

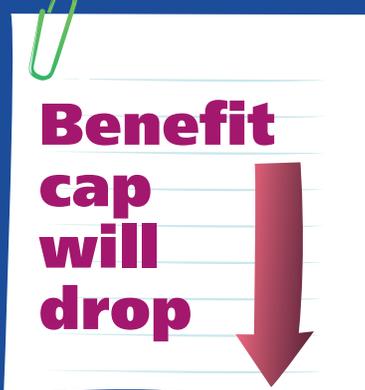
benefit changes

information about the government's welfare reform

Autumn 2016

For professionals who work with people affected by changes to welfare benefits

There are **3** significant changes to welfare payments that will affect people in Brighton & Hove.

1	2	3
APRIL 2016	NOV 2016	APRIL 2017
 <p>Local Housing Allowance was frozen (This is the amount paid in Housing Benefit to people who rent in the private sector depending on the size of the household.)</p>	 <p>Benefit cap will drop to £385 per week for families £258 per week for single people</p>	 <p>Benefits will be restricted to two children</p>

This newsletter explains the impact of these changes and how households are likely to be affected by them.



Brighton & Hove
City Council

1 Local Housing Allowance Freeze



In April 2016, the Local Housing Allowance* was frozen, for four years.

*This is the amount paid in Housing Benefit to people who rent in the private sector depending on the size of the household

This will mean that for many people who rent privately, the money they receive in Housing Benefit may **not be enough** to cover their rent.

Who will be affected by these changes?

The best estimate is that this could affect around **10,000 households** in Brighton & Hove.

What happens if people fall into arrears with their rent?

- This could eventually lead to eviction
- People could become homeless and need emergency housing (this is often outside of Brighton & Hove)

Current average advertised rents and Local Housing Allowance levels

Brighton & Hove	1 bedroom		2 bedroom		3 bedroom		4 bedroom	
	Per Month	Per Week						
Average Advertised Rent* Monthly / Weekly	£935	£216	£1,284	£296	£1,569	£362	£1,846	£426
Local Housing Allowance Monthly / Weekly	£663	£153	£834	£192	£998	£230	£1,471	£339

*Source – Rightmove 1/6/2016

What options are there for people?

- **Get advice as early as possible** if they think they might become homeless
- **Budget carefully** – explore how the shortfall can be met from other money coming in
- **Look for less expensive property** – see www.brighton-hove.gov.uk/finding-rented-homes for sources of accommodation
- **Earn more** by finding work or increasing their current working hours
- Make sure they are **claiming all benefits** they are eligible for
- If they are a single parent ensure they are **getting regular child maintenance payments** because they are not counted as income and can be used to meet the shortfall
- **Build a good relationship with their landlord** by looking after the property, making regular payments and keeping to the conditions of their tenancy
- **People may be able to get short term extra help** through a Discretionary Housing Payment from the council - see useful contacts section at the end of this update

The useful contacts section at the end of this update has details of organisations that can offer help.

For more information visit:

www.gov.uk/government/news/summer-budget-2015-key-announcements

2 Benefit cap



In November 2016 the benefit cap will fall to **£385 per week for families and £258 per week for single people.**

The cap is a limit on the total amount of benefits received per week and includes most benefits such as Child Tax Credit and Housing Benefit/Local Housing Allowance.

The benefit cap means that some families and single households will have their Housing Benefit reduced, in some cases, by hundreds of pounds a week.

For example, a single parent with three children living in a privately rented flat will have their Housing Benefit reduced by approximately £140 per week. Larger households will see higher reductions, smaller households will see lesser reductions.

