

What you need  
to know about  
changes to the  
benefit system  
and how we  
can help



# Welfare reform

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یہ دستاویز دیگر شکلوں میں بھی دستیاب ہے، جیسے آڈیو ٹیپ، سی ڈی، بریل اور بڑے حروف کی  
چھپائی میں۔ درخواست کرنے پر یہ دستاویز دیگر زبانوں میں بھی مہیا کی جا سکتی ہے۔

Ten dokument jest do uzyskania w różnych formatach: na taśmie dźwiękowej, płycie CD, braille i dużym drukiem. Na żądanie, można go także otrzymać w innych wersjach językowych.



## What is welfare reform?

The Government is changing the way that some benefits are paid and how much benefit people are entitled to. This leaflet will help you find out:

- What the changes are
- Where you can go for help and advice

### Who will be affected?

If you are of working age and claim benefits you may be affected by the changes detailed in this leaflet. The changes may mean that you receive less benefit than before.

It is important that you understand the changes and how they could affect you.

## Working Age Benefits are Frozen April 2016 - April 2020

A 4 year freeze on certain working age benefits including Job Seekers Allowance, Tax Credits, Child Benefit, Employment Support Allowance (work related activity component) and Income Support.

You will not be affected if you claim:

Pensioner benefits, disability benefits including the support component of Employment Support Allowance, disabled child and adult elements of tax credits, and statutory payments such as Maternity Pay.

## Universal Credit (UC)

Universal Credit replaced 6 working age benefits for single people, based on set criteria, in North Ayrshire from April 2015.

These benefits are Income Based Jobseekers Allowance; Income Related Employment Support Allowance; Income Support; Housing Benefit; Child Tax Credits and Working Tax Credits.

How will this affect me?

All benefits are merged into one single monthly payment and you will be responsible for paying your rent to the Council or Housing Association. You need to have a bank or post office account to receive payments.

The Government plan to roll this out to all people of working age who are submitting a new claim for benefit, or have a change of circumstances, between May 2016 and 2018. It is being rolled out using the Department of Work and Pensions (DWP) Full Digital Service. This means you will need online access to claim Universal Credit and to maintain your claim.

## **Housing Benefit Rules**

Under occupation or 'Bedroom Tax'

If you are under state pension age, live in a Council or Housing Association property and have one or more extra bedrooms, your housing benefit may be reduced by 14% or 25%.

At the moment this reduction is being met by Discretionary Housing Benefit (DHP) and you will not need to pay anything extra towards your rent. However, you still have to apply for this to North Ayrshire Council.

Removal of the Family Premium

From April 2016 the calculation for Housing Benefit will change and the family premium, previously used in the calculation, will be removed. This may result in a reduction in Housing Benefit awarded in certain situations. To ascertain how this may affect you please contact your Housing Officer.

Backdating of Housing Benefit April 2016

Housing Benefit for working age claimants can only be backdated, in normal circumstances, for 1 month from April 2016. In the case of pensioners the limit is 3 months.

Absence from Home Summer 2016

Housing Benefit will be restricted to 4 weeks if you leave the UK. After 4 weeks out of the country your housing benefit will be stopped.

## **Benefit Cap November 2016**

A cap on the amount of state benefits people could claim was introduced in 2013. This cap has been reduced from November 2016.

The Government will add up how much you get from a range of welfare benefits, including housing benefit. If the total comes to more than the maximum amount allowed, your Housing Benefit or Universal Credit will be reduced. (However, there are some exceptions)

The Benefit Cap for couples and lone parents was £500 per week but has been reduced to approximately £384 per week.

The Benefit Cap for single people without children was £350 per week but has been reduced to approximately £257 per week.

## **Local Housing Allowance (LHA) April 2019**

The UK Government has proposed that payments of Housing Benefit and the Housing Element of Universal Credit will be restricted to the Local Housing Allowance Rates for new council or housing association tenancies starting from April 2016 and all tenants in receipt of Universal Credit.

How will this affect me?

If you are a new tenant who has signed for their tenancy after April 2016 or you are in receipt of Universal Credit your Housing Benefit or Housing Element of Universal Credit may be capped to the LHA rate applicable to your circumstances from April 2019.

If you are of working age and are considered to be underoccupied, your housing benefit or housing element of Universal Credit is already capped. If this cap is greater than the amount of cap that would be applied by the LHA rate being applied, your housing benefit or housing element of Universal Credit will not reduce further. If the cap applied by the LHA was greater, then this is the cap which will be applied.

## Working Tax Credits April 2016

The Government are reducing the amount which your household income can increase before it affects your tax credits.

How will it affect me?

If your income increases by £2,500 or more it will affect your tax credits immediately. This has reduced from £5000.

It is in your best interests to report any changes to your income to ensure that your award is correct.

## Disability Living Allowance (DLA) is being replaced by Personal Independence Payment (PIP)

How will it affect me? May 2016 – April 2021

DLA is ending for people who were born after 8 April 1948 and are 16 or over.

You'll continue to get DLA until the Department for Work and Pensions (DWP) writes to you to:

- Tell you when it will end
- Invite you to apply for PIP

You can keep getting DLA if you are under 16 or you were born on or before 8 April 1948 and have an existing claim.

## New Single-Tier State Retirement Pension? April 2016

Who will be affected by this?

New Retirement Pension claimants after April 2016 will be awarded this if they have a full 35 years NI contribution record and have no deductions for contracted out years.

## What should you do?

If you have any questions or need any help and advice, contact one of our offices listed on the following page.



# North Ayrshire Housing Register offices

## **Irvine**

Bridgegate House  
Irvine, KA12 8BD  
Phone: **01294 310 150**

## **Kilwinning**

Howgate  
Kilwinning, KA13 6EJ  
Phone: **01294 552 261**

## **Three Towns Housing Office**

The Town Hall  
Countess Street  
Saltcoats, KA21 5HW  
Phone: **01294 310 005**

## **Kilbirnie**

34-36 Main Street  
Kilbirnie, KA25 7BY  
Phone: **01505 685 177**

## **Beith Dalry**

2 Townend Street  
Dalry, KA24 4AA  
Phone: **01294 835 355**

## **Largs**

Brooksby Medical & Resource Centre  
31 Brisbane Road  
Largs, KA30 8LH  
Phone: **01475 687 590**



**North Ayrshire Council**

Comhairle Siorrachd Àir a Tuath



Sovereign House  
Academy Road  
Irvine, KA12 8RL  
Phone **01294 313 121**

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