

# Welfare reform changes to housing and council tax benefit

Mark Ransom – Benefits Processing  
Manager



# Changes to HB / CTB from April 2011

- Deductions for non dependants will be updated from April 2011 reversing the freeze in these rates since 2001/02, further increases planned in coming years
- Maximum LHA rate restricted to a 4 bedroom rate
- LHA rates themselves will be capped (most likely to affect London)
- Rates will be based on 30<sup>th</sup> percentile of local rents
- HB claimants with a disability and a non resident carer will be entitled to extra funding for an additional bedroom
- £15 per week excess payments scrapped
- Single room rate will be expanded from age 25 to 35 from January 2012.

# The effects

- Rates set at 30<sup>th</sup> percentile will affect all new claims, change of address and relevant change in household from 1 April 2011. Existing customers will be affected on annual review of their claim
- 9 month transitional protection for existing customers affected on review
- No transitional protection for loss of £15 excess
- In excess of 3000 customers currently receive the £15 excess
- Approx 10,500 customers currently have a shortfall between their rent and HB, this will increase and affect some people for the first time

# Discretionary housing payments

- We expect the call on the discretionary housing payment fund to increase.
- An additional £10m available nationally in 2011/12 and £40m from 2012/13
- Cornwall's Government DHP allocation has risen from £206,673 in 2010/11 to £239,989 in 2011/12

# Non resident carers

- From 1 April 2011 funding allowed for an additional bedroom where the claimant or partner has an established need for overnight care that is provided by someone outside of the household; and
- Customer occupies a property with an additional bedroom used for that purpose

# Current LHA rates for Cornwall (April 2011)

	BRMA ID	BRMA Name	1 Bed Shared	1 Bed Self Contained	2 Beds	3 Beds	4 Beds	5 Beds	Valid To	Valid From
	3	Kernow West	£64.62	£103.85	£126.92	£150.00	£173.08	£0.00	30 Apr 2011	01 Apr 2011
	4	Plymouth	£65.42	£92.31	£115.38	£137.31	£173.08	£0.00	30 Apr 2011	01 Apr 2011
	163	North Cornwall & Devon Borders	£62.00	£91.15	£115.38	£137.31	£167.31	£0.00	30 Apr 2011	01 Apr 2011

# Any questions or for further information

- [MRansom@cornwall.gov.uk](mailto:MRansom@cornwall.gov.uk)
- 01872 224755
- 07805 136887
- [www.cornwall.gov.uk](http://www.cornwall.gov.uk)
- Directgov
- [www.direct.gov.uk](http://www.direct.gov.uk)