

BACKGROUND DOCUMENT

Changes as per Autumn Budget announcement:

- Reinstating automatic entitlement to housing support for 18-21 year olds. This group will therefore be entitled to claim support for housing costs under Universal Credit (UC).
- Housing Benefit claimants will receive an additional payment providing a fortnights worth of support during their transition to UC
- The Government has extended this provision to cover the income related elements of JSA, Employment Support Allowance and Income Support.
- UC work allowance increased by £1k from April 2019 (the amount households with children and people with disabilities can earn)
- Changes to Minimum Income Floor extending the 12 month grace period for self-employed people giving them time to grow their business
- Reduction in the maximum rate at which deductions can be made from a UC award from 40% to 30% of the standard allowance
- Additional protections for welfare claimants (non-parental carers, adopters and those currently receiving severe disability premium)
- The extended roll out implementation schedule has been updated now beginning in July 2019 and ending in December 2023.

Given the above announcements further modelling work is being undertaken and the results are to be reported to Council in February 2019. The points we want this work to cover are as follows:

- We require the following 3 schemes to be remodelled taking into account the changes in the autumn budget 2018.
 - Maintaining the current scheme into 2019/20
 - Modelled scheme 3: Income-banded that is more generous to larger families.
 - Modelled scheme 4: Removing the £3.50 per week minimum payment

NB: The modelled scheme 3 is to be re-modelled to give 100% support to those on pass ported benefits (Income Support, JSA(IB) and ESA(IR)), maximum UC, and income below £100.

- The potential future demand for Council Tax Support in relation to each of the 3 schemes above, based on South Ribble now being a full service area (18th July 2018). (Total CTS and Working Age caseload).
- How the changes above could impact on the need and take up for the Discretionary Housing Payment and the Exceptional Hardship Fund. In relation to the Exceptional Hardship Fund we have also asked for the analysis to identify who will benefit the least in relation to the 3 schemes.