Legal and Regulatory Support
Welfare Rights

Welfare Benefits

Who are we and what is our role?

- The Welfare Rights Team aims to ensure that the residents of Argyll and Bute are not missing out on their entitlement to both UK and Scottish Government administered benefits and other related help.

- We provide a free, confidential and impartial benefits advice, information and appeal representation service.

- Members of our team are funded by MacMillan Cancer Support and they are able to provide an enhanced Welfare Rights Service for people affected by cancer.

Course Aims and Objectives

Aims

On completion of this course participants will know:

- The role of the Welfare Rights Service
- How to reduce rent arrears through the UC system for tenants
- How DHP works
- How to contact the Welfare Rights Team

Course Aims and Objectives

Objectives

To give an understanding of the Welfare Benefits System and how it can help with tenancies and Housing costs

The Benefits System

Benefits relating to housing costs are:

- The Department of Work and Pensions(DWP)
- Local Authorities – ie Argyll and Bute Council

Means tested benefits that can cover housing costs

- Universal Credit with Housing Cost Element
- Pension Credit with Housing Benefit
- (Discretionary Housing payments.)

Local Housing Allowance

- This is an amount that both UC and HB use to calculate maximum entitlement.
- Based on household size not the size of the house being rented.
- Once calculated, then a formula is applied to work out actual amount the claimant will get in HC on UC or in HB.
- The rules are slightly different for HB to UC – see the shelter website for a great explanation of the rules
- Has not really increased in years
- About Rent Service Scotland - gov.scot

Local Housing Allowance

Number of Bedrooms	Category	LHA Rate (£ per week)
Shared Room Rate	S1	80.55
1 bedroom rate	B1	103.56
2 bedroom rate	C2	138.08
3 bedroom rate	D3	159.95
4 or more bedroom rate	E4	276.16

Local Housing Allowance

- Your LHA rate depends on how many bedrooms you're qualified for. This is worked out based on who you live with and their ages.
- You can claim 1 bedroom for each single person aged 16 or over. 2 people are expected to share a room if they're either:
- a couple
- both under 10
- both under 16 and the same sex
- If someone in your household is disabled and needs regular overnight care, you can have an extra bedroom for a carer to stay in.
- You can claim for a maximum of 4 bedrooms.
- Directgov's LHA bedroom calculator lets you work out how many rooms you can claim for.

What Landlords need to know:

- If you are charging rent of above the LHA for your tenants, then even if they get ‘full’ HB or Housing Costs, they will not get their rent fully covered and will have to find that money out of the rest of their income.

- If the local market rent is a lot higher than the LHA it may be impossible for a tenant to cover that shortfall without having inadequate money left for food or electricity etc.

- Eg if a single 26 year old, who is unfit for work (LCW) but not assessed as being LCWRA, rents a 1 bed flat in Argyll at £450 pcm, once the rent is paid, they will be left with less than £300 pcm for all other costs ie food, electric, water, etc. If under 25 then more like £215 left.

Universal Credit (1/2)

- Main means-tested benefit for people of working age on a low income, in or out of work
- **Housing costs need proof of tenancy and rent to be provided.**
- Max entitlement is calculated then a formula applied to reduce this depending on household circumstances
- Alternative Payment Arrangements available

Universal Credit (2/2)

- *In Scotland, under the 'Scottish choices' scheme, for the housing element to be paid direct to your landlord. This is separate from below:*

Alternative payment arrangements

- if housing costs paid to claimant rather than LL is leading to serious rent arrears, it may be possible to have an alternative payment arrangement.
- APAs are discretionary - no right of appeal against decisions
- Tenant can request an APA on their UC journal
- if the request is from the Landlord then tenant **must** be in rent arrears – apply here
- It must be shown that you cannot manage the usual payment arrangement and, as a result, there is a risk of financial harm to you or someone in your family. ***See attached document.***

Housing Benefit (1/3)

- Available for Pensioners on a low income who have Housing Costs Liability
- Entitlement is ‘passported’ if Pension Credit (G) is in payment – so in this case HB will be ‘full’ (LHA).
- There are exceptions where Housing Benefit still applies to working aged people such as in homeless housing.

Housing Benefit (2/3)

- Easy at point of application for claimant to request it goes direct to the landlord if they wish to
- **The form requires Landlord address and contact number and bank details**
- **It also requires proof of tenancy – ideally in the form of a tenancy agreement.**
- **If the landlord increases the rent, it needs to be done in written form so that the tenant can provide this to the housing benefit department.**

Discretionary Housing Payments (DHP)

- Discretionary housing payments are for help with your housing costs – eg because:
  - your benefit is reduced because of the benefit cap
  - the local housing allowance does not cover your full rent
  - your benefit does not cover your rent because of non-dependant deductions
  - your benefit does not cover your rent because of the level of your earnings
  - you need help with a rent deposit or rent in advance
  - you need help with removal expenses

DHPs (2/3)

- This is discretionary, so the local authority can decide whether to pay you, how much to pay and for how long.
- The local authority decides how to pay you. For example, it could be paid alongside your housing benefit, direct to your landlord or into your bank account.
- There is a form to claim DHP here
- **You can only apply if already in receipt of HB or UC HC element and have a shortfall between that and the rent which is causing difficulties.**

DHPs (3/3)

Full details on this are on attached document and on the DHP section of the Council website

- As part the tenant has to provide an income/expenditure sheet to demonstrate financial difficulties
- the figures for expenditure are then compared with national budgeting figures as part of the assessment by the DHP team.
- Then a decision will be made.

Thank you for listening

For more detailed information on any of the benefits or groups of benefits discussed, please just ask!

Details as to how to refer to us are on the next page.

How to contact the Welfare Rights Team

- Refer yourself (or someone else) to the Welfare Rights Team using our **Online Form**
- Phone the Welfare Rights Contact Centre on **01546 605517**
- For information, browse our **Benefits and Advice pages**
- Find out how much you could be entitled to by using a **Benefit Calculator**
- Read our **privacy notice** to find out how we manage your data