

Frequently asked questions

Under-occupation for those living in the social rented sector (The bedroom tax)-

As part of the Welfare Reform Act the government has introduced some major changes to welfare benefits. New rules have been introduced for those that live in the social-rented sector who are considered to be under-occupying. The aim of this factsheet is to answer some of the question you may have regarding the new rules.

1. What is changing?

From 1 April 2013 the Government has introduced new rules that sets out the number of bedrooms Housing Benefit (HB) will pay for, for those living in the social rented sector. Families of working age who under-occupy their property will have their HB cut by 14% for one spare room and 25% for two or more spare rooms.

Please note –these rules will also apply if you are claiming Universal Credit (UC) which includes a housing costs element. See section 18 for more information on UC.

2. What is meant by the social rented sector?

The social rented sector (SRS) is accommodation rented from the Council, a registered housing association or other registered social landlord. In Torfaen and Monmouthshire this type of accommodation includes Bron Afon, Monmouthshire Housing, Melin, and Charter properties.

3. Who does it apply to?

The new rules apply to people of **working age**.

The new rules **do not** apply if you

- or your partner are of pensionable age (This means of state pension credit age which is 62 and 6 months in March 2015).

Note

The state pension credit age is gradually going up for both men and women.

You can calculate your state pension credit age by using the calculator on the government's website. <https://www.gov.uk/pension-credit-calculator>.

In the case of men the state pension credit age is not the same as state retirement age.

- partly own your property under a shared ownership scheme usually with a Housing Association.
- are accepted as homeless by the Council and placed in temporary accommodation e.g. bed and breakfast or short-term-leased accommodation.
- live in a caravan, mobile home or house boat and pay mooring or site charges. Or
- live in supported exempt accommodation (accommodation provided by a housing association, a registered charity or voluntary organisation where that body or a person acting on its behalf also provides the claimant with care, support or supervision). Such accommodation could include group homes, hostels, refuges, sheltered housing and supported living complexes.

4. How many bedrooms is a household allowed?

The new rules will restrict the size of accommodation you can receive Housing Benefit for based on the number of people in your household.

The rules allow one bedroom for:

- every adult couple (married or unmarried).
- any other adult aged 16 or over.
- any two children of the same gender aged under 16.
- any two children aged under 10.
- any other child, (other than a child whose main home is elsewhere)
- a carer who provides the claimant or their partner with overnight care (providing you have a spare bedroom for this purpose).
- A foster child/foster children (only one bedroom allowed providing you have a spare room for this purpose).
- Any non-dependant in the armed forces who is temporarily absent from their parents home.

5. Are Families with disabled children allowed an extra room?

Yes-An extra bedroom may be allowed in the case of disabled children who are unable to share a bedroom because of their severe disabilities as long as certain criteria are met.

In order for a disabled child to be considered under this legislation the child in question must have been assessed and be entitled to the Disability Living Allowance at the highest or middle rate.

In addition LAs must also consider other factors including;

- the nature and severity of the disability,
- the nature and frequency of care required during the night,
- the extent and regularity of the disturbance to the sleep of the child who would normally be required to share the bedroom.
- Whether sharing a bedroom would present a risk to the disabled child or their sibling.

The Council will ask for written confirmation outlining the nature of the child's disability and the nature and frequency of the overnight support provided .In addition any appropriate supporting evidence should be provided to confirm the circumstances for example a letter from a doctor/social worker.

6. Do the rules allow an extra bedroom if my partner and I are unable to share a bedroom?

No- if you are a couple and are unable to share a bedroom or you need an extra room for equipment connected with your/your partner's disability an extra bedroom will not be allowed.

However if you/your partner have a carer who stays overnight to provide care and have a spare bedroom which can be used for this purpose then an extra bedroom may be allowed. In these circumstances the Council will need written confirmation from the person/organisation providing the care detailing the arrangements in place. The letter should include the nature the care provided, the number of nights per week/month care is provided, the name and address of the carer/organisation providing the care and the relationship between the carer and you/your partner (if any) e.g. friend or relative.

