

Welfare changes

what you need to know



Understand the upcoming changes
to welfare and benefits.



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Nottingham
City Council

What you need to know

This booklet has been created to help Nottingham citizens and organisations supporting those citizens, to better understand the upcoming changes to welfare and benefits. It sets out what the changes are, what they mean for new and existing benefit claimants and where to get more information, advice and help, including support in finding employment.

The Government is making further changes to the benefit system which will affect almost all people in Nottingham who claim benefits. These changes will affect both working and out of work benefit claimants with some of the main effects being on working people, particularly those with larger families.

These changes are in addition to changes such as the 'bedroom tax' and the Council Tax Support scheme which were introduced in 2013 and continue to affect a significant number of people in Nottingham.

The changes in this booklet are those which have been confirmed as happening. More changes to the welfare system are planned but the details and dates of the changes have not been decided. This booklet will be updated when the Welfare Reform and Work Bill and Housing and Planning Bill are passed through parliament.

What's the Council doing to help?

Nottingham City Council is:

→ Lobbying Government

- Nottingham City Council passed a motion calling on Government to reverse welfare cuts which affect the most vulnerable citizens in the city
- responding to consultations in partnership with the advice sector
- highlighting concerns on Universal Credit and asking for clarity on Universal Credit implementation, process and timescales.

→ Helping to prepare our citizens

- investing in advice services
- plus our own Welfare Rights service to provide benefits advice and support with budgeting/ money management and debt.
- organising job fairs and advertising local job opportunities through www.nottinghamjobs.com

→ Helping with energy bills

- The Council has launched Robin Hood Energy, a not for profit energy company aiming to provide low cost energy.
- Advice Nottingham is also offering a support scheme to help local people in fuel debt. The scheme offers money to eligible city residents to help relieve fuel debt.

→ Working with the Credit Union

- to improve access to bank accounts & affordable loans.

→ Working with partners

- including Nottingham City Homes (NCH), registered social landlords, advice agencies

Changes in 2016

1 Universal Credit

In February 2016, Universal Credit will be introduced in Nottingham City. Universal Credit seeks to bring together six current in-work and out-of-work benefits for working age people into one new, single benefit.

Universal Credit will replace:

- **Income Support**
- **Income Based Job Seekers Allowance**
- **Income Based Employment and Support Allowance**
- **Tax Credits (Working Tax Credit and Child Tax Credit)**
- **Housing Benefit**
- **Budgeting Loans and Crisis Loan alignment payments**

What's changing?

Universal Credit will be paid to both working and out of work households.

Universal Credit will be paid monthly in arrears; this means that you will have to wait at least five to six weeks after your claim is accepted before you receive any payments. If you cannot wait this long without a payment, you can apply for an Advanced Payment. This is a loan which will normally be deducted in instalments from your Universal Credit claim over three months.

One Universal Credit payment will be made per household rather than the current system of separate payments being made to individual claimants¹.

You will have to apply for Universal Credit online and use the internet to manage your claim. Help will still be available by phone and in Job Centres and from local advice services.

If you are entitled to Housing Benefit, it will be paid to you as part of your Universal Credit claim rather than direct to your landlord. You will then be responsible for paying your rent.

At the moment, your application for Council Tax Support is processed as part of your claim for Housing Benefit.

If you claim Universal Credit, you will need to apply to the Council for Council Tax Support separately as it will not be included in your Universal Credit claim.



¹A household is defined as one adult, or two adults living as partners and any dependent children living with them. Dependent children are defined as any children aged 0-15 and those aged 16-18 in full time education. Any other adults or non-dependent children living in the same accommodation will be treated as a different claimant household.

What does this mean for people in Nottingham?

- From February 2016, new claimants aged 18 to 60½ who are single, have no dependent children and are looking for work will claim Universal Credit instead of Job Seekers' Allowance.
- All other people will continue to be able to claim from the existing benefit system. This is to allow the new system to be tested and to adapt slowly to more complex claims.

Once you start a Universal Credit claim, you will stay on Universal Credit if your situation changes, i.e. you find work or have children. If you move in with a partner, you will form a joint Universal Credit claim.

Out of work claimants of Universal Credit will have to sign a claimant commitment. This will detail the steps you must take to qualify for the benefit. The conditions will vary for different people, but you will generally need to show you are preparing for a return to work or actively looking for a job.

