

## UNIVERSAL CREDIT AND COUNCIL TAX RELIEF

- Universal credit is a benefit paid to low -income families to enable them to meet their day to day living costs .
- Fostering income is disregarded when calculating household income.
- Foster carers are viewed as “workers” doing 30 hours work a week
- The age of your foster children will dictate the commitments you have to make to DWP to receive the benefit :

### **Commitment Group**

<b>1</b>	Child under 1	automatic entitlement
<b>2</b>	Child over 1 to 16 years	required to attend work related interviews
<b>4</b>	Child over 16	available for work

When your Foster child reaches 16 years of age DWP view is that they do not require a Foster carer at home to look after them and the carer is available for work .

If your Foster child has special needs and you are required at home the relevant information should be provided to your job coach and hopefully you would be in a position to do work related interviews only (commitment group 2)

- **Universal credit is a means tested benefit** so if you have savings/assets worth over £16,000 you have no entitlement to Universal credit –if your savings are between £6k and £16k a sliding scale of entitlement applies
  - Savings in a pension fund are NOT counted as savings for Universal credit purposes

### **WHAT YOU ARE ENTITLED TO -per month**

Single under 25	£311.68
Over 25	£393.45
Couple under 25	£489.23
Over 25	£617.60

### **Child element**

1 <sup>st</sup> Child (born pre 6.4.17)	£333.33
Born after 6.4.17	£287.92
Second child	£287.92

## **Housing Cost element of Universal credit (was called Housing Benefit )**

If you live in rented accommodation part/all your rent may be paid as the “Housing cost element” of Universal credit (the same as Housing benefit)

Two issues will affect your eligibility to “housing costs” under universal credit and will reduce the amount you receive:

- **The bedroom tax**

The government have rules about who needs a bedroom in your house :

- A couple or individual over eighteen needs a room.
- Between 0-10 years of age children of different sexes can share a room
- Between 11 -18 -children of the same sex can share a room

In addition, one bedroom that is used for fostering is an eligible bedroom (so if you use 2 bedrooms in your house for fostering the second bedroom will be ineligible )

If the DWP decide you have one ineligible room your rent paid will be reduce by 14% and if there are two ineligible rooms the rent payment will reduce by 25%

- **Local Housing Allowances**

If you rent from a private landlord, you may not get all your rent paid by DWP who will pay you according to the local housing allowance rates for your area -these can be found on line

## **HOW TO CLAIM**

- Claims are made online –you will need to create a new government gateway and password – each person in a couple makes a separate claim linked by a code given during the process
- You are allocated a job coach, and all interaction is done on line (subject to work related interviews at Job Centres )

## **COUNCIL TAX RELIEF**

- Council tax relief is not dealt with on a national basis by DWP but is administered by your local council
- Council tax relief is a means tested benefit paid to low income households
- Each council may have different rules about certain aspects of eligibility to council tax relief BUT it is UK law that Fostering income is disregarded when calculating eligibility to Council Tax relief
- **If you are a solo foster carer or a couple whose only income is fostering and you do not have savings over £6000 you are eligible to council tax relief -non fostering income coming into the household will affect your eligibility to the relief**
- Some councils have problems dealing with Foster carers claims and we can only suggest you go to your local MP if your claim is refused