Benefit changes

The welfare benefits system is changing. Find out how it could affect you.

Knowsley
Bedroom
Under
Occupancy

From April 2013, nationally the amount of Housing Benefit paid to working age tenants who live in Council or Housing Association properties will be reduced where they have more bedrooms than they need. This is called Under Occupancy and the changes are being made across the whole country.
Under new national Housing Benefit rules you will be allowed the following:

• one bedroom if you are a single customer or part of a couple; plus:
  - one bedroom for a child
  - or, one bedroom for two children under 10
  - or, one bedroom for two children of the same sex up to the age of 16
• one bedroom each for children over the age of 10 of the opposite sex
• one bedroom for other single people or couples aged 16 or over

For example:

• couple with no children would need only one bedroom
• couples or a single parent with one or two children under 10 would need two bedrooms
• couples with three children (two boys and a girl) aged 6, 8 and 12 would need three bedrooms

• if you are pregnant and have an extra room for the expected child, you are under occupying until the child is born.

Tenants who need an overnight carer, are foster carers and whose families are in the armed services, will be entitled to an extra bedroom. There are exceptions for people who have too many bedrooms because of a bereavement, or could afford to pay the rent for the last 12 months without claiming Housing Benefit.

For further details contact Knowsley Council. The changes will mean:

• if you have one bedroom too many, Housing Benefit will be reduced by 14% (around £10 a week on average rent)
• if you have two or more bedrooms too many, Housing Benefit will be reduced by 25% (around £18 a week on average rent)

The exact amount of the reduction will depend on the rent charged.

If you are affected by these changes please speak to your landlord or Knowsley Council.
Later in 2013 there will be a national cap on the amount of benefits a single person or family can receive. The cap is £500 a week for a family, or lone parent and £350 a week for a single person. This is known as the Benefit Cap.

If you are already getting more than £500 (family), or £350 (single) a week in benefit, your Housing Benefit will be reduced and you may have to move to cheaper housing.

For more information please visit: www.dwp.gov.uk/advisor/updates/benefit-cap/

The Benefit Cap does not apply where any household member receives:
- Disability Living Allowance or Personal Independence Payments
- Attendance Allowance
- Support component of Employment Support Allowance
- Working Tax Credit
- War Widows/Widowers Pensions

To discover more talk to your local Jobcentre Plus office.
Council Tax Reduction

From April 2013 Council Tax Benefit will be replaced by the **Council Tax Reduction Scheme**, which will be run by the Council.

Please refer to leaflet MCL3 for more information about the scheme.

National funding for local schemes is being reduced, which means that working age customers will get less support.

Knowsley Council has consulted on the Council Tax Reduction proposals before these changes were made.

For more information, please visit [www.knowsley.gov.uk](http://www.knowsley.gov.uk)
Other benefit changes

The following pages explain other planned benefit changes
Local Housing Allowance (private tenants)

The way that Local Housing Allowance rates are worked out has changed.

This means that most Local Housing Allowance rates have gone down. Please check: www.knowsley.gov.uk for the most up to date Local Housing Allowance rates.

Local Housing Allowance rates will now only be reviewed once a year. New rates will be published each April.

If you are worried about paying your rent please contact Knowsley Council.

Single parents with children over the age of five

Since May 2012, single parents on Income Support whose youngest child is aged 5 or over, have normally been moved from Income Support to Jobseeker’s Allowance. People on Jobseeker’s Allowance are required to undertake work related activity.

This has previously been a requirement when a child reached the age of seven.

For more information speak to your local Jobcentre Plus.
Universal Credit
A single monthly payment of benefits - starting October 2013

The following benefits:

- Income based Jobseekers Allowance (from October 2013)
- Income support (from May 2014)
- Tax Credits (from May 2014)
- Housing Benefit (from October 2014)
- Income related Employment and Support Allowance (from October 2014)

will be replaced with a single benefit called Universal Credit.
Universal Credit will normally:

• be paid monthly in arrears
• be paid to a single person in the household

If you are a tenant you will need to budget and make arrangements to pay your weekly or monthly rent from your Universal Credit payment.

People who are of working age and claim the benefits listed on page 8 (opposite) will move on to Universal Credit in phases:

• from October 2013, new claims for Jobseekers Allowance will be treated as claims for Universal Credit
• new claims for Tax Credits and Income Support will move to Universal Credit from May 2014
• from October 2014, new claims for Housing Benefit and Employment and Support Allowance will be treated as claims for Universal Credit
• from September 2014, the Department for Work and Pensions will also start to move people from their existing benefits to Universal Credit. It is expected that it will take until 2017 to move all customers on to Universal Credit.

It is expected that the Department of Work and Pensions will contact people directly to let them know when they are moving to Universal Credit.

If you think you will need help to manage your money, or make an online Universal Credit claim, please contact Knowsley Council.
Pension Credit

From October 2014, Housing Benefit will start to be paid as a Housing Credit and paid as part of Pension Credit.

This is not expected to result in any changes to the amount of help pensioners get with their rent.

This means that people of pension age will need to claim their housing costs from the pension service.

Further information will be provided about this change and how it will work nearer the time.

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Personal Independence Payments (PIP)

From 8 April 2013, Personal Independence Payments (PIP) will replace Disability Living Allowance (DLA) for new claimants aged 16 to 64 with a health condition or disability.

Most people who currently get DLA won’t be affected by PIP until 2015 or later.

You may need an assessment to work out the level of help you get. Your needs will be regularly reassessed to make sure you’re getting the right support.
Help with PIP
Visit www.gov.uk to find out:
• if and when PIP affects your DLA
• when you can claim PIP

This booklet has covered the major changes to national benefits resulting from the Welfare Reform Act 2012.

Further changes have resulted from the act these include amendments to:
• Tax Credits
• Child
• EAS for young people

For further details on these please visit: www.dwp.gov.uk/directgov/
More information about benefit changes is available at:

- Department for Work and Pensions; visit: www.jobseekers.direct.gov.uk

- The Government’s website; visit: www.gov.uk

- Knowsley Council: visit: www.knowsley.gov.uk or call:
  - Housing benefits 0151 443 4042
  - Council tax 0151 443 4476

- Your local One Stop Shop;

to find your closest One Stop Shop visit: www.knowsley.gov.uk/residents/one-stop-shops