

NORTH LANARKSHIRE COUNCIL

REPORT **AGENDA ITEM No. 5**

To: HOUSING & TECHNICAL SERVICES COMMITTEE	Subject: ANNUAL SOCIAL SECURITY UPDATING – APRIL 2003	
From: DIRECTOR OF HOUSING & PROPERTY SERVICES		
Date: 7 February 2003	Ref: TMcK/PN/SD	

1. Introduction

- 1.1 The purpose of this report is to draw the attention of Committee to changes in Housing Benefit entitlement from April 2003.

2. Background

- 2.1 All Social Security benefits, including Housing Benefit and Council Tax Benefit, are uprated in April each year in line with the rate of inflation prevailing at the end of the previous September.
- 2.2 Non income-related benefits such as Incapacity Benefit will increase by 1.7%, and income-related benefits such as Housing and Council Tax Benefit and Income Support will increase by 1.3%. A number of benefits, including state retirement pension, are increasing by more than the standard amount.
- 2.3 Appendix A shows the current Housing Benefit entitlement, and the new entitlement from April, of some typical Housing Benefit claims. The examples incorporate an average rent increase for Council tenants of 4%.

3. Recommendation

- 3.1 Committee is asked to note the effect of the annual uprating of Social Security benefits and the annual rent increase on Council tenants in North Lanarkshire.

4. Background Information

- 4.1 Background information is available within the Department of Housing and Property Services.



T McKenzie
Director of Housing and Property Services
Encl.

Impact of 2003 Uprating on Tenants in Receipt of Housing Benefit

examples are for illustration only as rates of income can vary

Single pensioner aged 66 with a basic State Retirement Pension - current rent £42.50 per week.			
2002/2003		2003/2004	
	£		£
Rent	42.50	Rent	44.20
Income	75.50	Income	77.45
Applicable Amount	98.15	Applicable Amount	102.10
<i>Income is below the applicable amount</i>		<i>Income is below the applicable amount</i>	
	£		£
<i>Housing Benefit</i>	42.50	<i>Housing Benefit</i>	44.20
<i>Tenant Pays</i>	Nil	<i>Tenant Pays</i>	Nil
<i>Income Support</i>	22.65	<i>Income Support</i>	24.65

Single widow aged 45 with basic Widow's Benefit - current rent £42.94 per week.			
2002/2003		2003/2004	
	£		£
Rent	42.94	Rent	44.66
Income	75.50	Income	77.45
Applicable Amount	53.95	Applicable Amount	54.65
	£		£
Excess Income is	21.55	Excess Income is	22.80
Income Taper is	15.17	Income Taper is	16.06
	(over 48 weeks)		(over 48 weeks)
	£		£
<i>Housing Benefit</i>	27.77	<i>Housing Benefit</i>	28.60
<i>Tenant Pays</i>	15.17	<i>Tenant Pays</i>	16.06

Single person aged 20 with part-time earnings of £75 living alone - current rent £43.44 per week.

2002/2003		2003/2004	
	£		£
Rent	43.44	Rent	45.18
Income	70.00	Income	70.00
Applicable Amount	42.70	Applicable Amount	43.25
	£		£
Excess Income is	27.30	Excess Income is	26.75
Income Taper is	19.22	Income Taper is	18.84
	(over 48 weeks)		(over 48 weeks)
	£		£
<i>Housing Benefit</i>	24.22	<i>Housing Benefit</i>	26.34
<i>Tenant Pays</i>	19.22	<i>Tenant Pays</i>	18.84

Lone parent aged 35 with one child aged 10 - current rent is £41.65 per week. Income comprises part-time wages of £130.00 and Child Benefit.

2002/2003		2003/2004	
	£		£
Rent	41.65	Rent	43.32
Income	122.55	Income	122.55
Applicable Amount	113.15	Applicable Amount	115.35
	£		£
Excess Income is	9.40	Excess Income is	7.20
Income Taper is	6.62	Income Taper is	5.07
	(over 48 weeks)		(over 48 weeks)
	£		£
<i>Housing Benefit</i>	35.03	<i>Housing Benefit</i>	38.25
<i>Tenant Pays</i>	6.62	<i>Tenant Pays</i>	5.07

Couple both aged 40 with children aged 10 and 14 - current rent is £44.02 per week. Income comprises Jobseekers' Allowance (Income Based) and Child Benefit.

2002/2003		2003/2004	
	£		£
Rent	44.02	Rent	45.78
Income	173.40	Income	178.50
Applicable Amount	173.40	Applicable Amount	178.50
<i>Eligible for maximum Housing Benefit</i>		<i>Eligible for maximum Housing Benefit</i>	
	£		£
<i>Housing Benefit Tenant Pays</i>	44.02 Nil	<i>Housing Benefit Tenant Pays</i>	45.78 Nil

Couple both aged 45 with children aged 12, 14 and 16 - weekly rent is £43.44. Income comprises Incapacity Benefit of £70.95, Child Benefit and spouse's earnings of £160 per week.

2002/2003		2003/2004	
	£		£
Rent	43.44	Rent	45.18
Net Income	247.80	Net Income	249.70
Applicable Amount	244.00	Applicable Amount	250.25
Excess Income is	3.80	<i>Income is below the applicable amount</i>	
Income Taper is	2.68 (over 48 weeks)		
	£		£
<i>Housing Benefit Tenant Pays</i>	40.76 2.68	<i>Housing Benefit Tenant Pays</i> <i>Income Support</i>	45.18 Nil 0.55