

The government is changing benefits



Find out what is changing and
where you can get support

Message from the Mayor

Dear Resident

The changes that the government is making to welfare benefits mean that thousands of Tower Hamlets residents will have their benefits reduced. Many will have less money to live on and pay their rent.

I know that many of you are extremely worried and I want to reassure you that the council and its partners are here to help and advise you through these changes. We have brought together council and independent organisations that can give you employment, housing and financial advice – and ensure that you are getting all the benefits you are entitled to.

This booklet provides guidance and advice, including what the changes are, and what we can do to help you manage them.



You will also see these symbols in the guide. Please look out for them if you receive disability related benefits, such as Attendance Allowance or Incapacity Benefit.

For more information, including a video and online copies of this booklet, please visit www.towerhamlets.gov.uk/welfarereform

I hope that you find this information useful during these difficult times.

Sincerely

Lutfur Rahman
Mayor of Tower Hamlets

Am I affected by the changes to benefits?

More Likely

- If you are claiming unemployment related benefits
- If you receive Housing Benefit
- If you receive a health or disability related benefit

Help and information is available online from the various websites listed in this booklet. ➔ You can also contact one of the local advice agencies listed on page 20

Less Likely

- If you or your partner are of pension age – 61 years old in 2013
- If any children you are responsible for receive Disability Living Allowance

Contact your landlord or the Housing Benefit Team

- If you are affected by the bedroom tax or benefit cap you should contact your landlord to discuss how you are going to make the additional rent repayments. If you don't, you may fall into rent arrears and risk losing your home

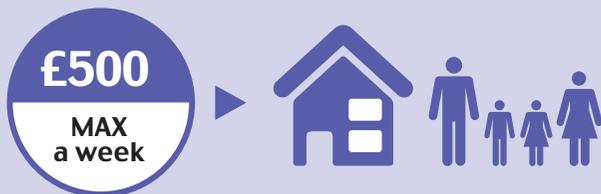
Help and Information

Information on the bedroom tax, benefit cap and changes to disability benefits, including where to go to for advice, or support with accessing employment can be found in this booklet.

Contact Housing Benefit on 020 7364 5001.

This booklet includes advice about:

The benefit cap (➡ page 5-7)



The 'bedroom' tax or spare room subsidy
and Universal Credit
(➡ page 8-13)



Changes to disability and health related
benefits (➡ page 14)



Support Services (➡ pages 16-22)



The Benefit Cap (from August 2013)

The government has introduced a benefit cap, which is a limit on the total amount of benefits that households of working age can receive.

The cap limits total benefits to:

- £350 maximum per week for single people without children
- £500 maximum per week for a couple or lone parent, regardless of the number of children they have



The government calculates the benefit cap by adding together all the money people receive from out of work benefits. These include: Housing Benefit, Income Support, Child Tax Credit, Child Benefit, Job Seekers Allowance, Incapacity Benefit and Employment and Support Allowance (Work Related Activity Group).

The benefit cap will mean that no-one will get more benefits, but many households will get less.

If the total amount your household receives is more than the benefit cap limit, then your benefits will be reduced to the amount shown above.

If there is a reduction it will be taken from your Housing Benefit. It is important to ensure that your full rent is paid. If you don't, you will end up in rent arrears and could risk losing your home.

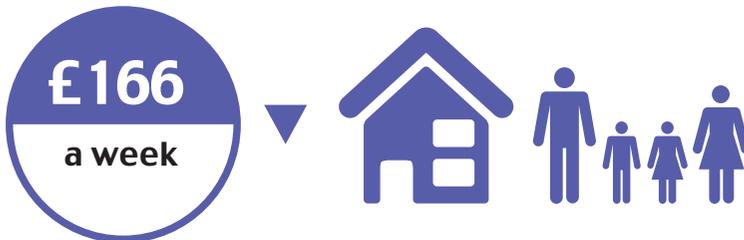
If you are not sure how the cap affects you, call the Tower Hamlets Housing Benefits hotline on 020 7364 5001.

