



Stafford
BOROUGH COUNCIL

The Benefit Service

A Benefit Welfare Reform and Service Update

Hands up !!!

Money to be made ?

- Private landlords get £9.3bn in housing benefit (report in the Guardian)
- Figures are similar to that released by the DWP
- Amount is nearly double what was paid 10 years ago
- The number of households receiving housing benefit has risen 42% since 2008
- The number of tenants in receipt of housing benefit has increased from 1m in 2008 to 1.5m this year
- And the trend is upwards.....

So why the reluctance ?

- In a survey carried out to landlords in the Cannock Chase area they sighted four main drawbacks....but you may have others ?

Delays in getting payments

- Average new claim processing times are around 15 working days with changes in circumstances taking around 10 days.
- Quickest processing times in Staffordshire
- Figures are an average with the experience of many claimants being that their claim is dealt with quicker than that.
- Multiple payment schedules mean that once a claim has been assessed the payment is made the same week.

Maximum benefit rates

- Shared room rate £66.70 per week (single tenants aged under 35 with no dependants).. Discretionary housing payments
- One room rate £90.90 per week
- Two room rate £113.92 per week
- Three room rate £129.47 per week
- Four bed rate £170.67 per week

Direct Payments

- Default position is that benefit is paid to the tenant but
- If the tenant is vulnerable benefit can be paid to the landlord
- Vulnerability is unable to budget, history of rent arrears, drug / drink dependency.
- Universal Credit also follows those same guidelines.
- Legislation allows the authority to pay direct where the tenant is 8 weeks in arrears with rentwhether the tenant agrees or not.

Overpaymentsdirect payment is ok but the landlord is asked to pay back any overpayment

- Only overpayments where the landlord could reasonably have known about the change in circumstances will be recovered directly from the landlord.... i.e. change of address
- Overpayments caused by changes in income , starting work, or someone moving into the household, like a partner, will be recovered directly from the tenant.

Future Welfare Reform Changes

- Benefit cap is being reduced to £20k from £26k from November 16. Families where there are 4 or more children and no one in the household is working are likely to be affected.
- Universal Credit no expansion of role out until April 17. Only “some” single tenants will be required to claim UC instead of HB ... current take up of UC across the district very low.
- From April 17... 18-21 year olds lose automatic entitlement to housing support paid via universal credit.

Questions

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