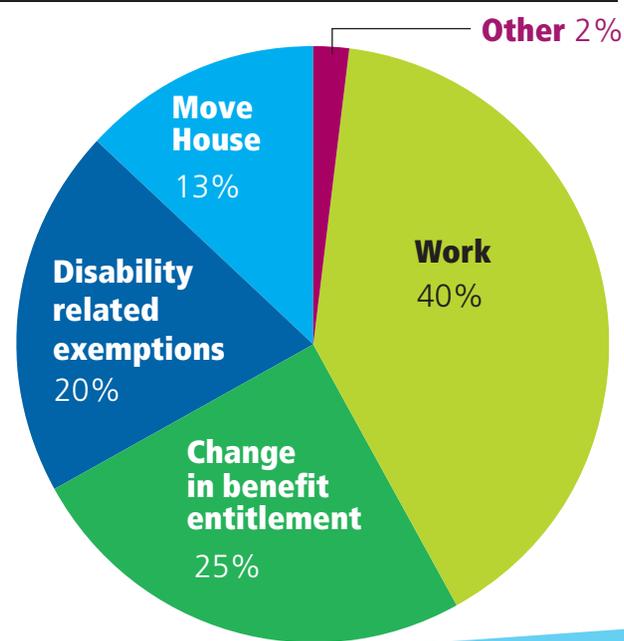
It is expected to affect around 600 households in Brighton & Hove. There are exemptions - see table opposite.

What do people need to do?

People whose total amount of benefit is over the cap amount will have their Housing Benefit reduced, unless they work or they are entitled to Disability Living Allowance, Personal Independence Payment or the Support Group of Employment and Support Allowance.

The council's benefit cap team will make sure everyone affected is contacted and offered support. This may include short term extra help through Discretionary Housing Payments.

The chart below shows how the 351 families in the city previously affected by the current benefit cap have become exempt.



What happens if these changes are ignored?

It is important that people understand that they need to take action and choose one of the options mentioned in the table opposite.

If people do not take action, the most likely outcome is that they will build up rent arrears and face eviction.

It is important people make use of the support offered to them by the benefits cap team

Exemptions

Some people are exempt from the cap. If people fall within any of the different scenarios below it will mean that they no longer fall within the benefit cap or that the impact is lessened.

Scenario	Details	% of families who have chosen this option so far
Work	<p>People who are working can claim Working Tax Credit and not be affected by the benefit cap if they are working the following hours:</p> <ul style="list-style-type: none"> • Single parents need to work 16 hours per week or more. Couples with children need to work a total of 24 hours, with one person working at least 16 hours per week • Couples who have been claiming Employment Support Allowance (ESA) where the disabled person moves into work must work at least 16 hours per week <p>If someone has been employed continuously for 12 months and loses their job through no fault of their own, the benefit cap won't apply to them for the first 39 weeks after they lose their job (known as the 'Grace Period').</p>	40%
Change in benefit entitlement	<p>If there is a change of benefit entitlement to less than £385 per week for a family or £258 per week for a single person, they will be no longer be subject to the benefit cap.</p>	25%
Disability and Carer related exemptions	<p>People are exempt from the cap if they are entitled to:</p> <ul style="list-style-type: none"> • Disability Living Allowance or Personal Independence Payments • Attendance Allowance • The support component of Employment Support Allowance • Industrial Injuries Benefit • War Disablement pension • Armed forces independence payment • Armed forces compensation scheme payments • Carers Allowance (or an underlying entitlement to Carers Allowance) • Guardians Allowance paid by the Department for Works and Pensions <p>The cap doesn't apply to people of pensionable age, or people who receive war widows' or war widowers' pension</p>	20%
Move house	<p>Finding cheaper accommodation would help people live within the benefits cap.</p>	13%
Other	<p>Moving in with a partner who is working, or making sure that child maintenance payments are in place, can support families who fall within the benefit cap.</p>	2%

For more information visit: www.gov.uk/benefit-cap/overview

3 Benefits restricted to two children



From 1 April 2017, the government is proposing to restrict Child Tax Credit and Universal Credit to two children.

This will affect any third or subsequent children born after April 2017.

Families will lose £52 per week per child in tax credits (£2,704 per year). There will be transitional protection for existing claimants who already have more than two children. New claimants with more than two children will only be eligible for the first two.

