Welfare Benefit Changes from April 2013

Know the facts and be prepared

www.southwark.gov.uk
The big welfare benefit changes in 2013

From April 2013, the Government is significantly changing welfare benefits, including those provided through Southwark Council. Thousands of people in Southwark will be affected by these changes and some will receive less help as a result.

With so much happening, it is important to know what the changes mean and where to go for advice. Here we explain the big changes happening in 2013.

Benefits Cap

What's changing?

A cap on the total amount of benefits, including housing benefit a household can receive is being introduced. It is being phased in from April. By September 2013, the Benefits Cap will apply in all parts of the country.

At present, the Government has not confirmed exactly when the Benefit Cap will affect Southwark residents.

What does this mean?

- For couples, families and lone parents, the **total** amount you can receive from one or more of these benefits is **£500 per week**
- For single people the **total** amount is **£350 per week**

If you are receiving more than the amount above, your Housing Benefit will be reduced to bring your total benefit income down to the Benefit Cap level. Those affected will be contacted directly by the Department for Work and Pensions (DWP).

Further information can be found on the council’s website or by contacting the DWP on 0845 604 3719.

Size criteria in social housing

What's changing?

Housing benefit for working age people living in the social sector will only be paid according to the needs of their household.

What does this mean?

If your accommodation is larger than you need you may receive less money each week and you will be responsible for paying the difference between your rent and the amount of housing benefit you receive. Any tenant with at least one spare room will be affected. The reduction will be:

- 14 per cent for one extra bedroom
- 25 per cent for two extra bedrooms.

People of pension age will not be affected by these changes.

What should you do?

Further information can be found on the council’s website or by contacting the council directly on 020 7525 1880 to see if you are affected.
Council Tax Reduction Scheme

What's changing?

The Government is ending Council Tax Benefit (CTB) from 1 April 2013 and has asked all Councils to create a local scheme for residents on a low income. The money available for this local scheme has been cut by 10% and Southwark Council’s funding is being reduced by £2.8 million. Southwark Council has developed a replacement scheme, known as the Council Tax Reduction Scheme (CTRS).

What does this mean?

The maximum amount of support anyone of working age will receive is 85 per cent of their Council Tax bill.

If you are working age, currently receive Council Tax Benefit and have not paid Council Tax before, you will now have to pay at least 15 per cent of your Council Tax from 1 April 2013.

Southwark Council will no longer pay Second Adult Rebate to working age claimants from April 2013.

If you are a pensioner you will be unaffected by these changes, so you will not see a reduction in the amount of support you receive.

What should you do?

If you have any queries about the new scheme or want to discuss your payment options, you can contact the council on 020 7525 1880. More information is available on the council’s website.

A drop in Council Tax debt advice clinic is available on the first Tuesday of the month from 5-7pm at Bermondsey CAB, 8 Market Place, Southwark Park Road, SE16 3UQ.

Do not ignore your Council Tax bill as non-payment may lead to court action and additional charges.

Disability living allowance

What's changing?

Disability living allowance (DLA) is being replaced by a new benefit called personal independence payment (PIP) for people aged 16 to 64 (from June 2013).

What does this mean?

You will not automatically be entitled to PIP. You will need to apply for it. It will be based on how your health or disability affects your ability to live independently. New claims for PIP will be taken from June 2013. From 2015 people of working age (16-64) who are getting DLA will be invited to make a new application and in most cases attend a medical assessment. If you do not respond, your DLA will stop being paid.

However, you will be invited to claim PIP earlier if there are changes in how your health condition or disability affects you, or you reach the end of your DLA award. You can find out more about PIP and when you will be affected by the changes by contacting the DWP.

What should you do?

If you receive DLA, be aware that you will be invited to claim PIP soon and your DLA will stop at this point. Respond to the DWP letter - your payments will stop if you don't.
Universal Credit

The Government plans to introduce Universal Credit as a new single payment replacing the following benefits:

- Housing Benefit
- Income-based Jobseeker's Allowance
- Income-related Employment and Support Allowance
- Income Support
- Child Tax Credits
- Working Tax Credits

This will be paid to you if you are looking for work or if you are on a low income.

When will Universal Credit be introduced?

Universal Credit will be introduced in 2013: New claimants will make claims for Universal Credit from October 2013, while claims for existing benefits and credits will be gradually phased out. From April 2014, all new claims for the above benefits, including housing benefit will be for Universal Credit.

If you currently claim any of the above benefits you will be gradually moved onto Universal Credit by the end of 2017

What's different about Universal Credit?

The main differences between Universal Credit and the current system are:

- Universal Credit will be available to people who are in work and on a low income, as well as to those who are unemployed
- Most people will apply online and manage their claim through an online account
- Universal Credit claimants will receive just one monthly payment in arrears, paid into a bank account
- Everyone on Universal Credit will need to have a bank account as Universal Credit will be paid in to a bank account.
- Support with housing costs will go direct to the claimant as part of their monthly payment rather than to their landlord

What should you do?

You can keep up to date with the latest information through the DWP. They will write to you when it is time for you to move to Universal Credit.

If you do not have a bank account, think about opening one now. In addition to the high street banks, the London Mutual Credit Union (LMCU) also provide some banking services. Their details are provided below.

Pensioners will not be affected by any the changes listed above.

Further information on the changes to the welfare benefits system is available on the council’s website. If you are worried that you might be affected by any of these changes, visit the one stop shops or local advice centres (see below).
Useful contact details are listed below. Please refer to the enclosed Advice Map for a more detailed list

Benefits

Southwark Council’s Housing and Council Tax Benefit
Telephone: 020 7525 1880   Website: http://www.southwark.gov.uk/benefits

Rightfully Yours – a council service providing information, advice and support to help vulnerable residents of Southwark claim the benefits they are entitled to.
Telephone: 020 7525 7434 / 020 7525 3393   Email: rightfullyyours@southwark.gov.uk

Department for Work and Pensions (DWP) Benefit cap hotline
Telephone: 0845 605 7064.   Benefit Cap calculator: www.dwpe-services.direct.gov.uk

Department for Work and Pensions (DWP) Pension Credit Claim line
Telephone: 0800 991 234   Website: https://www.gov.uk/pension-credit

Housing

Southwark Council Resident Services (for information on mutual exchange)
Telephone: 0207 525 2600
Website: http://www.southwark.gov.uk/info/200027/council_tenant_information

Housing Options (for information on transferring to a smaller property via Homesearch and other housing options including for those residing in the private rented sector)
Telephone: 020 7525 5950
Website: http://www.southwark.gov.uk/info/200052/looking_for_a_home

Discretionary Housing Payments (for applications for DHP)
Telephone: 0207 525 4022

Shelter – Free, independent housing advice 24 hours a day
Telephone: 0808 800 4444   Website: http://www.shelter.org.uk/

Money

London Mutual Credit Union for bank accounts and information on loans
Telephone: 020 7787 0770   Website: http://www.creditunion.co.uk/

The Money Advice Centre – free, independent money advice
Telephone: 0300 500 5000   Website: https://www.moneyadviceservice.org.uk/

National Debt Helpline – free, confidential debt advice
Telephone: 0808 808 4000   Website: http://www.nationaldebtline.co.uk/

Employment

Job Centre Plus   Telephone: 0845 604 3719
Southwark Works   Telephone: 0800 052 0540
Jobseeker Direct   Telephone: 0845 606 0234
Access to work – Grants for people with a disability, health or mental health condition.
Telephone: 020 8426 3110   Textphone: 020 8426 3133

Email: atwosu.london@jobcentreplus.gsi.gov.uk