

Welfare Reform

What you need to know

This leaflet gives information on the current and planned welfare reforms which might affect Brighton & Hove council tenants. It is correct as of **December 2015**, but you should always get up to date advice if you think you will be affected by any of these changes. Details on how to get advice can be found on the next page.

None of the changes currently apply to pensioners, although this could change.

HB under-occupation rule

If you claim Housing Benefit and have more rooms in your home than you need, the government will in most cases reduce the amount of benefit you get. This is often referred to as the '**Bedroom Tax**'.

In Brighton & Hove, there are over 700 people who are affected, typically losing around **£15** per week.

Universal Credit

Starting from **December 2015**, if you apply for benefits to help with your rent, you may be told to claim **Universal Credit**.

Universal Credit is very different from the way you may have received benefits before. Instead of being paid to the council, your rent money will be paid to you in a monthly sum, together with any:

- Jobseeker's Allowance (Income Related)
- Employment and Support Allowance (Income Related)
- Income Support
- Working Tax Credit
- Child Tax Credit

You will be responsible for paying your rent directly to the council.

Benefit Cap

Currently any benefit payment that would be more than **£500 per week** is taken from your Housing Benefit.

From autumn 2016, that **will reduce to £385 per week**. This means that some people will receive as little as 50p per week to help pay for rent. People affected by the cap are expected to pay for their rent from any other benefit money they receive.

People claiming some disability benefits will not be affected by the cap.

Other changes

As well as the changes listed above, there are also other austerity measures which could affect you:

- Jobseeker's Allowance, Employment Support Allowance and Income Support will be the same amount until 2019
- A family will not receive any Child Tax Credits or Child benefit for any child after the second, born after 1 April 2017
- Households earning £30,000 or more a year will have to pay full market rent, a very large increase
- Rent will be reduced by 1% for the next four years

Are you prepared?

You will need a **bank account**, with the ability to make payments like standing orders. You will also need to be able to **access the internet** to apply for Universal Credit.



You should check how much money you have coming in each month and how much you spend. If the amount you spend is more than the money coming in, you will need to prioritise essential payments like rent, food and clothing.

If you have **debts** there are often ways to reduce the amount you owe or the amount you have to pay back each month.

You should always make sure you are claiming all the benefits you are entitled to and appeal any decisions if you think they are wrong.

There is help available with benefit advice, budgeting, debts and other financial matters from **Moneyworks**, with details on how to contact them below.

Find Out More

Moneyworks

www.advicebrighton-hove.org.uk/moneyworks

Tel: 01273 809288

Brighton & Hove City Council

www.brighton-hove.gov.uk/benefit-changes

Tel: 01273 293030

Money Advice Service (National)

www.moneyadvice.service.org.uk

Department of Work and Pensions

www.gov.uk/government/policies/welfare-reform

Citizens Advice

www.citizensadvice.org.uk/benefits/changes-to-welfare-benefits