**Universal Credit ...... Welfare Reform ...... What Does it Mean for You?**

You may have become aware of these terms through the media or through work, and may have wondered what’s facing you, and your family, and what impact it may have on your work.

The changes being brought in by the UK Coalition Government are far reaching, and have already begun. The sort of changes of most importance to Shetland will include:

* Housing Benefit being paid direct to tenants, as part of their Universal Credit, on a monthly basis, rather than to landlords, requiring tenants to fully manage their financial outgoings (this will be phased, 2013-17);
* The majority of claims will need to be made on line;
* The allocation of what is currently Housing Benefit will be based on the number of rooms a household is entitled to, rather than the number of bedrooms in the house, meaning a reduction in monthly incomings for a number of households: a 14% reduction in rent for one additional bedroom, and 25% for two or more; and
* Personal Independence Payment (PIP) will replace Disability Living Allowance (DLA); all those currently in receipt of DLA will have a regular assessment to determine their PIP. There will be two levels of PIP, compared to three levels of DLA, therefore it is likely that a number of individuals in Shetland will have a reduction in money coming into the house.

In order to maximise support to clients you may be working with, please be particularly aware of the following:

* Their financial circumstances and money-management skills:
* For example, can they budget for necessities over a month? Resources available to assist them include: <http://www.moneysavingexpert.com/> and the budget planning tool in particular (<http://www.moneysavingexpert.com/banking/Budget-planning> - which you can adapt / simplify for your needs). Adult Learning deliver classes on budgeting and cooking on a budget (01595 743888).
* Are they receiving all their entitlements? CAB can assist by undertaking a Benefit Check (01595 694696).
* Are they in Debt? Are they involved in any pay-day loan companies? CAB can assist by providing support through their Debt Advice Service (01595 694696).
* Do they have a bank account? They will need to be supported to open a bank account (this may include obtaining ID, which can be costly). We cannot recommend bank account products, but can inform people about options. The local banks have a good reputation for assisting vulnerable people. A new product is available via some banks, called a Jam Jar Account, which includes automatic payment features and can create different accounts for paying different bills, within one account. The RBS Money Manager Account has a number of features associated with these accounts.
* Is their home and lifestyle as energy efficient as is feasible? Contact the One-Stop-Shop (01595 741368).
* Whether they are able to claim on line:
* With access to the internet: at home, or elsewhere (internet access is available at the Library, <http://www.shetland-library.gov.uk/Services.asp> for opening hours) and Rural Learning Centres, <http://www.shetland.uhi.ac.uk/about-us/learning-centres>).
* With the skills to complete claims on line: support to develop skills is available through Adult Learning (01595 743888) and the College’s Learning Centres (01595 771242) <http://www.shetland.uhi.ac.uk/about-us/learning-centres>.

NB: although online claims will be the default method, claims via phone / hard copies will still be available.

* Can you support them to increase their household income in other ways, such as through employment / additional hours, for example?
* Crisis Loans and Community Care Grants, will only be administered by JCP until March 2013, after that they will be accessible through the SIC’s Revenues and Benefits Service. More information about this service will be available in the coming months.

Andrew Hall is keeping the Council’s website updated on the implementation of Welfare Reform:

<http://www.shetland.gov.uk/documents/WelfareReformBriefingPaper_001.pdf>

<http://www.shetland.gov.uk/about_benefits/BenefitRuleChanges.asp>

For more information / queries / ideas, contact Emma Perring (emma.perring@shetland.gov.uk /01595 744537), or your line manager.

Seminars / Briefing Sessions are planned for the New Year, when more information is known about the implementation of Welfare Reform.