Example

Mr and Mrs A are unemployed and looking for work. They live in a three bedroom flat in private accommodation with their three children. They currently get £326 a week in Job Seeker's Allowance, Child Tax Credit and Child Benefit. They also get £340 in Housing Benefit to cover their rent. This gives them a total £666 per week in benefits.

From August, Mr and Mrs A will have their benefits capped at £500 per week and they will get £166 less a week in housing benefit. This means that they will need to pay the £166 a week shortfall in their rent to their landlord or risk losing their home. Mr and Mrs A are seeking advice about their circumstances and what their options are.

Mr and Mrs A will have:



less in housing benefit

Rent payments: If you are struggling to pay your rent, it is important that you contact your landlord as soon as possible to discuss your rent repayment, so you do not risk losing your home.

Finding work: The best way to avoid the Benefit Cap is to find work of at least 24 hours a week (16 hours if you are a single parent). ➔ See page 16 for organisations that provide support with getting into work.

The benefit cap will not apply if:

- You or your partner gets Working Tax Credit (WTC). So if you have children and work 24 hours a week or more (or 16 hours a week, if you're a single parent, or you qualify for the disability element of WTC) you will be exempt
- You are pension credit age. So if you or your partner are over 61 in April 2013 you will not be affected by the cap
- You, your partner or any children you are responsible for receives Disability Living Allowance, Personal Independent Payment, Attendance Allowance or the support component of Employment Support Allowance



What are my options?

- See if you can find work or increase your working hours to 24 hours a week (16 hours if you are a single parent). ➔ See page 16 for employment support organisations that can help
- Have a benefits check-up to make sure that you are claiming the right benefits and find out what benefits and tax credits you would be entitled to if you get a job
- Look at your household budget to see if you can make up the extra rent not covered by your Housing Benefit
- Consider moving to another area with cheaper rents

In the short term you can apply for a Discretionary Housing Payment (➔ see page 21) to help meet rent costs. However, funds are limited. Discretionary Housing Payments are not a long term solution and in most cases can only be paid for a short period of time.

The 'Bedroom Tax' or Spare Room Subsidy



All people of working age on Housing Benefit who are living in council or other social housing that has more bedrooms than the government says they need, will lose some of their Housing Benefit.

If you have one bedroom spare, your Housing Benefit will be cut. This will be by 14% of the weekly rent, or around £17 a week – depending on your rent. You will need to pay the difference to your landlord.

If you have:

1 spare room 2 spare rooms



You could lose:

around
£17
per week

around
£29
per week

What is a 'spare' bedroom?

The rules allow one bedroom for:

- Every adult couple (married or unmarried)
- Any other adult aged 16 or over
- Any two children of the same sex aged under 16 (who are expected to share)
- Any two children under the age of ten who are expected to share
- A carer (or team of carers) who do not live with you but provide you or your partner with overnight care

Examples



Couple + girl (age 9) + boy (age 8)
= **2 bedrooms**
Children under 10 are expected to share a room



Couple + girl (age 9) + boy (age 11)
= **3 bedrooms**
Children of different sexes over 10 are entitled to a room each



Single parent + boy (age 12) + boy (age 15) = **2 bedrooms**
Children of the same sex under 16 are expected to share a room

The bedroom tax will not apply if:

- You or your partner receive pension credit
- Your child receives disability related benefits
- You require a room for an overnight carer
- You are a foster carer (you will receive one additional room)
- You are a foster carer (you will be allowed one additional room)
- You have an adult child in the armed forces (or reserve)
- If a student's main residency is their parents' home, then that bedroom will not be considered as spare



What are my options?

- **Make up the extra rent not covered by your Housing Benefit from another income**
- **You or another member of your household could try to boost your income through training, finding work or increasing your working hours – ➔ see page 16**
- **Consider taking a lodger. You will need to inform your landlord and Tower Hamlets' Housing Benefit Team**
- **Consider moving to a smaller property**
- **Check to see whether you are receiving all the correct benefit entitlements – ➔ see page 18**
- **You can apply for Discretionary Housing Payment to help with some of your rent costs, but only in the short term – ➔ see page 21**

Smart Choice

Moving to a smaller home could be a smart choice for lots of reasons:

- You are struggling to pay the rent now or you are affected by the bedroom tax
- Your home is becoming too costly to run and difficult to manage
- The number of people in your household has reduced (for example, children have grown up and left home)

If you need extra support to help you move to a smaller property, your landlord may be able to help.