7. How are foster-carers affected by the size criteria rules?

Foster carers who live in either the private or social rented sector will be allowed **one** additional room for foster child/children as long as they are

- approved foster carers who have a child placed with them;
- approved foster carers who are between placements but only for a period of up to 52 consecutive weeks from the date of the last placement; or
- newly approved foster carers but only for a period of up to 52 consecutive weeks from the date of the approval, if no child is placed with them during that period.

What does this mean?

For approved foster carers in the social rented sector, a reduction for under-occupation will not be made in respect of the one additional bedroom allowed for the foster child or children.

For approved foster carers in the private rented sector, the appropriate Local Housing Allowance (LHA) rate) will be determined by including one additional bedroom for the foster child or children.

In both the social and private rented sector the claimant **must** have a bedroom in their home which is in addition to those occupied by their household, for the additional room to be allowed in the size criteria (subject to a maximum of 4 bedrooms private sector tenants).

8. Do the rules take into account the shared care of children if parents are separated?

No - Where parents who don't live together have shared care of their children, the children are regarded as living with the parent that is treated as responsible for them and provides their main home. For a person to be treated as responsible for a child or young person, the child or young person must normally be living with that person. If a child or young person spends equal amounts of time in different households, or there is a question as to whom they normally live with, they will be treated as living with the person who is receiving **child benefit** for them.

9. What do you mean by bedroom?

There are no definitions of what is meant by a bedroom and minimum bedroom size set out in legislation. It will therefore be up to the landlord to accurately describe the property in line with the actual rent charged.

10. How will the rules affect me?

If you are assessed under these rules as having more bedrooms than is necessary for your household you will be considered to be under-occupying that property.

If you are under-occupying there will be a reduction in your HB of:

- 14% for under-occupancy by one bedroom
- 25% for under-occupancy by two bedrooms or more

Examples

1. Mrs and Mrs Jones are living in a three bedroom property with their two children Susan, aged 6 and John, aged eight. Their rent is £75 per week and they are currently in receipt of maximum HB (£75 per week).

Under the new size limit rules they would only be entitled to HB for two bedroom accommodation, one bedroom for themselves and one for Susan and John who would be expected to share a room because they are both under 10. This means Mr and Mrs Jones are considered to be under-occupying their current accommodation by one room therefore from 1 April 2013 the rent will be reduced by 14%.

Applying a 14% reduction to the eligible rent of £75.00 would result in a decrease in HB to £64.50 per week (a reduction of £10.50 per week).

2. Mr Smith is living in a three bedroom property. The rent is £80 per week and he is currently receiving maximum HB (£80 per week)

Under the new size limit rules Mr Smith would only be entitled to HB for one bedroom accommodation. This means he is considered to be under-occupying his current accommodation by two rooms therefore from 1 April 2013 the rent will be reduced by 25%.

Applying a 25% reduction to the eligible rent of £80.00 would result in a decrease in HB to £60.00 (a reduction of £20.00 per week).

11. Will the rules apply to me if I am a joint tenant?

Yes-Joint-tenancies will also be subject to the new rules .Everyone living in the property will be taken into account when calculating how many bedrooms HB should be paid for. If it is decided that the accommodation is under-occupied, a percentage reduction (14% or 25%) will be taken off the whole rent for the property .HB will then be paid on the basis of the proportion of the rent you and your joint-tenant have to pay.

Examples

Mary and Sally are sisters. They are jointly responsible for the rent and live in a three bedroom property. The total eligible rent is £85 per week. They are entitled to full HB for their share of the rent -£42.50 each.

Under the new size limit rules Mary and Sally would only be entitled to HB for two bedroom accommodation. This means they are considered to be under-occupying their current accommodation by one room therefore from 1 April 2013 the rent will be reduced by 14%.

Applying a 14% reduction to the eligible rent of £85.00 would result in a decrease in the rent to £73.10 per week (a reduction of £11.90 per week).The rent figure is then apportioned two ways resulting in HB for each tenant of £36.55, a reduction of £5.95 in HB for both Mary and Sally.

