

# Housing Benefit & Council Tax Benefit

## Introduction

Research by Children 1<sup>st</sup> has revealed that the total loss of Housing and Council Tax Benefit to Scotland is between £248 - 443million.

This briefing highlights the loss to families in Scotland from not claiming Housing and Council Tax Benefit. UNISON Scotland would like to encourage its members to check if they are eligible to receive either of these benefits.

## Background

Improving take-up rates for all income related benefits would clearly benefit both the Scottish economy and low-income families. This is particularly important ahead of the implementation of the Welfare Reform Act 2012, to ensure that no-one misses out on transitional support they may be entitled to.

Whilst responsibility for these benefits lies with the UK Government, the Scottish Government and local authorities can assist with benefit take-up campaigns through support for voluntary and statutory advice agencies.

## Housing Benefit

Research from Children 1st highlights that the take-up rate for Housing Benefit (HB) is between 84-90% overall, but only 69-82% for couples with children. With an estimated 8% of Eligible Non-Recipients (ENRs) being in Scotland, this suggests a total of between £148 -£248 million of HB is unclaimed in Scotland.

For couples with children (two parent families), the figure is between £28 -£55 million. It is estimated that between 11,200 –17,600 such families are not claiming HB they are entitled to, losing an average of £55 per week or £2860 per annum.

For the estimated 5,600 –12,000 single people with children (one parent families) the average weekly loss is £58 or £3016 per annum. The total unclaimed in Scotland is between £15 – 40 million.

For all families with children in Scotland, there is between £43 -£95 million of Housing Benefit going unclaimed annually.

## KEY POINTS:

- Families in Scotland are losing out on between £248-443million on claims for Housing and Council Tax Benefit
- Take-up of Housing Benefit for couples with children is between 69-82%
- Take-up rates for Council Tax Benefit (CTB) in general are very poor, at between 64-71%



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## Council Tax Benefit

Take-up rates for Council Tax Benefit (CTB) in general are very poor, at between 64-71%. The total loss of income to Scotland is between £136 -195 million.

This is particularly significant given the transfer of responsibility for CTB to Scotland under the Welfare Reform plans, under which the UK Government is transferring control of CTB to the Scottish Government but only transferring 90% of the monies currently claimed under CTB. This amounts to £423m (based on 90% of total amount claimed in 2009-10), although the Scottish Government estimates the figure to be £380m. Increasing take-up of CTB could help mitigate the estimated loss to Scotland of £38 -£42 million from the budget transfer, as well as putting much needed additional income into the pockets of hard-pressed families in the current difficult financial climate.

As with housing benefit, take-up of council tax benefit by couples with children is particularly low, at between 56-66%. It is estimated that between 15,200 –24,000 couples with children in Scotland are losing out on an average of £15 a week or £780 a year in unclaimed CTB.

Take-up rates for single people with children (one parent families) are much higher, at between 82-91%, but the 5,600 – 12,000 one parent families affected are missing out on an average of £13 a week or £676 a year.

The total CTB going unclaimed by families with children in Scotland is between £21 – 37 million.

## Summary

The total loss to families with children from unclaimed Housing Benefit and Council Tax Benefit is therefore between £45 – 132 million. On average this will mean a loss of about £70 a week or £3640 a year to these families, all of whom are on low incomes.

One of the reasons the Department for Work and Pensions suggest is behind the low take-up is that changes were made to the calculation of entitlement in 2009. Since then, child benefit has not been included as income for the purposes of calculating entitlement to housing or council tax benefit – it is possible that many “borderline” families are unaware of this change and therefore, that they might now be entitled to some level of benefit.

UNISON Scotland would like to encourage its members to check if they are eligible to receive either of these benefits.

## Action for Branches

This briefing paper is intended and to encourage UNISON members to apply for both benefits. Further information including claim forms are available from your local authority.

### Further Information

Direct Gov website  
<http://www.direct.gov.uk/en/index.htm>

Citizens Advice  
Scotland  
<http://www.cas.org.uk/>

Children 1<sup>st</sup>:  
<http://www.children1st.org.uk/>

ParentLine Scotland for  
help and advice – free  
to call on  
08000 28 22 33 or  
email:  
[parentlinescotland@children1st.org.uk](mailto:parentlinescotland@children1st.org.uk)



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