

The big Welfare benefit changes in 2013

From April 2013, the Government is significantly changing welfare benefits and services, 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 is changing?

A cap on the total amount of benefits, including housing benefit a household can receive has been introduced from April 2013. Southwark residents will start to be affected from August 2013. By September 2013, the Benefits Cap will apply in all parts of the country

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.

Further information can be found on the council's website or by contacting the council's directly on 020 7525 1800.

Size criteria in social housing

What is changing?

Housing benefit for working age people living in the social sector (council and housing association properties) will only be paid according to the needs of their household.

What does this mean?

If your accommodation is larger than your housing needs, 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's directly on 020 7525 1800 to see if you are affected.

Council Tax Reduction Scheme

What is changing?

Council Tax Benefit has been abolished from April 2013. Local authorities have been asked to develop a scheme to support residents on low incomes. The government has also reduced the funding available for the scheme. Southwark Council has developed a Council Tax Reduction scheme.

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 is 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 written to and asked to complete a new claim form, 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 Disability Living Allowance 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 do not.

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

When will Universal Credit be introduced?

Universal Credit will be introduced in October 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 will be for Universal Credit and which include payments for new Housing Benefit claims

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

What is 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 into 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.

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 centre.