

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO HEALTH & HOUSING COMMITTEE

Agenda Item No. 12

meeting date: THURSDAY, 20 OCTOBER 2016  
 title: UPDATE ON WELFARE REFORM  
 submitted by: CHIEF EXECUTIVE  
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## 1 PURPOSE

1.1 To update Committee about the Welfare Reform measures and the implications for the housing service.

1.2 Relevance to the Council's ambitions and priorities

- Community Objectives      }
  - Corporate Priorities        }
  - Other Considerations       }
- Addressing housing needs of the most vulnerable households in the borough is a priority for the Council.

## 2 BACKGROUND

### 2.1 Universal Credit

Digital roll out will commence in RVBC on the 10 October 2016 for the following postcodes BD23 3 and BD23 4 and these cover the areas Tosside and Horton in Craven both in Skipton. It applies to all working age customers in the areas and on the date above. RVBC currently have 3 working age claimants in these postcodes. The benefits that Universal Credit replaces are:

- Housing Benefit
- Jobseekers
- Employment and Support Allowance
- Income Support
- Working Tax Credit
- Child Tax Credit

If a claimant is receiving one of benefits listed above the DWP will tell them when they need to claim Universal Credit instead.

However, for new claims or if they have a change in their circumstances that would mean them claiming one of the benefits listed above/changing from one benefit to another then they will have to claim Universal Credit instead. The claimant will no longer be able to claim Housing Benefit and we need to cancel it from the date they claim Universal Credit.

The claimant will still need to apply for Council Tax Support via Ribble Valley Borough Council. The claimant will need to provide RVBC benefit section with their Universal Credit letter when received and provide further letters every time the award changes.

## 2.2 Temporary Accommodation

The management fee of £60 will be removed from April 2017 and replaced by a grant from DCLG

## 2.3 Benefit Cap from 7 November 2016

The Cap is changing from £26,000 to £20,000; £13,400 for single – 19 customers affected in Ribble Valley.

£384.62 per week (£20,000 a year) if you're in a couple, whether your children live with you or not.

£384.62 per week (£20,000 a year) if you're single and your children live with you.

£257.69 per week (£13,400 a year) if you're single and you don't have children, or your children don't live with you.

## 2.4 RSL'S to Reduce Rents in Social Housing

1% a year decrease for 4 years.

## 2.5 LHA

There will be no increase to LHA rates for 4 years. From April 2016, rates will either remain at the April 2015 rate or be set at the 30<sup>th</sup> percentile of local rent if this is lower.

LHA rates will be further reduced in 2018 because private tenant's rents will be mixed with RSL's.

HB will be capped to the LHA rate from 2018 and this will include the Shared Accommodation Rate for single claimants under 35 who have no dependent children. This will apply to tenancies signed after 1 April 2016, with HB entitlement changing from 1 April 2018 onwards. It will also apply to UC claims.

## 2.6 Limiting Support for Families with more than 2 children

From April 2017 support for HB will be limited to 2 children, so any subsequent children born after April 2017 will not be eligible for further support. There will be some exemption and these will be multiple births, protection if the third child is a result of exceptional circumstances, widowed parents, parents fleeing domestic abuse, parents caring for children under fostering arrangements and families that merge with another household through marriage or partnering.

## 2.7 ESA

Removal of ESA WRA component from April 2017

## 3 ISSUES

- 3.1 The most significant change is the housing benefit rates for under 35 year olds. This change will reduce the housing options for younger people. At these housing benefit rates, young people cannot afford to access social housing. Therefore, for anyone under 35 and claiming housing benefit, the housing options in the borough are

limited. We are investigating options of adapting properties to make them suitable for house sharing and working with Registered Provider partners to develop bedsit apartments in line with the shared LHA rate.

**4 CONCLUSION**

- 4.1 We will continue to explore affordable housing options for young people in the borough and keep Members informed of the situation.

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