Note

If Mary was responsible for paying 60% as she occupies a larger bedroom and Sally was responsible for 40% of the rent. A 14% reduction of £11.90 is made from the eligible rent of £85. The remaining figure of £73.10 is apportioned to meet

- Mary's 60% contribution toward the rent resulting in HB entitlement for the claimant of £43.86 (60% of £73.10).
- Sally's 40% contribution toward the rent resulting in HB entitlement for the claimant of £29.24.(40% of £73.10)

12. What if I am or my joint tenant is a pensioner?

If one of the joint tenants is a pensioner there would be no reduction in the pensioner's share of the rent.

Example Father (pensioner aged 66) and son living in a 3 bed property paying £100 per week. Under the new rules they would be deemed to be under-occupying by one bedroom therefore a 14% deduction would apply making the rent £86.

Son-The maximum HB the son would be entitled to would be to £43 per week

Father- Pensioners are exempt from the new arrangements therefore the father would qualify for £50 per week(his share of the rent)

13. How will the rules affect me if someone in the household dies?

If there was a death in your household you would be protected for a year after the death. This means the size limit rules would not be applied until after one of the following applies whichever comes first

- 12 months after the death or
- they move home or
- there is another change of circumstances

14. What if I suddenly lost my job will I be affected by the new rules?

Not Immediately-If you could previously afford to pay your rent and find yourself in a situation where you can no longer afford to do so e.g. because of a loss of job, provided you have not claimed HB in the last 52 weeks, the size limitation rules will not be applied for the first 13 weeks of your claim. They will however be applied earlier than 13 weeks if you move home or have another change of circumstances.

15. Do the new rules take into account children who are absent? e.g. if my child is away at university?

The new size limit rules do not allow for this, unless the absence is temporary (less than thirteen weeks or 52 weeks for students) and the dependant/ young person concerned intends to return home. We would need to look at the individual circumstances of the case.

16. What happens if my children are taken into care?

Children absent from your home being looked after by the local authority do not count as part of your household.

If they are allowed to live with you for part or all of a benefit week e.g. under supervision they are counted as part of your household.

17. What options are available to me if I am considered to be under-occupying?

If you are assessed as under-occupying your accommodation and experience a reduction in your HB, you may wish to consider one of the following options (as suggested by the Department of Work and Pensions.)

A. Move to smaller accommodation

Although it might sound drastic, you might think about moving to a smaller property. It is likely that some of your other bills, such as heating costs, might go down too, leaving you better off.

If this is an option, you will need to think about it as soon as possible; as there is no guarantee that a suitable property will be available. Your landlord will be able to talk this through with you and advise whether this is a realistic alternative.

B. Take in a lodger

You may wish to take in a lodger to fill the extra room. You should check this is allowed by their landlord.

If you do take in a lodger he/she would be assessed as part of your household meaning that you would not necessarily be considered to be under-occupying and you may have more income from their rent

However, you should be aware that the money you receive from the lodger might be counted as income in your benefit

How is the income treated for HB?

The first £20 of the income is ignored and 50% of the remainder. If there is more than one lodger these rules apply to the rent received in respect of each lodger.

The same rules also apply to means tested benefits i.e. Jobseekers allowance (income-based), Income Support and Employment and Support allowance (income-related)

Please contact us for more information.

C. Ask non-dependant to contribute more to the household

You may ask a non-dependant to help you meet the shortfall in their rent.

Note

A non-dependant is a person aged 18 or over who normally resides with the claimant on a non commercial basis. Typically this may be a grown up son or daughter, elderly relative or friend.

Someone who is staying with the claimant but normally lives elsewhere is not classed as a non-dependant.

Residing with means sharing accommodation other than a bathroom, toilet, hall or passageway.

People in self contained accommodation within the same building do not count as non-dependants e.g. in the case of granny annexe.

D. Claim a Discretionary Housing Payment (DHP)

In certain circumstances you may be entitled to a payment from the Discretionary Housing Payment Fund to make up all or some of the reduction. A DHP provides extra help to those who are in receipt of HB who need additional help to pay their rent. The Council will usually take into account any special circumstances that contribute to your financial difficulties.

