

The **Big** Changes to Benefits

What you need to know



The Big Changes to Benefits

What you need to know

Published by

Inclusion North

The Housing and Support Alliance

About this information

We have tried to make sure that the information here is correct.

But, there may be more changes made to benefits so it will be important to check you have the most up to date information.

Do get in touch with a benefits advisor or someone else who can help if you need more information.

Introduction

The Government has been changing how people get payments of money or discounts in charges. These payments are known as benefits.

They are doing this work because they believe that more people should be in paid work and that people should have more money if they do get a job. They also want to make it easier for people to know what benefits they should get.

Some of these changes will mean that some people may get less money.

We have made this booklet so that you can find out about some of these big changes.

We have tried to include as much information as we can but you might want to check with other people and in other places if you think you are affected by what will happen. We have included some useful contacts at the end of this booklet.

This booklet was first made for GPs by the Health and Wellbeing Board in Hertfordshire. It was then changed by the Money Advice Unit in Hertfordshire. We are very grateful for them letting us use their information to make this booklet.

Changes to benefits for carers



Who needs to know about this?

Anyone who is a carer for someone else.

This will mean 'public sector' tenants will be affected by the same rules that already affect private tenants.

What do the changes mean?

Changes to council tax support may mean carers get charged more in some areas. Check with your local council for details on discounts and other support.

Carers may also be affected by some other changes to:

- * the benefit income cap which will take place for most people from September 2013
- * the move from Disability Living Allowance (DLA) to Personal Independence Payments (PIP) in April 2013
- * under-occupancy or the 'bedroom tax'. This will happen in April 2013.

Changes to Housing Benefit: the under-occupancy reduction



Who needs to know about this?

Anyone who gets housing benefit to help pay their rent, lives in a council or housing association property and is of working age. This will mean that these public sector tenants will be affected by the same rules that already affect private tenants.

What does the change mean?

This change is sometimes called the Bedroom Tax.

People who get housing benefit will have to pay some of their rent themselves if they have an empty bedroom in their home. This will happen from April 2013.

The amount of rent that people will have to pay themselves will depend on how many empty bedrooms they have in their home. It will be 14% for one empty bedroom and 25% for two empty bedrooms.

People will have to decide if they can afford to stay and make the extra payment or move to somewhere smaller.

Some payments may be available from local councils for people who are finding it difficult to pay their rent. These will be called Discretionary Housing Payments.



From when?

April 2013

Total Benefit Income Cap



Who needs to know about this?

People under pension age who claim some benefits.

Some families and single people won't be affected, like those people who get:

- * Disability Living Allowance
- * Attendance Allowance
- * Working Tax Credit – this will depend on your circumstances

What does the change mean?

The total amount you can get in benefits is going to be 'capped' at £500 per week for families or £350 for single people.

This includes:

- * Housing Benefit
- * Child Benefit
- * Carer's Allowance
- * Income Support
- * Child Tax Credit
- * and most other benefits

The cut to people's payments will be taken from their housing benefit.

People may need to find somewhere different to live or need help and information about finding work or changes to childcare.

Some help may be available through a payment called a Discretionary Housing Payment from local councils.



From when?

The cap will start in April 2013 and happen later in some areas. It will happen in all areas by September 2013.

Council Tax Benefit localisation



Who needs to know about this?

All families who get help with council tax except those in family homes where someone of pension age lives.

What does the change mean?

Most people who claim benefits will have to pay something towards council tax. This includes people who used to get all their council tax paid. This was called a full rebate.

People are likely to have to pay between 10% and 30%. But, some councils may still give people a full rebate, even for people of working age.

All councils have to make sure they don't make this charge to people of pension age. Some councils are also not charging disabled adults and families with children aged under 5.



From when?

April 2013

Changes to Community Care Grants and Crisis Loans



Who needs to know about this?

People who get some benefits that are means tested and other people who are in a crisis situation. Means testing is where you apply for a benefit and they decide if you can get it by checking what other benefits and money you have.

What does the change mean?

The Social Fund section at the Department of Work and Pensions (DWP) will stop making emergency grants and interest-free loans.

These have paid for things like:

- * household goods like furniture and washing machines
- * clothes
- * replacing lost or stolen items

The money that would have been spent will be transferred to local

councils. They have to have a way to help local people to get financial advice, the furniture they need and lower-cost loans.



From when?

April 2013

Replacement of Disability Living Allowance (DLA)



Who needs to know about this?

People aged between 16 and 64. It does not affect children until they reach 16 or anyone aged 65 or older getting Disability Living Allowance or Attendance Allowance.

What does the change mean?

The Disability Living Allowance is being replaced over a five year period by a new benefit called Personal Independence Payment (PIP).

People who are moving from DLA to PIP will need to have a new medical. About 1 in 5 people will stop getting this payment.

These changes may also mean some people stop getting some other benefits that depended on getting DLA like a Carer's Allowance.



From when?

The changes will start to happen in June 2013 but will take until 2018 to happen for some people.

Universal Credit

Who needs to know about this?

People of working age who get benefits and tax credits.

