



PotteriesGold

More About the Budget

In our last newsletter, we promised to explain more of the [benefit changes](#) announced in the Chancellor's Budget earlier this month.

A couple of changes should mean [lower deductions](#) from your [Universal Credit](#), if

you've had an [advance payment](#) or are having other [debts](#) paid direct from your benefits.

There is also good news from June for [care leavers](#) and some others claiming [Universal Credit](#) or [Housing Benefit](#) for [housing costs](#).

MORE TIME TO REPAY UC ADVANCE PAYMENTS

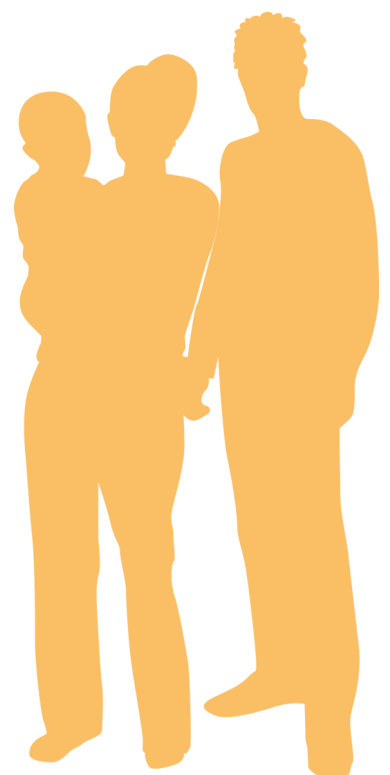
Because you can expect to wait **at least five weeks** for your first payment of [Universal Credit](#), many people get an **advance payment** to help them cope during this time. Until now, these had to be paid back **within 12 months**.

From **4th April 2021**, new advance payments can be paid back over **24 months** instead.

Example

Jade and her partner Max need to claim [Universal Credit](#) for themselves and their baby, Isobel, as Max has just lost his job. They ask for an advance of their first month's UC. Including their rent, this is **about £1200**.

Paid back **over 12 months**, this would reduce their future payments by **£100 per month** but, **over 24 months**, the reduction is only **£50 per month**.

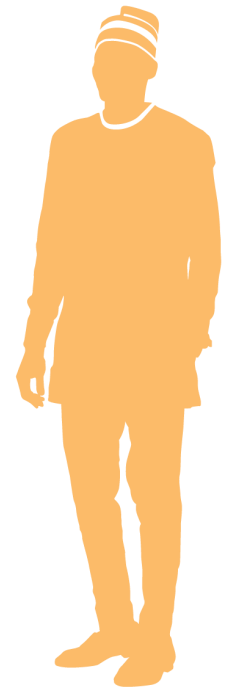


OTHER DEDUCTIONS FROM YOUR UC

If you are having money taken out of your Universal Credit to **pay debts** for things like gas, electricity and water, child maintenance, Council Tax debt or rent arrears, the amount coming out of your benefit may be **lower from April**.

At the moment, up to **30% of your standard allowance** - the money for you (and your partner, if you have one) - can be used for direct payments. From **4th April**, the **usual maximum amount will be 25%**. You may pay more if you have '**last resort**' deductions for rent arrears to prevent your eviction or to stop **essential services** being cut off.

Get **money advice** if you are struggling to budget on the money left after your direct payments have been made.



HOUSING COSTS FOR CARE LEAVERS

Most **single people under 35**, living in **private-rented accommodation**, have their housing costs for UC and Housing Benefit limited to a '**shared accommodation rate**' (SAR) by local housing allowance rules, basing them on the cost of renting a room in a shared house.

At the moment, **care leavers under 22** have their housing costs based on the more generous rate for **self-contained, one-bedroom accommodation**. From **June 2021**, this will apply to care leavers up to 25.

Other vulnerable people helped by this welcome change are **rough sleepers aged 16 to 24** and **victims of domestic abuse and human trafficking**, but note *these rules do not change until June*.

SOME THINGS NEVER CHANGE!

None of the disregards or allowances in our 'Frozen' newsletter were increased in the Budget. The **earnings thresholds for free school meals and free prescriptions** did not increase. Nor did the weekly or monthly limit on the amount you can claim towards **childcare costs**. **Capital disregards and tariff income** amounts are unchanged and so are the levels of the **Sure Start Maternity Grant, Winter Fuel Allowance, Cold Weather Payments** and the **Christmas Bonus**.



Potteries Gold is a **Citizens Advice Staffordshire North & Stoke-on-Trent** project to help people in Stoke-on-Trent cope with changes to the benefit system

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