

IMPACT OF CHANGES TO WELFARE SUPPORT

Amanda Singleton

Head of Customer Access and Financial Support

Rachael Dobson

Assistant Financial Support Manager



Impact of changes to Welfare Support

- Background
 - Changes to welfare support in April 2013
 - Benefit cap
 - Spare Room Subsidy
 - Changes to Council Tax Benefits
 - Universal Credit
 - Delegation of local welfare assistance (ELF)

Benefit Cap

- The cap applies to the total amount that the people in a household get from the following benefits: Bereavement Allowance, Carer's Allowance, Child Benefit, Child Tax Credit, Employment and Support Allowance, Guardian's Allowance, Housing Benefit, Incapacity Benefit, Income Support, Jobseeker's Allowance, Maternity Allowance, Severe Disablement Allowance, Universal Credit, Widowed Parent's Allowance (or Widowed Mother's Allowance or Widows Pension if received before 9 April 2001)
- The level of the cap is:
 - £500 a week for couples (with or without children living with them)
 - £500 a week for single parents whose children live with them
 - £350 a week for single adults who don't have children, or whose children don't live with them
- The cap is applied via Housing Benefits

Benefit Cap

- Impacted on 40 households to date
- Current live cases 28
- Impact relatively low
 - Most stayed in homes and found ways of meeting the financial gap

Spare Room Subsidy

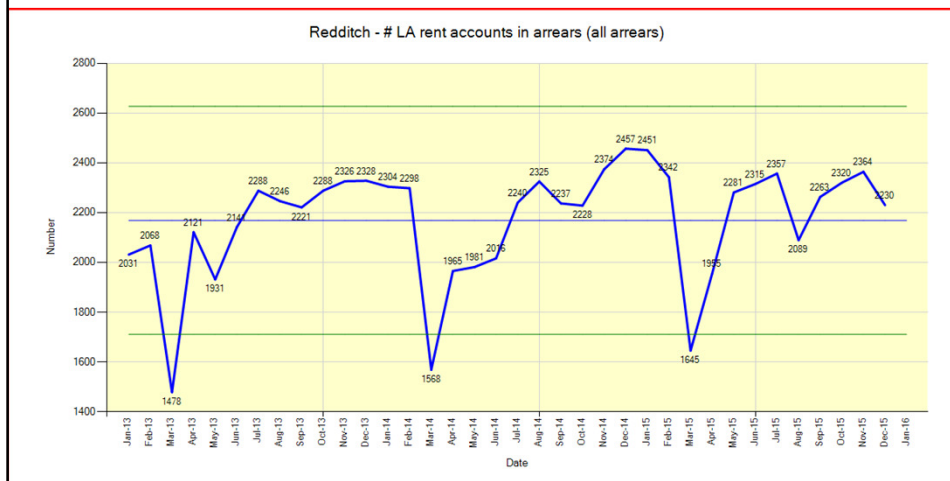
- From April 2013 Housing Benefit is based on the number of people in the household and the size of the accommodation.
- This applies to all working-age tenants renting from a local authority, housing association or other registered social landlord.
- Brings the Housing Benefits payable to tenants of social housing in line with private tenants.

Spare Room Subsidy

- This means those tenants whose accommodation is larger than they need may lose part of their Housing Benefit. Those with one spare bedroom lose 14% of their eligible rent and those with 2 or more spare bedrooms lose 25%.
- RBC Room Restriction current live cases
 - 14% = 380
 - 25% = 66

Spare Room Subsidy

- Impact on rent arrears



Welfare Support Changes

- What did we do to support those affected
 - Worked directly with individuals where possible to identify possible support.
 - Introduced measures to provide up to date information regarding the changes and when they are to be implemented.
 - Through transformed working arrangements families in crisis are identified and a Locality Officer work directly with them to help them find solutions
- Householders generally prefer to find a way of staying in the property and manage their reduce income
- Housing, Locality and Benefits Officers continue to identify families experiencing difficulties and work with them to help them identify lasting solutions

Discretionary Housing Payments

- Discretionary Housing Payments (DHPs)
 - introduced in July 2001
 - used to provide financial assistance to claimants in receipt of housing benefit where it is considered that additional help with housing costs is required.
- Housing costs are generally defined as
 - a rental liability
 - rent deposits
 - rent in advance
 - other lump sum costs (e.g. removal costs).
- DHPs may be awarded as a one-off payment or periodically for an appropriate period.

Discretionary Housing Payments

- Officers work with applicants to identify other support that may be appropriate.
- DHP awards are not conditional and any decision will be based on a fair assessment of need.
- The wider Housing issue will be considered and discussed, where appropriate, with an appropriate Housing Options Officer before a decision is made.
- Consideration will be given to:-
 - what an award of DHP will achieve;
 - the consequences of not making the award; and
 - whether any alternative support can be provided.

Council Tax Benefit

- CTB ended March 2013
- LA required to introduce local Council Tax Support Scheme.
- Pensioners protected
- 10% cut in the funding as well as reductions in administration grant
- Default scheme in 2013/14
- 80% support introduced in April 2014
- All working age claimants pay a minimum of 20% towards their Council Tax Liability
- Scheme mostly mirrors existing HB requirements

Changes to Council Tax Benefit - Impacts

- 3606 households working age which were impacted as of November 2015
- 300 *less* than at start of new scheme in April 2014
- Impact on Council tax collection
 - In 2014/15 - 96.32% collected
 - In 2013/14 - 97.65% collected
 - As at end Jan 16 collected 93.72% for 15/16

Hardship Scheme

- £25k per annum
- Transitional relief for those facing hardship as a result of changes to Council Tax Support
- Applications and officer identified
- Personal assessment
- Full financial review
- Transitional relief and long term solutions

Hardship Scheme

- 211 customers
 - 66 direct applications
 - 145 customers were approached because officers identified that some support may be appropriate.
 - 30% were dealt with by Officers in the Locality teams
- Support provided in 2014/15
 - £12,272.68 support to pay Council Tax.
 - £31,294.22 value of other financial support provided.

Hardship Scheme

- 51% - single persons
- 59% were on Employment Support Allowance.
- 27% not awarded hardship funding but officers identified other financial support that could be provided.

Universal Credit

- Introduced in Redditch in February 2015
- Single, job seekers making a new claim.
- 460 claims since go live
- 48 current claims at Feb 2016 on our system.
- Delivery Partnership Agreement in Place with RBC
- Support – online claims, personal budgeting, manual council tax support claims

Essential Living Fund

- Previously operated by DWP (Crisis Support)
- Responsibility passed to WCC
- RBC lobbied for local delegation to ensure could best meet local needs
- Flexible discretionary scheme
- Face to face assessment of need
- No cash

JOINING UP SUPPORT

