Areas to be covered

Changes in 2013
1. Total Benefit Cap
2. Waltham Forest Social Fund
3. Discretionary Housing Payment (DHP)
4. Council Tax Support
5. Performance
6. Future changes
Total Benefit Cap - 1

- Coming in from 12 August 2013
- Cap levels:
  - £500 a week for couples
  - £500 a single parent whose children live with them
  - £350 for single adults
- LBWF – around 688 households impacted
- Letters sent to them by DWP
- Letters sent by LBWF also
- Cap to be applied from Monday after notification – overpayments not to be created
Total Benefit Cap - 2

Exemptions from the cap

All households which include someone receiving:

✓ Disability Living Allowance
✓ Industrial Injuries Disablement Benefit
✓ Personal Independence Payment
✓ The support component of ESA
✓ Attendance Allowance
✓ War Widows or War Widower’s pension
✓ Households receiving Working Tax Credit
Total Benefit Cap - 3

- Grace period of 39 weeks for households with someone employed for previous 12 months

- Help & support
  - Tenants being asked to speak to landlords
  - Consider moving to cheaper accommodation
  - Contact DWP/JCP – to get help/support with getting into work
  - Maximise income – ensure that any exemptions are applied for

- More information and online calculator at: www.gov.uk/benefitcap
## Total Benefit Cap - 4

### Potential loss

<table>
<thead>
<tr>
<th>Tenure Type</th>
<th>Average Loss</th>
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</thead>
<tbody>
<tr>
<td>Private Tenants</td>
<td>£88.71</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Tenure Type</th>
<th>Potential loss £0.00 - £50.00</th>
<th>Potential loss £50.01 - £100</th>
<th>Potential loss £100.01 - £150.00</th>
<th>Potential loss £150.01 - £200.00</th>
<th>Potential loss &gt; £200.01</th>
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<tbody>
<tr>
<td>Private Tenants</td>
<td>160</td>
<td>63</td>
<td>53</td>
<td>29</td>
<td>40</td>
</tr>
</tbody>
</table>
Total Benefit Cap - 5

Example

• Mrs N lives in a private rented property with her three children. LHA rules apply.

• Mrs N is on Income Support and pays £288.46 per week rent.

• Before the changes she was getting £265.33 per week HB and all her Council Tax was covered by CTB.

• Mrs N is of working age so under the new rules she has to 8.5% of her council tax (£2.18 per week)
Total Benefit Cap - 6

• Mrs. N will also be affected by the Benefit Cap when it comes in and her total benefit will be limited to £500 per week.

• The DWP have confirmed that the HB paid to Mrs. N will be reduced by £66.43 when the benefit cap starts.

• From 12/08/2013, Mrs. N is going to be £68.61 (£2.18 + £66.43) worse off.
Waltham Forest Social Fund - 1

• Two elements to the WF Social Fund scheme
  ✓ Loans – administered by the Credit Union on behalf of
    the council, and
  ✓ Grants – delivered in-house by the Revenues and
    Benefits Service.

Cashless scheme – goods, furniture and services will be
given instead of cash.

• Examples when help is available – resettlement after
  being in an institution, preventing going into care, move
  due to domestic violence, after a domestic disaster such
  as fire, flood or burglary, leaving care or prison, etc.
Example

• Mrs. I made her application following being re-housed. Mrs. I is a single parent with three children who has been re-housed after fleeing domestic violence.

• Mrs. I’s application was agreed and she was awarded the following items to set up home for her and her children
  
  Fridge Freezer, 3 x single bed bases/mattresses, Cooker, Washing Machine, 1 large wardrobe and 2 small wardrobes, 3 x chest of drawers, Sofa, Dining table and chairs, Kettle, toaster, crockery, cutlery, 3 x single duvets/duvet bed sets, 4 x towel sets, Cot, cot mattress, Cot bedding, Pots and pans

• Short term benefit advances and budgeting advances are still administered by the DWP
Waltham Forest Social Fund - 2

• Qualifying conditions apply
• More details and online claim form at: www.walthamforest.gov.uk/wfsocialfund