In order to apply for a DHP you need to complete a DHP claim form. The form asks you to tell us about your circumstances including details about your household and finances.

A DHP is usually granted for a limited period, at the end of this period you will need to reapply if you think you still need extra help to pay your rent and we will reconsider the circumstances of your case.

Please note-the Council only has a limited amount of money available in order to award a DHP. Each claim will be considered on an individual basis

E. Increase hours of work /start work

If you or your partner are working you may consider increasing your working hours if possible to make up the shortfall in rent. The way that extra earnings affect benefits, depends very much on your household circumstances and how many hours you work. If you are thinking of starting work/working extra hours you can use the [Benefits Advice calculator](#) on the Government's website for an estimate of how an increase in hours will affect you. Alternatively you may contact the Benefits Section on 0800 028 2569 for an estimate of your Housing Benefit and/or Council Tax Reduction entitlement.

Note

If you are working under 16 hours and the hours are increased to over 16 you may qualify for the additional earnings disregard, child care costs disregard and Working Tax Credit.

If you start work you will have specific amounts of your earnings ignored in working out your HB depending on your circumstances. (For single people the first £5 of their earnings will be disregarded, £10 for a couple, £20 for disabled people and those getting a carer's premium and £25 for lone parents).

You may also qualify for an additional earnings disregard of £17.10 per week if you

- have children and are working over 16 hours
- are childless and are working over 30 hours per week.

If you pay childcare costs these costs may be also disregarded subject to certain conditions

You may also qualify for Working Tax Credit.

There are also financial incentives to encourage people back into work, these include **HB, Council Tax Reduction and mortgage interest run-ons** paid for up to four weeks after people move from IS or JSA into work;

You can use the [benefit calculator](#) or contact the Benefits Section on 0800 028 2569 for an estimate as to how starting work will affect you.

F. Pay the shortfall

Alternatively, you might decide that you can afford to pay any shortfall in your benefit and take no action, making sure you keep your rent account up to date every week.

18. What is Universal Credit?

UC is a new benefit which will eventually replace Child Tax Credit, Working Tax Credit, Income Support, income-based Jobseekers Allowance Employment and Support Allowance (income – based) and Housing Benefit.

UC is being introduced in phases and is now available to single people, couples and families in some areas of the country mainly in the North West of England and is being rolled out to single claimants nationally between February 2015 and April 2016.

It has been introduced for single jobseekers in Torfaen from 13 April 2015 and Monmouthshire from 21 September 2015. It will be introduced for all other new claimants from May 2016 onwards on a region by region basis and all existing claimants should move onto UC by 2019. More information on [UC](#) is contained on the government's website.

Our Contact details

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| TORFAEN RESIDENTS should contact TELEPHONE:01495 766430 or 01495 766570 E-MAIL: benefits@torfaen.gov.uk Minicom for those who are deaf or hard of hearing. The number is 01495 767871 | | MONMOUTHSHIRE RESIDENTS should contact TELEPHONE:01633 644650 or 01633 644655 E-MAIL: benefits@monmouthshire.gov.uk | |
| OUR ADDRESS- Shared Benefit Service Level 3, Civic Centre Pontypool Torfaen NP4 6YB | | | |
| IN PERSON at any of our One Stop shops or Customer Centres | | | |
| ABERGAVENNY (open normal office hours) Cross Street, Abergavenny NP7 5HD | CHEPSTOW (open normal office hours) Manor Way, Chepstow NP16 5HZ | CALDICOT (open normal office hours) Woodstock Way, Caldicot NP26 5DB | |
| MONMOUTH (open normal office hours) Priory Street, Monmouth NP25 3XA | PONTYPOOL (open normal office hours) Level One Civic Centre, Pontypool NP4 6YB | CWMBRAN (open normal office hours) 1-2 General Rees Square Cwmbran NP44 7NX | |
| BLAENAVON (Tuesday to Friday 9.30 am to 2.30pm) Blaenavon World Heritage Centre Church Road Blaenavon NP4 9AS | | | |
| WELSH TRANSLATION -If you require a copy of this document in Welsh please contact us on the telephone numbers above. | | | |