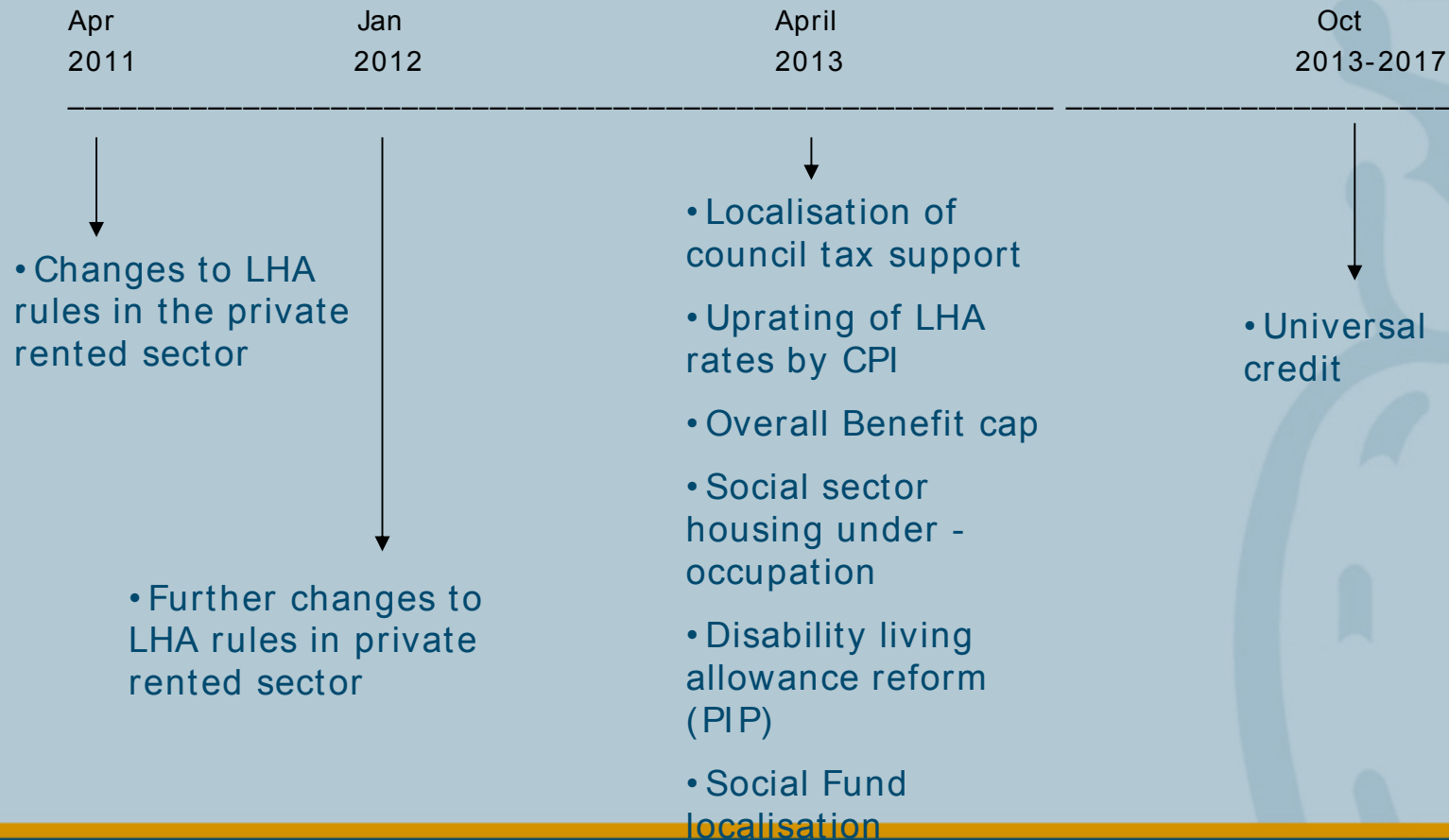


Welfare Reform



The programme of change



Programme of change

April 13

Council Tax Benefit replaced by 'local scheme of Council Tax Support'

- Government funding for Leeds reduced by min £5.5m
- No change to scheme for pensioners
- Impact falls on working age customers
- Options will see most working age customers getting less Council Tax Support
- Options to protect many people with disabilities, single parents with children under 5 , Carers and war pensioners and war widows
- Estimated loss approx £2.50 per week
- Approx 34k working age claimants affected
- Recovery implications

Programme of change

- April 13 Under-occupation rule in the social rented sector
 - 14% reduction: under-occupying by 1 bedroom
 - 25% reduction: under-occupying by 2 bedrooms or more
- Council Properties
 - Estimated 23k working age tenants in receipt of Housing Benefit.
 - Estimated 6,700 (working age) claims affected
 - Estimated annual average decrease in HB per claim £543.67 (£11.31 per week)
- Registered Social Landlords (RSL)
 - Estimated 11,071 RSL properties in receipt of Housing Benefit
 - Estimated 6,767 are of working age
 - Approximately 1500 affected by under occupancy