Claims received - 331

Landlords to encourage tenants to make a claim
Discretionary Housing Payment (DHP) - 1

- National scheme which has been around since 2001 and covers housing costs only.
- The budget is cash-limited and customers must be in receipt of Housing Benefit or about to get HB to qualify.
- Additional funding has been given to assist with the effects of:
  [1] Total Benefit Cap
  [2] Under occupation (Foster Carers / Disabled
  [3] Local Housing Allowance changes
- Government pot for Waltham Forest for 2013/14 is £1,517,954.
Discretionary Housing Payment (DHP) - 2

- More details and online claim form at: [www.walthamforest.gov.uk/pages/services/discretionary-housing-payment.aspx](http://www.walthamforest.gov.uk/pages/services/discretionary-housing-payment.aspx)

Claims received - 567
Claims awarded - 356
Claims refused - 211
Total value of award £188,126
Council Tax Support

- For the first year the government provided additional funding to limit the impact
- Every working age person on CTS to pay 8.5%
- Further funding is not going to be made available in Year 2
- Under Waltham Forest scheme from April 2014 every working age person on CTS to pay 15%

Example – Property Band C

- Weekly charge £24.81
- Current 8.5% £2.11
- 15% from April 14 £3.72 (£1.61 extra to pay)
HB-CTS performance

• **Processing times unsatisfactory**
  - Staff turnover – customer service officers (temps)
  - Cover with Assessment officers
  - Volume of phone calls trebled
  - Performance not recorded accurately

• **Action plan**
  - Additional staff
  - Backlog isolated and targeted – all new claims looked at
  - Dedicated teams
  - New process to speed up claims – signature less claims
Future changes - 1

• DWP Demonstration Pilots - 6 pilots nationally testing what is the most appropriate time to pay benefit direct to landlords under Universal Credit.

• Three levels of protection will exist (27/06/13):
  • Decisions about whether tenants should receive direct payments will be made in collaboration with social landlords
  • If arrears build up to the equivalent of 1 month’s rent the decision to make direct payments will be reviewed
  • If arrears reach the equivalent of 2 months rent, the claimant will have housing payments switched to the landlord, or managed payments
Future changes - 2

- Universal Credit (UC) Pilots - Early adopters of UC. Rent will largely be paid direct to tenants as part of a monthly in arrears payment.
- National roll out of UC – from October 2013. Conditions as above but not expected to start in London till February – April 2014
Technical Reforms to Council Tax

8 July 2013
Technical Reforms to Council Tax

The government recently introduced new regulations to abolish certain exemptions and allow discretion to local authorities on the discount available for certain classes of empty properties.

These changes were effective from 1 April 2013.
Class A – Empty Property Exemption

Unoccupied properties that have been newly built or structurally altered.

- Up until 31 March 2013 – exemption given up to 12 months from the date that the work commenced.
- From 1 April 2013 the exemption was abolished and was replaced by a discount – Class D.
- In Waltham Forest, the Class D discount is 0%. Therefore the full charge is payable on newly built or structurally altered properties.
Class C – Empty Property Exemption

Unoccupied properties that are largely unfurnished.

• Up until 31 March 2013 – exemption given up to 6 months.
• From 1 April 2013 the exemption was abolished and was replaced by a discount – Class C.
• In Waltham Forest, the Class C discount is 0%. Therefore the full charge is payable on un-occupied properties that are largely unfurnished.
Class B – Discount

Furnished, but unoccupied, including furnished properties between lets and second homes.

- Up until 31 March 2013 – 10% discount awarded.
- From 1 April 2013 the discount changed to 0%.
- The full charge is payable on unoccupied/unfurnished, including furnished properties between lets and second homes.
Class C – Discount

Long Term empty – unfurnished and unoccupied over 6 months.

- Up until 31 March 2013 – 0% discount awarded.
- From 1 April 2013 the discount remained at 0%.
Empty Homes Premium

If a property remains empty and unoccupied for 2 years a premium will be applied to the council tax account.

• Premium has been set at 50% of the council tax charge
• After 2 years the council tax will be charged at 150%
• Start date for counting the empty period is from 1 April 2011
• Some exemptions to the premium do apply
Any Questions