

How will a mutual exchange affect your benefits?

From 1 April 2013, working-age customers in receipt of Housing Benefit (HB) or Universal Credit housing element will receive a payment based on the size of their household in relation to their home (commonly referred to as the 'bedroom tax'). From this date, those households who are deemed to under occupy their home will receive a reduction in their HB entitlement/Housing element.

There will be a reduction in HB/UC of 14% of the rent amount for those households under-occupying their property by one bedroom, and 25% for those households under-occupying by two or more bedrooms.

What is under-occupancy?

Under-occupancy is an amendment to the Housing Benefit & Universal Credit regulations and is part of the larger welfare reforms implemented by central government. It applies to benefit claimants who are social housing tenants. This includes local authority tenants and housing association tenants. Customers in receipt of Housing Benefit or Universal Credit housing element who, have one or more spare bedroom in their house will have their housing benefit or universal credit reduced to reflect the excess room.

How can I challenge my Housing Benefit award/Universal Credit Housing Element?

If you feel that the benefit you have been awarded does not accurately reflect your household situation, please contact your local authority or work coach for UC.

Will there be any protection from under-occupancy?

There will not be a protection period, so this change has taken effect as of 1 April 2013. If you are of an age where you will qualify for pension credits, you will be exempt from the under-occupancy changes. In recognition of the impact this will have, the Government has increased the amount of money it gives to local authorities to make discretionary housing payments (DHPs).

These are short-term payments designed to help people get over a temporary financial problem. Your local authority housing department should be able to advise you on the process for applying for a DHP should you think you need one. You can find more information on your local authority website.

Be prepared

We appreciate that changes like this can cause financial pressure and confusion around the amount of rent top-up that customers need to pay. It is imperative that customers continue to prioritise rent payments, and we would encourage you to work closely with your Housing Officer to ensure your rent account is effectively maintained. If you would like more information on these changes and how they might affect you, your Housing Officer will be happy to advise you. Please call 0808 168 4555. To help you to identify whether this could impact you, we have detailed how bedrooms will be allocated under the Act:

- One bedroom for a couple.
- One bedroom for a person aged 16 or over.
- One bedroom for two children under 16 of the same sex.
- One bedroom for two children under 10 (boys and girls are expected to share a room).
- One extra bedroom if you or your partner needs an overnight carer to stay.

You will still be affected if you:

- Are an adult with a disability.
- Sleep separately from your partner due to illness.
- Are separated or divorced and your children visit you.

You will NOT be affected if you are:

- Parents with severely disabled children who are unable to share a room with their siblings.
- Approved foster carers, whether a child has been placed with you or you are between placements, so long as you have fostered a child in the last 12 months.
- Parents with adult children in the Armed Forces, if the property is registered as being the adult children's main home.