

## From April 2011

Baby premium and child tax credits baby addition both ending for children under one.

Non dependant deductions start to significantly increase –by 2014 they will be the rate they would have been in 2001 (when frozen) plus annual inflationary increases – **Approx 300 customers affected by this change.**

Local Housing Allowance (LHA) capped at four bedroom rate – **11 customers will be affected, but they will receive transitional protection**

LHA capped values introduced for each type of property  
– **Cheltenham not affected as our LHA rates are well below the capped figures**

LHA cash back of up to £15.00 per week stops for new customers.  
(money given to customer on top of rent if they found a property cheaper than the LHA rate)

LHA rates (maximum values for benefit) reduced for new customers – Prior to April they could rent a property in the bottom 50% of all properties available to rent for their family needs. After April they can only rent a property in the bottom 30% of private sector rents.

**Existing** LHA customers fall under new LHA scheme on their rent anniversary date after April 2011.

- They will lose any cash back from the Anniversary date - **700 approx affected**
- Get nine months transitional protection if they are worse off – **1,000 approx affected**
- If landlord reduces rent to new level in order for customer to stay then we will pay benefit direct to LL
- Increasing the discretionary housing fund to help tenants move to cheaper accommodation.

Incapacity benefit customers will start to be reviewed under the new Employment & Support allowance scheme, which may include a work capability assessment to establish if they are fit for full or part-time work. Transitional protection scheme as a significant number are anticipated to be worse off

Job centre adopting new work programme. They will have a set period to get the customer 'work ready' which involves work clubs, voluntary work, work placements, support etc. At the end of the period the customer is passed onto a private company for two years who are paid based on the number of people they find employment. Tougher rules on actively looking for work and set sanctions/ suspensions periods if they don't.

Basic and 30hr elements in Working tax credits are frozen for three years  
Proportion of child care costs covered by WTC reduced from 80% to 70%

Freezing the max Savings credit award in pension credit for four years

Shared room rate in LHA scheme extended from 25 to under 35 year olds from January 2012 for new customers.

Existing customers are protected until their next annual rent review. Will be approx £40 per week worse off if in a one bedroom property. -**Approx 250 affected by this change**

### Proposed changes for April 2012

Means testing of contribution-based Employment & Support Allowance after one year, if the ESA payment includes a work-related element

Couples with children must work 24 hours between them (one must do 16hrs ) to get Working tax credits

Increase the child element of child tax credits by £50

Stop paying Disability Living Allowance for people in residential care

### Proposed changes for April 2013

LHA rates based on Consumer price index and only updated annually

Transfer of crisis loans and community care grants for living expenses to local authorities

Under occupancy restrictions in social housing to mirror private sector restrictions e.g. rent benefit paid based on the number of bedrooms the customer needs not what they have.

Replacing Disability Living Allowance payments with a Personal Independence Payment for new and existing customers. Some savings will be made as a result of people being found fit for work under the incapacity review. The new PIP payment may involve a medical assessment and some payments may be for fixed periods with regular medical reviews depending on the illness

Local authorities will be asked to make deductions from the Housing benefit payments if the customers overall out of work benefits exceed the average weekly wage for working families. In Cheltenham this will probably only affect large families who are not in work and are privately renting

### Universal credit proposed timetable 2013 to 2017

April 2013	Possible Pilot of Universal credit
October 2013	New claims for out of work benefits will be paid under Universal credit - One monthly payment direct to customer including rent benefit
April 2014	New claims for Tax credits will be paid under Universal credit
April 2014 to Oct 2017	Existing benefit claims will be transferred over to Universal credit in batches depending on the type of client.
October 2014	New claims for Pension credit will include housing costs and probably paid monthly.
October 2014 to Oct 2019	Existing Pensioners getting help with housing costs transferred over to Pension credit in batches.
April 2015	Review of face to face delivery of Universal credit and possible contracts issued for delivery of this service