছে আমার সার্ভিসেস সেন্টারে যোগাযোগ করুন।

CANTONESE

如果您想要本資訊的另一種語言版本或其他格式（如：盲文或音訊），請與我們的客戶服務中心聯絡。

MANDARIN

如果您需要本信息的其它語言版本或其它格式（例如：盲文或音頻文件），請联系我們的客服中心。

POLISH

Prosimy o kontakt z naszym Centrum Obsługi Klienta (Customer Services Centre), jeśli chciałby Państwo otrzymać niniejszy dokument w innej wersji językowej lub w innym formacie, na przykład w alfabecie Braille'a lub w formie nagrania dźwiękowego.

PUNJABI

ਜੇ ਤੁਸੀਂ ਇਹ ਜਾਣਕਾਰੀ ਕਿਸੇ ਹੋਰ ਭਾਸ਼ਾ ਵਿਚ ਜਾਂ ਕਿਸੇ ਹੋਰ ਰੂਪ ਵਿਚ, ਜਿਵੇਂ ਬ੍ਰੇਲ ਜਾਂ ਆਡੀਓ ਦੇ ਰੂਪ ਵਿਚ ਪ੍ਰਾਪਤ ਕਰਨਾ ਚਾਹੋ ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ ਸਾਡੇ ਗਾਹਕ ਸੇਵਾ ਕੇਂਦਰ ਨਾਲ ਸੰਪਰਕ ਕਰੋ।