

**shasc**  
scottish housing and  
support conference

*SHASC – Bringing housing  
and support together!*

annual  
conference  
**2011**

Hilton  
Edinburgh  
Grosvenor  
Hotel

5 October

**CHILD  
POVERTY  
ACTION  
GROUP**  
in SCOTLAND

**Welfare Reform**  
Mark Willis, CPAG in Scotland

# Aims of Today's Session

- To review ongoing benefit changes especially affecting housing and support
- To become familiar with longer term plans in Welfare Reform Bill 2011

## Housing Benefit (April 2011) - Non-dependant deductions

- increased by 27%; from £7.20 → £9.40;  
up to £47.75 → £60.60 a week
- No deduction if tenant is on Disability Living Allowance care component (more later) or Attendance Allowance
- No deduction if non-dependant is under 25 and on income-based benefits
- No deduction for live-in carer engaged by a charitable/voluntary organisation which charges for the service

# Housing benefit – other changes

## **April 2011**

- Extra payable for room for non-resident carer of disabled adult

## **April 2012**

- Single people under 35 restricted to rate of a room in shared accommodation

## **April 2013**

- Amount restricted for family size in social housing

# Local Housing Allowance (LHA) (Housing benefit for private tenants)

## **April 2011 – new claimants**

- capped nationwide (eg, £250 for 1 bed)
- 4-bedroom limit
- Cut from median to 30th percentile of local rents
- Remove £15 excess

## **January 2011**

- existing claimants affected by above

## **April 2013**

- LHA uprated by CPI – breaks links with rents

# Other Housing

- More funds (*more demand!*) for discretionary housing payments
- Standard mortgage interest rate down from 6.08% to 3.63%
- Support for Mortgage Interest stopped after two years on JSA
- More evictions/ repossessions/ homelessness/ pressure on social housing

# Welfare Reform Bill 2011 DLA → Personal Independence Payment



- Disability living allowance (DLA) for working age claimants to be replaced by personal independence payment (PIP)
- ‘Objective’ medical assessment – points-based?
- Daily living component payable at two rates
- Mobility component payable at two rates
- Reassessment of existing DLA claimants - intended to reduce expenditure/caseload by 20%

# Welfare Reform Bill 2011

To be abolished from October 2013:

- Income support
- Income-based jobseeker's allowance
- Income-related employment and support allowance
- Child tax credit
- Working tax credit
- Housing benefit

# Universal Credit

- From October 2013 for new working age claimants
- Single withdrawal rate of 65%
- Abolition of hours rules – under 16 hours work will be worthwhile
- Increased conditionality and sanctions
- Migration for existing claimants ongoing until 2017
- “No one worse off” at point of transfer

# Universal Credit

## Amounts

- Single claimant or couple (joint claimants)

## Additional amounts

- Children or qualifying young persons
- Rent or mortgage
- Limited capability for work
- Limited capability for work-related activity
- Caring for a disabled person

# Universal Credit

- Claims, changes of circumstances and most client contact normally made online
- Local authorities/voluntary sector to assist people who cannot manage online claims
- Real-time earnings information from HMRC
- Claim, assessment and award made automatically
- Payments made monthly, normally direct to claimant – including tenants of social landlords

# Welfare Reform Bill 2011

## Benefit Cap

- Total benefit payment limited to around £500 pw for couples/lone parents (from April 2013)
- Couple with 6 children currently receive around £500 pw – not including housing benefit
- Exception for households with DLA, WTC or war widows
- To be delivered by local authorities

# Welfare Reform Bill 2011- other changes

- Contributory employment and support allowance limited to one year for work-related activity group (from April 2012)
- Council tax benefit devolved (from 2013/14) and cut in budget by 10%
- Crisis loans & community care grants to be abolished from October 2013; replacement handed to devolved government/local authorities

# More Information

- [www.cpag.org.uk/welfarereform](http://www.cpag.org.uk/welfarereform)
- [www.dwp.gov.uk/policy/welfare-reform](http://www.dwp.gov.uk/policy/welfare-reform)

CPAG in Scotland Advice Line for Advisers

0141 552 0552 (Mon to Fri 10 -12)

Or email [advice@cpagscotland.org.uk](mailto:advice@cpagscotland.org.uk)