Working claimants may also have conditions attached to your claim if your earnings are below a certain level, generally equivalent to a full time job at the minimum wage. These conditions would require you to look for more hours or a better paid job. For joint claimants, both claimants will have to sign their own claimant commitment.

Future changes

Under current government plans, from 2017, all new claimants will claim Universal Credit. This will include people who transfer between benefits. For example, if you claim JSA and then find work, you will apply for in work Universal Credit rather than Working Tax Credits.

Further changes will be introduced after April 2017:

- New claimants with children will be able to claim around £500 less than existing claimants.
- New claimants with three or more children will only be able to claim for two children, although this only applies if your third or subsequent children were born after April 2017.
- All claimants with children aged three or over will be expected to look for work if they are able to work.

Eventually, all existing claimants will be transferred to Universal Credit. The timetable for this has not been announced, but it is unlikely to begin before 2018.

What is being done in the lead up to this change?

Nottingham City Council is working with local Advice Services and the Department for Work and Pensions to ensure staff and partners are informed about the upcoming changes.

Online benefits calculators are available to help you calculate your entitlement to benefits and how you will be affected once you start to claim Universal Credit.

<http://www.entitledto.co.uk/>

<https://www.turn2us.org.uk/>

Local and Council advice services also offer free assessments to check your entitlement to benefits and how you will be affected by Universal Credit. See the 'Where you can get more help' section at the end of the booklet for contact details.

2 Benefits freeze

What's changing?

The rate at which certain benefits are paid will not increase for four years. The benefits affected are

- **Tax Credits**
- **Housing Benefit**
- **Child Benefit**
- **Job Seekers' Allowance**
- **the Work Related Activity Group of Employment and Support Allowance**
- **Income Support for Lone Parents**
- **Universal Credit**

What does this mean for people in Nottingham?

Most benefit claimants in the city, whether working or out of work will see no increase in the amount you receive in benefits, unless your situation changes and you become eligible for other benefits. This means that as the cost of living increases over time, the value of benefits will fall in comparison.

Other working age benefits will continue to increase in line with inflation. If you are disabled the extra payments you receive as part of Tax Credits or Housing Benefit will also increase with inflation.

3 National Living Wage

What's changing?

In April 2016, the National Minimum Wage is to be replaced by the "National Living Wage" for people aged 25 and over. The current minimum wage of £6.70 per hour will increase to £7.20 per hour in April 2016 although this will still be lower than the Living Wage of £8.25 as set by the Living Wage Foundation. This will gradually increase to reach around £9.35 per hour by 2020.

What does this mean for people in Nottingham?

If you are aged 25 and over and on the minimum wage, you will see your earned income increase if you work the same number of hours, although this may mean that any Tax Credits or Housing Benefit you are entitled to will reduce. Younger people will continue to be paid at the lower National Minimum Wage (currently £6.70 for people aged over 21; £5.30 for people aged 18 to 20; £3.87 for under 18s and £3.30 for Apprentices).

Where can people get more help?

Local advice services

Many local advice services offer bookable, one-to-one, sessions to discuss the changes affecting you.