Top tip: Swapping your home with another tenant can be the quickest way to move – and may give you the most choice.

You can do this using the national online 'HomeSwapper' service at www.homeswapper.co.uk.



Additional adult (non-dependent) deductions

If you claim Housing Benefit but have other working age adults living with you (including your own children if they are over 18), the amount of benefit you receive may be reduced. This is because other adults will need to pay towards the rent. The amount you lose from your Housing Benefit depends on the income of the other adults living with you.

It is important to inform Tower Hamlets' Housing Benefit Team of any changes in your household. This includes when any adult children leave home, or if there are any other changes to your circumstances.

Help and Information

If you are worried about how the changes affect your rent payments:

- Tower Hamlets Homes and Housing Association tenants should contact their landlord to talk about their situation
- Private sector or homeless tenants can call the council's Housing Options Service on 020 7364 1413
- All Tower Hamlets residents can call the Tower Hamlets' Housing Benefits Team on 020 7364 5001

➡ Much more information is available online, but you can also visit one of the local advice agencies listed on pages 18-22

Universal Credit

The government is introducing a single benefit called Universal Credit. All benefit claims will gradually change over to Universal Credit in the coming years. However, Universal Credit is not likely to affect many residents in Tower Hamlets before 2015.

You will receive one Universal Credit payment, which will include your Housing Benefit, directly into your bank account every month and you will be responsible for paying your own rent out of this.

It is important that you are prepared for the new payment system and have a bank account. Help is available with setting up a bank account and direct debits for your rent. Support is also available, if needed, with budgeting your money. ➔ See page 18 for support with money management. ➔ See page 19 for help with using the internet.



Changes to disability allowance and health related benefits



The government is also introducing changes to benefits for people who are sick or disabled.

Disability Living Allowance – Personal Independence Payments

Personal Independence Payment (PIP) is replacing Disability Living Allowance (DLA) for people aged 16-64 with long term health conditions or disabilities. If you are currently in receipt of DLA, you will be invited to make a new claim for PIP between October 2013 and October 2017. The Department for Work and Pensions (DWP) will contact you for an assessment when you are due to be reassessed.

PIP is paid to help towards some of the extra costs arising from a long term health conditions or disabilities. It is based on how a person's condition affects them with daily living activities and/or mobility and is paid at either a standard rate or enhanced rate. It is not means-tested and it is payable to people who are both in and out of work.

Eligibility for PIP is assessed on a points system related to how someone carries out a range of daily living activities and/or mobility activities.

If you are over 64 and have care needs you may be eligible for Attendance Allowance. More information is available by searching www.gov.uk.

Employment Support Allowance

Employment and Support Allowance (ESA) is money for people aged 16-64 who do not receive Statutory Sick Pay, but whose current health condition or disability restricts their ability to work. This includes both mental and physical health conditions and eligibility is based on a work capability assessment test.

If you already receive Incapacity Benefit, Severe Disablement Allowance or Income Support on the grounds of illness or disability, you will be re-assessed for ESA and be required to attend a Work Capability Assessment test. This is administered by JobCentre Plus.

For further information contact JobCentre Plus on: 0800 055 6688 or go to www.gov.uk and search 'ESA'.

Further information

General information

www.gov.uk

www.adviceguide.org.uk

www.turn2us.org.uk

Disability organisations

www.rethink.org.uk

www.mind.org.uk

www.disabilityrightsuk.org

an IT training centre in Poplar to help disabled people use the internet. Computers have large screens, screen readers and other access support.

Tel: 020 7001 2177

online www.real.org.uk or

email answers@real.org.uk

You can also get information and advice about disability-related benefits from Real, a local disabled people's organisation. Real also provide

➔ More local advice agencies on pages 18-21.