DHP – Under Occupation

Social Sector Size Criteria measure will impact on over 8,000 customers in Leeds. This years funding is aimed at customers:

- Where a member of the household is disabled and the property has undergone significant adaptation because of the disability;
- Foster carers and supported Kinship Care arrangements;
- Parents requiring an additional room under child access arrangements where alternative housing options, including options in the private sector, are not appropriate;
- Older people approaching qualifying pension credit age during 2013/14 where work is not a realistic option
- Families expecting a first child where housing allocation has been made on this basis
- Other exceptional circumstances

Programme of change

April 13

- **DLA scheme replaced by Personal Independence Payments scheme (Yorkshire from June 2013)**
 - Aged 16 – 64 only
 - Programme of reviews to be put in place by DWP
 - Around 500,000 nationally will lose entitlement
- **Social Fund scheme transferred to councils**
 - Crisis Loans and Community Care Grants to councils
 - Budgeting Loans stay with Jobcentre Plus
 - Funding for Crisis Loans to be reduced
 - Will be a non cash scheme – provision of goods

Programme of change

July 2013

- Benefit cap introduced
 - £500 weekly cap
 - Working age only, out of work only, disability benefit exempted
 - Leeds: families with 5 or more children affected;
 - Approx 400 households affected in Leeds – letter issued by DWP – programme of visits to be undertaken
 - Average loss of over £70 per week
 - Some families will lose all their Housing Benefit, Largest families lose the most

Programme of change

- **Oct 13 Universal Credit launched**

The aim is to:

Simplify the benefits system by bringing together a range of working-age benefits into a single streamlined payment.

- Working age only
- IS, JSA, ESA, HB and Tax Credits form a single Universal Credit
- Paid monthly in arrears
- Housing costs element paid directly to tenants
- Digital by default
- Migration strategy:
 - Oct 13: new claims only
 - Apr 14: new claims + programme to move those most likely to benefit from the Universal Credit regime
 - 2015: programme to remove remaining HB etc cases.
 - Migration completed by 2017

Universal Credit

- Administered by Jobcentre Plus / HMRC
- More generous for people moving into work
Single rate of withdrawal as earnings increase
Less severe withdrawal rate
- Jobcentre Plus expected to provide face to face support in the first instance
 - Decision on role of councils expected soon
 - Potential for 6-12 pilots involving councils in UC delivery
- Safeguard policy for direct payments still to be decided
 - Demonstrator Projects

2013 - Universal Credit

In Scope:

- Income-based Jobseeker's Allowance
- Income-related Employment and Support Allowance
- Income Support
- Child Tax Credits
- Working Tax Credits
- Housing Benefit

Out of Scope:

- Council Tax support
- Disability Living Allowance
- Contributory Benefits
- State Pension
- Child Benefit
- Pension Credit
- Carer's Allowance

Preparing for the changes

- Officers from across the Council working with:
 - CAB, Advice Agencies, Voluntary Sector
 - Housing Associations, Leeds City Credit Union
 - University of Leeds, Jobcentre Plus
- **Preparing for and developing understanding of the impact of the reforms** – Under Occupation / Benefit Cap / Council Tax Support Scheme
- Direct support
 - ALMOs and Housing Associations contacting everyone affected by the size criteria to discuss options
 - ALMOs working with Leeds City Credit Union to develop budgeting accounts
 - Commissioning Advice Services for the City to improve capacity to deliver debt and benefit advice
 - Looking at mutual exchange schemes, including schemes between ALMOs and Housing Associations

Preparing for the changes

- Other support
 - All front line staff being briefed on reforms in order to be able to provide information and advice
 - Approaches to high interest lenders and loan sharks
 - Home visits to people affected by Benefit Cap
 - Contact Centre and One Stop Centre capacity under review
 - Mapping and reviewing access points / networks for digital access
- Publicity:
 - Programme of public Roadshows started 22/10
 - Newsletters, website and leaflets produced explaining the changes. About Leeds – November 12 / March 2013
 - Holding briefing sessions, seminars and attending community groups

Further work for Leeds City Council

- Continuation of personalised support visits / contact (vulnerable customers prioritised)
- Agree Lettings Policy
 - Local Lettings Policies
 - Mutli Storey Accommodation
- Consider Discretionary Housing Payments to help the most vulnerable
- Agree local welfare schemes (Social Fund)
- More work to improve Digital Inclusion
- More work to address Financial Exclusion
- Review Corporate Debt Policy
- RSL Partnerships

Summary

- Major reform of Welfare System
- Most changes will leave people with more rent and Council Tax to pay and/or less income
- Discretionary Housing Payment will be available to assist claimants most in need
- Cross-sector working underway to help prepare for the changes – can more be done?
- Getting people into work remains the key with support directed to most vulnerable
- **Consider what you can do in your service areas to support / advise those customers affected by these changes**