

Welfare Reform and supported housing

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Motivation for reform

- Government attempting to eliminate structural current **deficit** by 2014/15
- Housing Benefit bill up from £11bn in 1999/2000 to **£20bn** in 2009/10
- Government plans to cut **£2.1bn** a year off the HB bill by 2014/5.



The solution?

- Cuts
- Simplification
- Clamp down on 'abuse' and fraud
- Administration



From April 2013:

- Cap on overall benefits (£350/500 per week?)
- Under-occupation penalty in social sector
- Social Fund replaced with local authority schemes
- LHA uprated by Consumer Price Index (PRIS)

From October 2013:

- Introduction of Universal Credit and end to direct payment to landlords for some

From April 2011:

- Local Housing Allowance cut and capped (PRS)
- £15 LHA excess scrapped (PRS)
- Charges for non-dependents increased (social and PRS)

From April 2012:

- Single people aged under 35 restricted to rate for room in shared house (PRS)
- Exemptions – housing associations, severe disability, MAPPA and hostel residents

Personal independence payment 2013/14

DLA

- 3 month claiming time
- Automatic entitlement for some conditions
- 3 rates of care
- Paid to people living in care homes

PIP

- 6 months
- Test based on daily task and mobility test – build up points
- 2 rates of care
- Fixed term assessments
- ??? Care home residents

Scope of Universal Credit

In Scope:

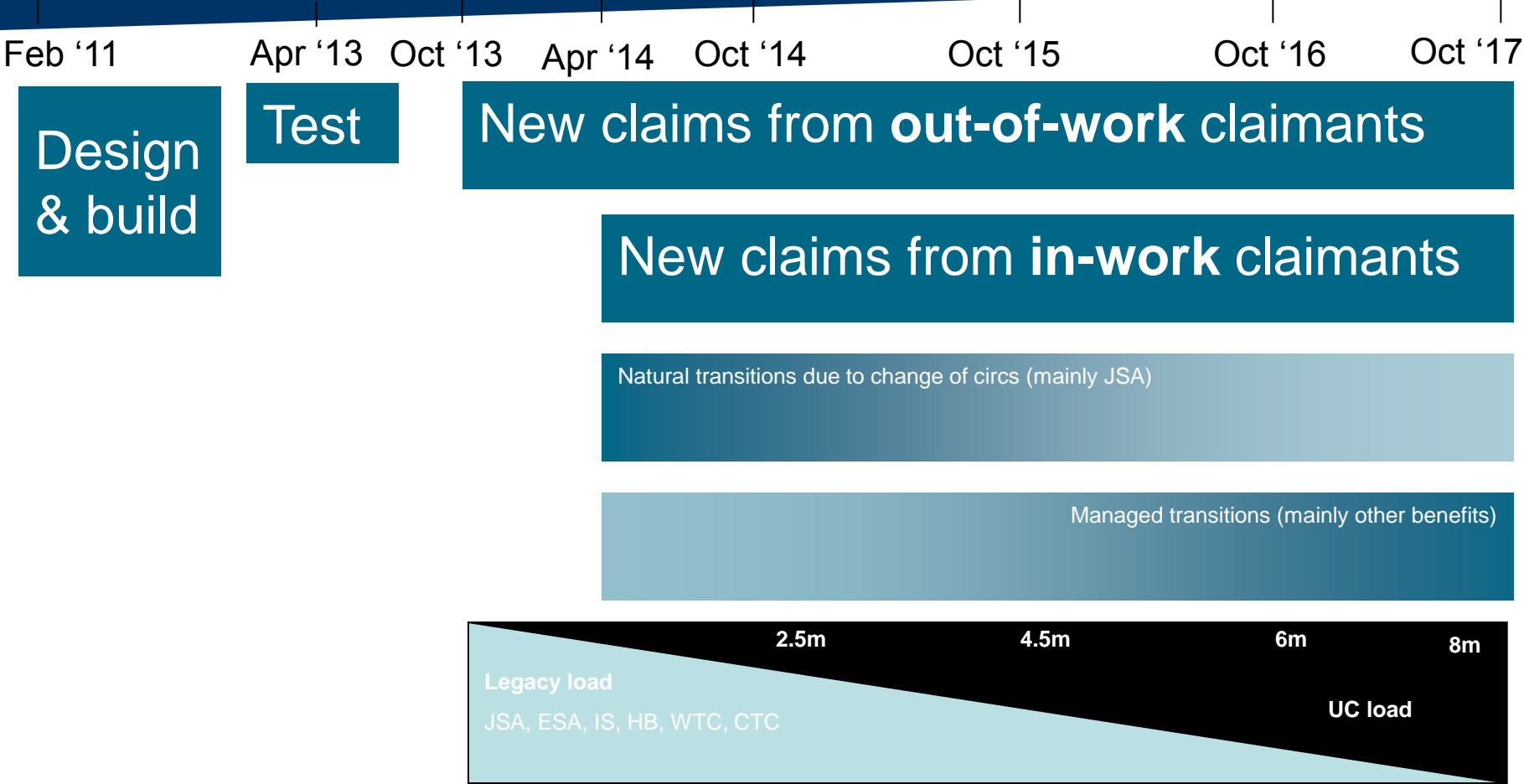
- Income-based Jobseeker's Allowance
- Income-related Employment and Support Allowance
- Income Support (including Support for Mortgage Interest)
- Child Tax Credits
- Working Tax Credits
- Housing Benefit