Child benefit will not be affected.

Who will be affected by these changes?

The best estimate is that there are around 3,700 families in Brighton & Hove with two or more children who would be affected by this change if they had any further children.

For more information visit:
Go to **www.gov.uk** and search for **Summer Budget 2015 HM Revenues and Customs**

What can families do?

It is important that families are aware of this change and what it will mean for them if they have a third or subsequent child after 1 April 2017.

Families having a third or subsequent child after 1 April 2017 will need to understand that their benefits will not go up.

If the second child is a multiple birth they will be eligible for Child Tax Credit but this would be taken into account in the benefit cap. This means that families will face having a maximum benefit income of £385 per week and paying all of their rent and bills out of this.

People affected may have to consider reducing their expenses or ways of increasing their household income for example working or receiving maintenance from ex-partners.

What could happen?

Families affected may face increased hardship, experience debt problems and have problems affording their rent which can lead to rent arrears and eviction.

Useful contacts



Help in an emergency

If someone is in a situation with no money or food, emergency help is available.

- **Local Discretionary Social Fund**

Tel **01273 293117** or go to www.brighton-hove.gov.uk/ldsf to find out more and apply online

- **Family Information Service (FIS)**

Tel **01273 293545**. Advisers can refer families to a foodbank and advise on other sources of help. Information about local services can be found at www.familyinfobrighton.org.uk

- **Emergency food and food banks**

Go to www.bhfood.org.uk/referring-to-a-food-bank for information about emergency food and food banks



Benefits advice

Benefits advice is available from the **Jobcentre** Tel **0345 604 3715** or the **Citizens Advice Bureau (CAB)**

Tel **01273 223951**. There is also more information and online claim forms available from www.gov.uk

Contact details

Income Support – **0800 055 6688**

Job Seekers Allowance –
0800 055 6688

Tax Credits – **0345 300 3900**

Housing Benefit and council tax reduction – **01273 292000**

Welfare Rights – **01273 291116**

Child Maintenance Options –
0800 988 0988



Homelessness and housing

For anyone at risk of becoming homeless, it's important to get advice as soon as possible. Contact the council's Housing Options Team Tel **01273 294400** or complete their homelessness advice online form.

www.brighton-hove.gov.uk/homelessness

Housing advisers will do all they can to help people keep their home. They can:

- advise people on their responsibilities
- advise on welfare benefits to help with the rent or mortgage
- negotiate with landlords about any problems
- deal with banks and building societies if people have fallen behind with mortgage payments

- **Out-of-hours homeless emergency**

If someone has a homeless emergency out-of-office hours (9am-5pm Monday-Friday) Tel **01273 294400**, selecting option 2, then option 1.

Help with rent shortfalls, moving costs and rent in advance

The council may be able to help by paying a Discretionary Housing Payment to help with short term rent shortfalls. It can also help with moving and removal costs if people are moving into affordable accommodation and cannot afford to move themselves.

You can download a form from:

www.brighton-hove.gov.uk/DPform

Tel **01273 293117** (they will call you back if you need them to).

Help finding other accommodation

The council is working with HomefinderUK (<http://homefinderuk.org>) to help households facing homelessness or other social tenants to move to more affordable social housing in other parts of the country if this is their choice.

To find out what LHA rates are look here:
<https://lha-direct.voa.gov.uk/search.aspx>

Council help with housing

People affected by any of the changes set out in this leaflet may have difficulty paying rent.

You must ensure that you seek the help and advice contained in this leaflet as early as possible.

Everyone working with families and other households is committed to preventing homelessness but this can only succeed if you act early. If you cannot stay in your home, alternatives are increasingly out of the city boundaries because of the high cost of accommodation in the city.

The council's Housing Options Service can help you keep your home, find alternative housing and negotiate with landlords about problems you may have – for example with rent. If you become homeless the council will assist those it has a legal duty to help and will give advice to others. In these circumstances housing provided by the council is likely to be out of the city.