Employment support service

Getting work is the best way to prevent the impact of the benefit changes. If you work over 24 hours a week (or 16 hours a week if you are a single parent) you will also be exempt from the cap.



Contact your local Jobcentre Plus office for advice on finding work and information about programmes that can help you prepare for, find and stay in work. You can also go online to find and apply for jobs using the Universal Jobmatch Service at www.gov.uk/jobsearch

Poplar Jobcentre Plus

13 Dod Street

E14 7EP

Tel: 0845 604 3719

City Jobcentre Plus

West Tenter Street

E1 8DT

Tel: 0845 604 3719

Skillsmatch

The council's Employment and Skills service is called Skillsmatch. It offers free support to Tower Hamlets residents, including free training, CV and interview support, and introductions to employers. The service is based at 8 Heron Quays Canary Wharf, E14 4JB, Tel: 020 7364 3727, www.towerhamlets.gov.uk

The voluntary sector agencies listed below are just some of the other organisations that can provide local employment support to residents.

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Account 3 1-9 Birkbeck Street E2 6JY Tel: 020 7739 7720 www.account3.org.uk</p> | <p>City Gateway 28 Ensign Street E1 8ND Tel: 020 3189 0405 www.citygateway.org.uk</p> |
| <p>Praxis (New Residents) Pott Street E2 OEF Tel: 020 7729 7985 www.praxis.org.uk</p> | <p>Bromley By Bow Centre St Leonard's Street E3 3BT Tel: 020 8709 9737 www.bbbs.org.uk</p> |
| <p>Stifford TJRS The Stifford Centre 2-6 Cressy Place E1 3JG Tel: 020 7790 3632 www.stifford.org.uk</p> | <p>OSCA Somali Employment Concordia Centre 420- 421 Burdett Rd E3 4AA Tel: 020 7987 5833 www.oceansomali.org.uk</p> |
| <p>Limehouse Project St Anne - Unit 2 , 789-791 Commercial Road, E14 7HG Tel: 020 3069 7458 www.limehouseproject.org.uk</p> | <p>Osmani Trust Osmani Centre 54 Underwood Road E1 5AW Tel: 020 7247 8080 www.osmanitrust.org</p> |

Benefits advice and money management support services



There are a number of independent, confidential services that are available locally and online if you need help to understand your benefits, budget or manage your money.

For general information about benefit entitlements and a benefits calculator visit www.gov.uk or www.entitledto.co.uk

Citizens Advice website provides information on benefits, housing and employment, and on debt, consumer and legal issues www.adviceguide.org.uk

Turn2us provides a benefit calculator to help check that you are getting the right benefits, plus information on charitable grants and other help for people in financial need www.turn2us.org.uk

Money Advice Service provides advice, tips and tools to help you get your finances under control and make your money go further www.moneyadviceservice.org.uk

National Debtline provides free confidential and independent advice on how to deal with debt problems www.nationaldebtline.co.uk

StepChange Debt Charity offer free debt advice, budgeting help and debt management, including a range specialist debt solutions. The service is free and impartial www.stepchange.org

Benefits and Work provides help with disability benefits and Employment and Support Allowance claims www.benefitsandwork.co.uk

Help online

Local online information for Tower Hamlets' residents is available on the council's website:

www.towerhamlets.gov.uk/welfarereform



If you need help with using the internet, you can go to your local Idea Store, community centre or call UK Online Centre on 0800 77 1234.

There are over 10 online centres in Tower Hamlets and people there can show you how to use computers and the internet.

www.ukonlinecentres.com

Help and advice – on the phone

- Tower Hamlets Council Housing Benefits: 020 7364 5001
- Tower Hamlets Council Housing Options Service: 020 7364 1413
- Disability benefits helpline: 08457 123 456
- National Debt Line: 0808 808 4000, www.nationaldebtline.co.uk
- Step Change Debt Charity: 0800 138 1111 Freephone - including all mobiles www.stepchange.org.uk

Local advice and money management support services

Free, confidential advice on welfare benefits, disability benefits, housing and debt problems are provided by a number of local voluntary organisations, at centres across the borough.