What does the change mean?

People will start to get a monthly payment that will include money for:

- * them to live off
- * any children they have
- * any childcare costs
- * housing costs

Another important change is that most people will get their rent money and then will have to give this to their landlord.

Universal Credit will be paid to people who are not in work. If someone then gets a job they will still get a reduced amount of credit for a while. This is to make it a smoother passage between unemployment and work.

There will be more “testing” of ill health and job-seeking activity with this new system. This will lead to some people having their benefits reduced or stopped.



The Universal Credit will replace:

- * Income Support
- * Income based Jobseeker's Allowance
- * Income related Employment & Support Allowance
- * Housing Benefit
- * Tax Credits



From when?

Universal Credit starts in October 2013 and it will take 4 years for all people that get an existing benefit to be transferred.

Changes to Employment and Support Allowance (ESA)



Who needs to know about this?

- * People who get incapacity benefits who are being re-tested for the ESA
- * People who are applying for the first time because they are too ill to work
- * People who get ESA because they have paid national insurance

What does the change mean?

Lots of people who used to get Incapacity Benefit are now being told they are fit for work. This means they are getting less money and are expected to start looking for a job.

If you are one of these people you might need to put together some information about yourself that you can use as evidence to appeal this decision.

You may also want to see about joining an ESA Activity or Support Group. An activity group is for people who want help to find a job and learn new skills. A support group is for people who probably can't go to work just yet because of their illness or disability. People who join one of these groups will get more money than other people.



From when?

ESA started to replace Incapacity Benefit in 2008. It will be 2014 before everyone has moved to getting ESA instead of Incapacity Benefit. Some people who have had cancer will keep their benefits for a longer time. period will not apply to certain cancer patients.

Changes to the Surestart Maternity Grant



Who needs to know about this?

People who are on benefits who are having a baby.

What does the change mean?

A Maternity Grant is given to some people when they have a baby.

A Maternity Grant is now usually only available for low income families if there are no other children under 16 in the family home.



From when?

These changes have been happening from January 2011

Useful information



Emergency money



The government want to see more people in work and that is why they are making these big changes to benefits. But, it might mean that more people need to get some more money to live off when their benefits are cut.

When people claim Universal Credit in the future, they will not receive anything for the first seven days and the benefit will be paid a month in arrears. The government has said that people will be able to ask for a 'payment on account' if they face problems with this.

One of the ways people sometimes get money is through a high-cost loan. There are both legal and illegal companies that give these to people.

These loans may give people some money they can use right away, but people have to pay back much more than they borrowed. This is because they charge a very high interest rate.

For example, someone who got a loan of £100 tomorrow might need to pay back £180 over the next 12 months.

Credit Unions also let people loan money but they charge people a lot less interest. So, someone who got a loan from their local credit union for £100 might only need to pay back £112 over the next 12 months.

Some people might also use a debt management company. These offer to make it easier for people to manage their money but they charge a lot in interest and fees. They tend to advertise on the internet or television. It is much better to get advice from one of the organisations listed here.

Credit Unions

Tel. 0161 832 3694

www.findyourcreditunion.co.uk

Debt Advice

Stepchange Tel. **0800 1381111**

www.stepchange.org

National Debtline Tel. **0808 808 4000**

www.nationaldebtline.co.uk

Debt Advice Foundation Tel. **0800 644 60 89**

www.debtadvicefoundation.org

Citizens Advice



Citizens Advice Bureaus can give you information and advice about benefits and managing your money. Everyone is offered a short session with an assessor. They will then work out what help they can offer you.

This assessor may then make an appointment for you or give you some information to take away. Sometimes they will help you to contact another organisation who can help you.

Citizen advice line

Tel. 08444 111 444

www.adviceguide.org.uk

Finding a Job



Most people with a learning disability should be able to use a local employment service. Your council's website should list their contact details.

Your local Job Centre will also help you to find work.

Jobsearch

www.gov.uk/jobsearch

www.dwp.gov.uk/docs/universal-jobmatch-guide.pdf



More information about the changes to benefits

[www.housingandsupport.org.uk/
paying-for-housing-support-and-daily-living](http://www.housingandsupport.org.uk/paying-for-housing-support-and-daily-living)

www.hertsdirect.org/benefits

[www.yorkshirehousing.co.uk/welfare-reforms/
under-occupancy#bedroom-tax-rules](http://www.yorkshirehousing.co.uk/welfare-reforms/under-occupancy#bedroom-tax-rules)



Inclusion North

191 Belle Vue Road

Leeds, LS3 1HG

Tel. 0113 2626 409

info@inclusionnorth.org

www.inclusionnorth.org



[www.facebook.com/](http://www.facebook.com/InclusionNorth)

InclusionNorth



[www.twitter.com/](http://www.twitter.com/InclusionNorth)

InclusionNorth



Housing and Support Alliance

Rodney Chambers, 40 Rodney Street

Liverpool, L1 9AA

Tel. 0845 456 1497

enquiries@housingandsupport.org.uk

www.housingandsupport.org.uk

www.inclusionnorth.org/resources