Dealing with debt

The Step Change Debt Charity

Provides free and confidential counselling on debt problems – including personal budgeting and credit advice. They can also liaise with creditors to work out a repayment package.

For more information visit
www.stepchange.org or call the
freephone helpline Tel **0800 138 1111**



Gas and electricity charges

There are several ways that gas and electricity bills can be reduced including:

- Switching supplier or switching to the supplier's cheapest tariff
- Buying both gas and electricity from the same company – this is known as dual fuel
- Paying monthly by direct debit
- Asking the supplier if they have any special rates for people needing extra help, for example if anyone in the household is on benefits or has a disability
- Some people qualify for the Warm Home Discount Scheme, whereby energy suppliers can give a £140 discount to customers in vulnerable groups (check with the energy supplier as eligibility criteria varies between companies)
- Households should always do their own meter reading every time they receive a bill, if bills are paid by direct debit, there could either be an overpayment and the customer could be entitled to a rebate, or be underpaying and end up with a bill at the end of the year

For local help with your gas and electricity bills contact BHESCo www.bhesco.co.uk
Tel **01273 766671**

For general information on saving money on fuel costs visit www.moneysavingexpert.com

National Debtline

Provides free confidential and independent advice on how to deal with debt problems. The specialist advice given over the telephone is backed up with written self-help materials which can be mailed out free of charge.

For more information, visit
www.nationaldebtline.co.uk
Tel **0808 808 4000**



Child Maintenance

The Child Maintenance Options Service can advise and support people who need to get financial support from an ex-partner.

They can make a Family Based Arrangement if both parents are happy to work things out or, if this isn't possible, they can arrange a Statutory Agreement.

There is a fee of £20 to register with this service if they need to make a Statutory Agreement but not if the applicant is a victim of domestic violence. Child Maintenance Options is a free service that provides impartial information and support to help separated parents make decisions about their child maintenance arrangements. The website contains a useful maintenance calculator.

Tel **0800 988 0988**

Text OPTIONS to 6664

www.cmoptions.org



Saving, loans and borrowing

Having a savings account means that people can plan for the future and save up for the things they need, as well as being more likely to cope in an emergency when money is needed at short notice.

East Sussex Credit Union

Provide free, independent advice on savings and loans. For more information, visit www.eastsussexcu.org.uk
Tel **01273 234858**

Beware of loan sharks!

Many illegal money lenders or loan sharks charge very high rates of interest and use threats, intimidation and violence to force repayment of loans.

To report an illegal money lender or loan shark in confidence, visit www.gov.uk/report-loan-shark
Tel **0300 555 2222**



General advice

There is a wide range of national information available on public services, including financial support, through the government website www.gov.uk

Benefits check

The online benefits adviser tool can help with benefits estimates, or check which benefits people can claim. It's available to use at www.gov.uk/benefits-adviser

The Money Advice Service

The Money Advice Service is a national organisation that offers free, clear and unbiased advice to help everyone to manage their money better. Their website is packed with useful information and has a section aimed specifically at parents. There are also online calculators that can work out household budgets.

Visit www.moneyadvice.service.org.uk
or call their helpline to speak to an adviser
Tel **0300 500 5000**



Local sources of help and advice

www.moneyworksbh.org.uk

Moneyworks can help Brighton & Hove residents save money, make money and manage their money better. The service is for anyone who is struggling to make ends meet.

A free service which helps people to:

- Use a bank account
- Save money
- Sort out debts
- Look for a job and training courses
- Claim benefits and childcare subsidies
- Sell online
- Compare prices online to get the best deal
- Insure your valuables
- Find grants to pay for school uniform or a new washing machine
- Keep in touch with friends and family
- Cook on a budget
- Pay your bills and your rent
- Avoid bank charges
- Manage a household budget

Moneyworks work in partnership with:
Brighton & Hove CAB,
Money Advice Plus,
Brighton Unemployed Centre Families Project,
The Bridge,
Hangleton & Knoll Project,
Whitehawk Inn,
St Luke's Advice Service and
The Fed Centre for Independent Living

Visit www.moneyworksbh.org.uk

Tel **0800 988 7037**

www.advicebrighton-hove.org.uk

This website lists a wide range of organisations in Brighton & Hove that offer free, independent and confidential advice. It also provides links to online advice on:

- Benefits & Tax Credits
- Housing & homelessness
- Dealing with debt
- Employment rights
- Families & children
- Immigration
- Community care
- Consumer goods & services

The website also includes a useful advice map of the city, showing where your nearest advice services are located.