Out of Scope:

- Council Tax support
- Disability Living Allowance
- Contributory Benefits (although earnings rules aligned)
- State Pension
- Child Benefit
- Pension Credit
- Carer's Allowance

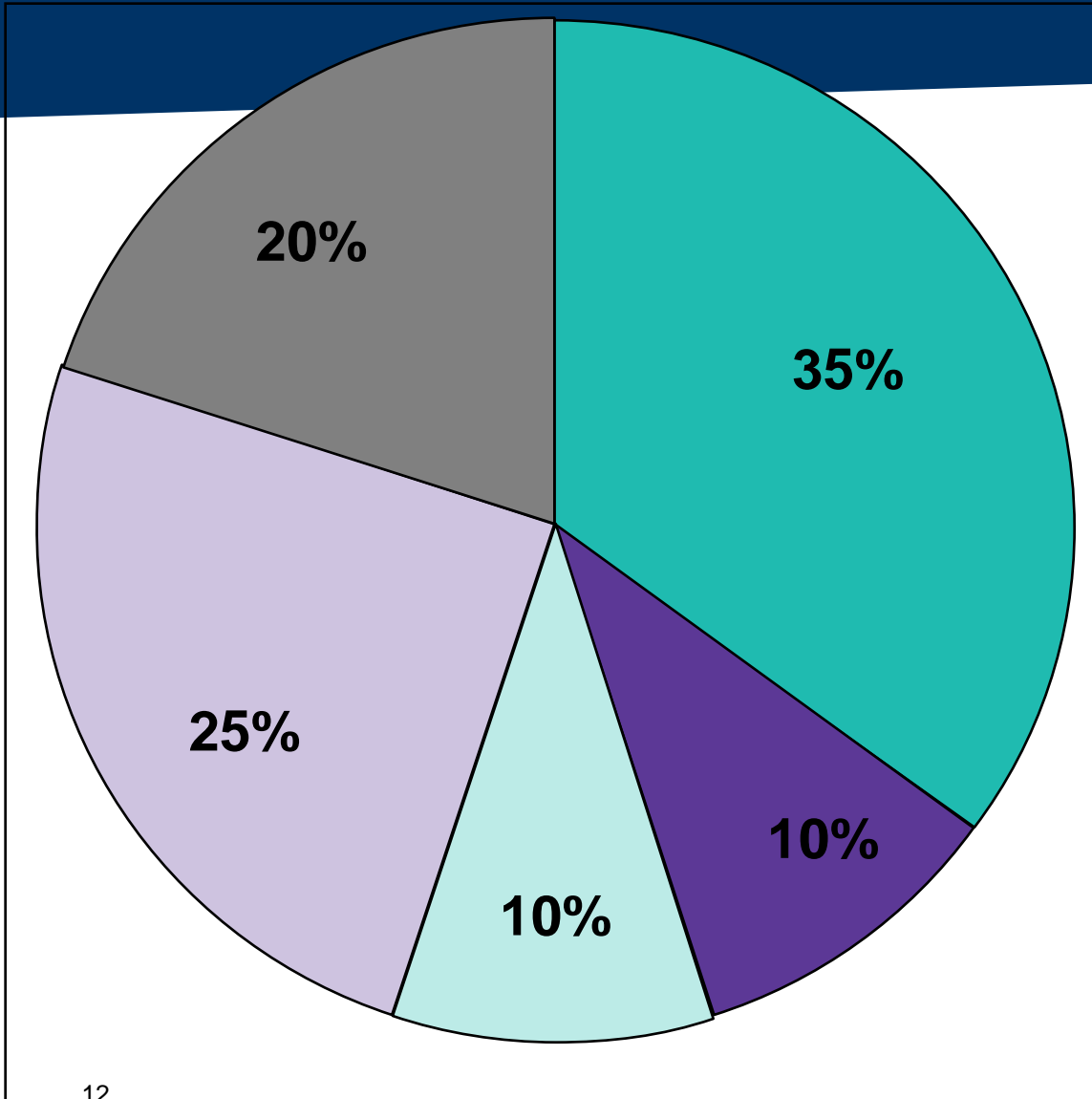
- Success of Universal Credit is predicated on influencing customer behaviour:
 - to take up work, or do more hours
 - to be able to interface with the system as a couple as well as an individual
 - to trust the system to get the information it needs without their contact
 - to use new channels as the main way of making contact






Implementation Timescale



- Both general needs and supported under review
- What is eligible?
- Is it excessive?
- Who verifies claim?
- Need for scrutiny of supported claims

Who will the direct payment to tenant policy affect?



-  Working age adults, not claiming Housing Benefit
-  Working age adults in receipt of a partial Housing Benefit payment
-  Estimate of vulnerable group of working age adults claiming Housing Benefit
-  Pension age tenants claiming Housing Benefit
-  Working age adults claiming Housing Benefit & new to Direct Payments

Welfare Action Week: 10-16 Oct 2011

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