Advice Nottingham

www.advicenottingham.org.uk

Bestwood Advice Centre

Phone: 0115 962 6519

Email: advice@bestwoodadvice.org.uk

www.bestwoodadvice.org.uk

Clifton Advice Centre

Phone: 0115 940 5551

Energy Advice Team, Nottingham City Council

Phone: 0115 876 3537

Email: energyteam.housing@nottinghamcity.gov.uk

Housing Aid Team, Nottingham City Council

Phone: 0115 876 3300

Email: housingaid@nottinghamcity.gov.uk

www.nottinghamcity.gov.uk/article/23988/Housing-Aid

Meadows Advice Group

Phone: 0115 986 0197

Email: meadows_advice@btconnect.com

www.meadowspartnershiptrust.org.uk/community/meadows-advice-group.aspx

Nottingham Citizens' Advice Bureau

Phone: 0844 848 7997 or

From a mobile: 0300 330 5457

<http://nottinghamcab.org.uk/home>

Nottingham City Homes

Phone: 0115 915 2222

www.nottinghamcityhomes.org.uk

Nottingham Credit Union

Phone: 0115 828 3121

www.nottinghamcu.co.uk

Nottingham Law Centre

Phone: 0115 978 7813

www.nottinghamlawcentre.org.uk

Robin Hood Energy

Phone: 0800 030 4567

www.robinhoodenergy.co.uk

St Ann's Advice Centre

Phone: 0115 950 6867

Email: info@stannsadvice.org.uk

www.stannsadvice.org.uk

Welfare Rights Service, Nottingham City Council

Phone: 0115 915 1355

Email: welfarerights@nottinghamcity.gov.uk

www.nottinghamcity.gov.uk/welfarerights

Local employment support

These organisations offer support, training and job opportunities to local people looking to enter or return to the workforce.

Nottingham Jobs – for job opportunities, apprenticeships and employment events

Phone: 0115 876 4508

www.nottinghamjobs.com

www.nottinghamjobs.com/events/upcoming-events

Right Track

(focus on Bulwell, Bestwood and Basford)

Phone: 0115 9200 300

www.rtse.co.uk

NG7 (Berridge and Sherwood)

Phone: 0115 979 1052

www.ng7tea.org.uk

City College (St Ann's, Sneinton and Mapperley)

Phone: 0115 910 1455

<http://citycollegenottingham.com/facilities-2/kk-sports-centre/>

Meadows Partnership Trust

(Meadows and Clifton)

Phone: 0115 915 0077

www.meadowspartnershiptrust.org.uk

Groundwork (Aspley, Bilborough)

Phone: 0115 9788 212

www.groundwork.org.uk

BEST (Broxtowe Estate)

Phone: 0115 975 0084

www.nottinghamcityhomes.org.uk/get_involved/training/Best.aspx

Castle Cavendish

(Lenton, Radford and Arboretum)

Phone: 0115 900 3100

www.castlecavendish.org.uk/funding

National advice services

Citizens' Advice Bureau

Phone: 0844 848 7997 or

From a mobile: 0300 330 5457

www.citizensadvice.org.uk/benefits/

StepChange Debt Charity (CCCS)

Phone: 0800 138 1111

www.stepchange.org

Money Advice Service

Phone: 0300 500 5000

www.moneyadviceservice.org.uk

National Debtline

Phone: 0808 808 4000

www.nationaldebtline.co.uk

Information about, or applying for benefits

Council Tax Support Scheme

Phone: 0115 718 4444

Email: benefits.housing@nottinghamcity.gov.uk

www.nottinghamcity.gov.uk/counciltaxreduction

Department for Work and Pensions

www.dwp.gov.uk

Entitled to

Benefits calculator

www.entitledto.co.uk

Housing Benefit

Nottingham City Council Phone: 0115 718 4444

Email: benefits.housing@nottinghamcity.gov.uk

www.nottinghamcity.gov.uk/housingbenefit

Job Centre Plus

Phone: 0800 055 6688

www.gov.uk/browse/working/finding-job

www.gov.uk/jobsearch

GOV.UK

The Government's information portal for citizens

www.gov.uk

Turn to us

Benefits calculator

www.turn2us.org.uk

Housing Association Tenants

Many Housing Associations offer help and advice to their tenants with regard to their rent and benefits, as well as offering training and help finding employment. Contact details for the main Housing Associations in Nottingham can be found below.

Accent Group

Phone: 0345 678 0595

www.accentgroup.org

Affinity Sutton

Phone: 0300 100 0303

www.affinitysutton.com

ASRA

Phone: 0116 257 6716

www.asra.org.uk

Derwent Living

Phone: 01332 346477

www.derwentliving.com

Framework Housing

Phone: 0115 841 7711

www.frameworkha.org

Guinness Northern Counties

Phone: 0303 123 1890

www.guinnesspartnership.com

Longhurst Group

Phone: 0345 608 8006 (landline) or

0300 123 1575 (mobile)

www.landh.org.uk

Metropolitan

Phone: 0203 535 3535

www.metropolitan.org.uk

Nottingham Community Housing Association

Phone: 0800 013 8555

www.ncha.org.uk

Places for People

Phone: 01772 667 002

www.placesforpeople.co.uk

Stonewater

www.stonewater.org

Tuntum

Phone: 0115 916 6066

www.tuntum.co.uk