Brighton Voices in Exile

Offers advice and support to refugees, asylum seekers, those with indefinite leave to remain and no recourse to public funds on housing, benefits, education and employment.

Drop-in Tuesdays 10am – 12 noon

Tel **01273 328598**

Welfare Rights Team

The council's Welfare Rights Team is a small team who primarily train other advisers on welfare benefits. They also offer advice to people who have been turned down for benefits and run a public advice line every Monday, Tuesday and Thursday from 10am to 1pm.

For more information visit
www.brighton-hove.gov.uk/welfarerights
Tel 01273 291116

Brighton & Hove City Council Benefits Service

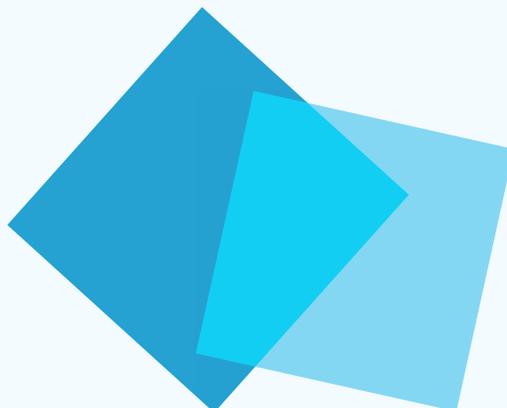
Depending on family or household income and circumstances, some families may be entitled to housing benefit or council tax reduction. The Benefits Service processes these claims for residents in Brighton & Hove.

For information and full details of their drop-in and appointment services at Bartholomew House and neighbourhood offices, visit
www.brighton-hove.gov.uk/benefits
Tel 01273 292000

Extra Help with Council Tax

If someone receives Council Tax Reduction and needs extra help with the Council Tax they do pay they may be able to claim short term extra help through Discretionary Council Tax Reduction.

You can download a form from:
www.brighton-hove.gov.uk/DPform
Tel 01273 293117 (they will call you back if you need them to)





Help with finding work and training

Local advice and support

The Whitehawk Inn

The centre offers a wide range of courses, as well as help and advice about work and volunteering opportunities.

Tel **01273 682222**

www.whinn.org.uk

The Bridge

The Bridge is based in Moulsecoomb and offers a range of courses and support to get into work, including a weekly job club where you can find local vacancies and get help with your CV.

Tel **01273 687053**

www.thebridgebrighton.com

Job Centre Plus

30/35 Edward Street, Brighton
87A Boundary Road, Hove

Tel **0345 6043719**

www.gov.uk/contact-jobcentre-plus

The following websites contain useful information about looking for work, jobs, volunteering and training:

nationalcareersservice.direct.gov.uk

The National Careers Service provides information, advice and guidance to help you make decisions on learning, training and work opportunities.

The service offers confidential and impartial advice supported by qualified careers advisers.

Tel **0800 100900**

www.mylifebh.org.uk

The Brighton & Hove My Life Directory contains both local and national resources to support you to get back into work.

www.womenlikeus.org.uk

This website is specifically aimed at women who are looking to return to the workplace after having children.

www.communitybase.org

The site lists local jobs with charities, community groups, local government and health services. You can also view volunteering opportunities.

www.communityworks.org.uk

Volunteering opportunities with local services and groups and support for volunteers.

www.ageuk.org.uk

The website supports older people who are looking to return to the workplace.