*These organisations also provide support with budgeting and money management.

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|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Account 3 1-9 Birkbeck Street, E2 6JY Tel: 020 7739 7720 www.account3.org.uk</p> | <p>Limehouse Project* St Anne - Unit 2 , 789-791 Commercial Road, E14 7HG Tel: 020 3069 7458 www.limehouseproject.org.uk</p> |
| <p>Bromley By Bow Centre* St Leonard's Street, E3 3BT Tel: 020 8709 9737 www.bbbs.org.uk</p> | <p>OSCA Somali Community Concordia Community Centre 420- 421 Burdett Road, E3 4AA Tel: 020 7987 5833 www.oceansomali.org.uk</p> |
| <p>Citizens Advice Bureau (East End CAB) 32 Greatorex Street, E1 5NP Tel: 020 7247 1050 www.eastendcab.org.uk</p> | <p>Praxis (New Residents Service)* Pott Street, E2 OEF Tel: 020 7729 7985 www.praxis.org.uk</p> |
| <p>Island Advice Centre Island House, Roserton Street Isle of Dogs, E14 3PG Tel: 020 7987 9379 www.island-advice.org.uk</p> | <p>Tower Hamlets Law Centre 214 Whitechapel Road, E1 1BJ Tel: 020 7247 8998, www.thlc.co.uk</p> |

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|-------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Legal Advice Centre University House, 104 Roman Road, E2 0RN Tel: 020 8980 4205 www.legaladvicecentre.org.uk</p> | <p>Toynbee Hall Debt and Money Advice Services * 28 Commercial Street, E1 6LS Tel: 020 7392 2953 Email: money@toynbeehall.org.uk</p> |
| <p>Stifford Community Centre 2-6 Cressy Place E1 3JG Tel: 020 7790 3632 www.stifford.org.uk</p> | <p>St Peters Bengali Association Minerva Centre, 10 Minerva Street, E2 9EH Tel: 020 7729 1036</p> |

Other Help

Discretionary Housing Payments

Discretionary Housing Payments can provide some money over the short term. In order to be considered for a discretionary housing payment you must:

- already be claiming Housing Benefit or Council Tax Benefit but not the full amount possible
- make a written application and satisfactorily explain why you need extra help
- provide any information and evidence that the council’s Housing Benefit Team need to support your application

For more information:

Web: www.towerhamlets.gov.uk/benefits

Email: benefits@towerhamlets.gov.uk

Tel: 020 7364 5001

Visit: your nearest One Stop Shop (call 020 7364 5020)

Claim all your benefits

Have a benefits check-up to make sure that you are claiming the right benefits. You may be entitled to benefits if you are on a low income and you are working. www.entitledto.co.uk

Social Fund – Crisis and Support Grants

Crisis and Support Grants are available for Tower Hamlets residents who are in significant need. The grants are for short term support, rather than a long term solution. Search for ‘social fund’ at www.towerhamlets.gov.uk where you can fill out an online form.

Help with bank accounts and money management

Toynbee Hall offers free help and advice to people who want support to access financial services and products. They also offer free help and advice to people who want to manage their money better. For more information email money@toynbeehall.org.uk or call 020 7392 2989.

Energy Saving and help with energy bills

Switching gas or electricity supplier can help you save money.

Cut price energy is also available through the Tower Hamlets Energy Cooperative. Sign up at my.towerhamlets.gov.uk

East End Energy Fit at the Bromley By Bow Centre can help individual and families who have gas and electricity arrears to clear their debts. Email eastendenergyfit@bromleybybowcentre.org.uk or call 020 8709 9745.

London Community Credit Union

Credit Unions provide banking and savings accounts They also offer low cost, affordable loans.

The London Community Credit Union has three offices in Tower Hamlets: Bethnal Green Road, Roman Road and Chrisp Street. Call 020 7729 9218 or go to londoncu.co.uk

Don't borrow money without seeking advice.

**For further information, go to
www.towerhamlets.gov.uk/welfarereform
or call Tower Hamlets Benefits Service on
020 7364 5001**



September 2013