

WHAT ARE THE WELFARE REFORMS?



■ **Passed into law in early 2012**, the Welfare Reform Act was the biggest change to the way the benefit system works in many years. The changes will eventually affect almost everyone.

■ **The government is doing away with Income-based Income Support, Income-based Jobseeker's Allowance, Employment and Support Allowance, Housing Benefit, Child Tax Credit and Working Tax Credit.** All these different benefits will be replaced with one single Universal Credit.

■ **These changes have been brought in gradually** over the last few years. The Bedroom Tax was one of the first things to be fully introduced and has affected everyone receiving Housing Benefit from April 1st 2013.

■ **There was also a Benefit Cap** introduced in April 2013. No household can now claim more than £23,000 per year for families in London, or £20,000 for families outside London. For single people living in London the maximum claim is £15,400 and for single people outside London it's £13,400, no matter what their circumstances.

■ **Critics of the Welfare Reform Act** point to the Benefit Cap and The Bedroom Tax as the two measures most likely to make life harder for people who are already struggling, making nearly a million people in total worse off than they were before.

FIND OUT MORE qimag.uk/bedroomtax

WHAT CAN I DO?

You will need to look hard at your budget to make it balance. If you can't cover the rent by dipping into other income or other benefits, then you may have to think about moving to a smaller home. Some people have taken in a lodger for a bit of extra cash, though you should check that's okay with your landlord before you do.

If you're living in social housing (a housing association or similar), you should check with your landlord who may have schemes in place to help. These could include a cash bonus to help you move, or help with moving costs. Or they may run a swap system. Some councils are running schemes too.

BEDROOM TAX HELP

Contact your **Jobcentre Plus** for more specific advice

Talk to **your landlord** if you are worried you may be affected

Don't delay – do it today!

Visit www.quidsinmagazine.com to use our Bedroom Tax Calculator to see how much you will lose

MONEY HELP

National Debtline
 ☎ 0808 808 4000
www.nationaldebtline.co.uk
 The helpline that provides free confidential and independent advice on how to deal with debt problems.

Consumer Credit Counselling Service (CCCS)
 ☎ 0800 138 1111
www.cccs.co.uk
 The Consumer Credit Counselling Service is a charity that will help you resolve your debt problems.



BEDROOM TAX

DON'T GET CAUGHT NAPPING!

- ✓ Your Housing Benefit could be reduced
- ✓ If you have just one spare bedroom you'll lose out
- ✓ Your children may be counted as sharing a room, even if they don't
- ✓ You could lose out on £££thousands

498,000 households will lose Housing Benefit if they don't act - are you one of them?

Quids in!
www.quidsinmagazine.com

MAKING YOUR MONEY GO FURTHER

Quids in!
www.quidsinmagazine.com

MAKING YOUR MONEY GO FURTHER

BEDROOM TAX

In 2013 the government brought in new rules for anyone who gets Housing Benefit. The cuts are known as 'Underoccupancy' or the Bedroom Tax.

The Underoccupancy rules mean that if you have a spare bedroom you will lose 14p in every pound of your housing benefit, and if you have two or more spare rooms you will lose a quarter of your housing benefit.

To work out how many spare rooms you have, children under 16 of the same sex will count as sharing, and children under 10 of different sexes will be counted as sharing too.

The cuts will not affect pensioners. And if things change because someone dies in your household you will have a year before any cuts apply to you. A bedroom will also be allowed for a non-resident carer where they provide overnight care for you.

BENEFIT LOST
£1,092
PER YEAR

The Jays

Jessie and Joe live together in a three bedroomed flat. They currently get £150 per week in Housing Benefit. Joe needs care, and sometimes a carer has to stay overnight to help him. Jessie and Joe are counted as sharing a bedroom, and the carer counts as using another bedroom. The Underoccupancy rules mean that they will lose 14% of their benefit, as they have a spare bedroom. The Jays could be exempt from the bedroom tax if Joe was in receipt of the daily living component of PIP or the care component of DLA at the middle or highest rate. Otherwise, their benefit is reduced to £129 per week.

The Dees

Davina is a single mum with four kids, The twins Derek and Danny are 15, and then there's Dolores 9 and baby Desmond who is 2. They live in a five bedroom house and claim £400 per week Housing Benefit. The Underoccupancy rules mean that Derek and Danny will be classed as sharing, as so will Desmond and Dolores. They will be said to occupy three rooms and will have two spare bedrooms. Once the bedroom tax is deducted, they will get £300 per week Housing Benefit.

BENEFIT LOST
£5,200
PER YEAR

HOUSING BENEFIT WHAT YOU LOSE

HOUSING BENEFIT YOU GET

per week	£25	£50	£75	£100	£150	£200	£250	£300	£350	£400
AMOUNT LOST WITH 1 SPARE BEDROOM (14%)										
per week	£3.50	£7	£10.50	£14	£21	£28	£35	£42	£49	£56
per month	£15.17	£30.33	£45.50	£60.67	£91	£121.33	£151.67	£182	£212.33	£242.67
per year	£182	£364	£546	£728	£1,092	£1,456	£1,820	£2,184	£2,548	£2,912
AMOUNT LOST WITH 2 OR MORE SPARE BEDROOMS (25%)										
per week	£6.25	£12.50	£18.75	£25	£37.50	£50	£62.50	£75	£87.50	£100
per month	£27.08	£54.17	£81.25	£108.33	£162.50	£216.67	£270.83	£325	£379.17	£433.33
per year	£325	£650	£975	£1,300	£1,950	£2,600	£3,250	£3,900	£4,550	£5,200