

Advice Leeds

Timetable for welfare reform and cuts to benefits	
	March 2011 - 2014
IB, IS, SDA	Migration to ESA - claimants will have to undergo new Work Capability Assessment
	April 2011
Child Benefit	Child Benefit rates frozen for three years
DLA	Higher rate mobility component of Disability Living Allowance to cover those with a severe visual impairment
Housing Benefit	Non-dependant deductions (NDD) to be increased (up-rated) on the basis of prices using the Consumer Prices Index
	Baby element of family premium will no longer be available
	Local Housing Allowance (LHA) restricted to four-bedroom rate regardless of household size
	£15 excess rule will be removed
	An extra room will be allowed for a non-resident carer
	New maximum LHA rate based upon property size
	LHA rates will be at a value of 30% of the average rents in an area
JSA	Some Jobseeker's Allowance claimants may have to do unpaid work, or work-related activity
Pension Credit	Maximum Pension Credit Savings Credit award to be frozen for four years (this has actually been reduced for 2012/13)
Sure Start Maternity Grant	Sure Start Maternity Grant will only be available for the first child
Tax Credits	Increase in the rate at which Tax Credits are withdrawn from 39% to 41% reducing entitlement to tax credits
	Annual income disregard reduced from £25,000 to £10,000 - likely to lead to more Tax Credit overpayments
	The baby element will be removed from Child Tax Credit (CTC)
	Family element income threshold reduced from £50,000 to £40,000
	Eligible childcare costs will reduce from 80% to 70%
	The basic and 30 hour elements of WTC will be frozen for three years
	People aged 60 or over will be eligible for Working Tax Credit by working 16 hours, the rule had previously been 30 hours
Up-rating	Consumer Price Index (CPI) will replace Rossi and Retail Price Index (RPI) as the tool used to decide benefits increases in April each year (also known as up-rating)
	October 2011
Income Support	Lone parents with a child aged 5 and over not longer eligible for IS This change did not come in to place, a date remains unconfirmed
	Winter 2011
Winter Fuel Payment	Winter fuel payments will be reduced for the winter of 2011/2012
	January 2012
Housing Benefit	the age threshold for the shared accommodation rate of Local Housing Allowance (LHA) will be increased from 25 to 35
	LHA cap for existing claimants
	LHA rates fixed at lower rate for existing claimants
Support for Mortgage Interest	Support for Mortgage Interest Scheme which were due to come to an end in January 2012 will be extended until January 2013

	April 2012
ESA	People in the Work Related Activity Group of contribution based ESA will have their claims limited to one year
	Contributory ESA in youth to be abolished
Tax Credits	50+ element removed from Working Tax Credits (WTC)
	Couples with children must work at least 24 hours a week between them, with one working at least 16 hours to qualify for WTC
	If your income falls by up to £2,500 during the Tax Credit award year, the amount you get will not be revised to see if you are entitled to a higher Tax Credit payment
	Second income threshold removed
	backdate new applications and changes of circumstances for up to one month instead of three
	Couple and lone parent rates of Working Tax Credit will be frozen
Housing Benefit	A further £40million per year will be added to the Discretionary Housing Payment budget
Income Support	Lone parents with a child aged 5 and over not longer eligible for IS This change did not come in to place, a date remains unconfirmed
	Tougher sanctions for failure to meet conditionality requirements
DLA	DLA mobility Component withdrawn for those in residential care (now postponed)
All benefits	Fraud and Error changes
	Sometime 2012
All benefits	New payment system will replace benefits cheques
	January 2013
Child Benefit	Abolished for higher rate tax payers
	April 2013
Council Tax Benefit	Council Tax Benefit is to be replaced by localised support for Council Tax
DLA	DLA to be replaced with a new benefit called Personal independent payment
Housing Benefit	Size criteria will apply in the social rented sector
	LHA rates will be increased in line with the Consumer Price Index instead of the market rents in each area
Tax Credits	Any rise in income of £5,000 or more during the award year will be taken into account when finalising your Tax Credit award
All benefits	Total household welfare benefit cap to be introduced
	October 2013
All means tested benefits	Universal Credit – a new benefit that will replace tax credits, IS, JSA, ESA and HB
	2015
State Retirement Pension	Means-tested pensioner benefits will be replaced by a new flat rate 'Citizen's Pension' which is not linked to National Insurance contributions
	April 2016
State Pension Age	Equalisation of women's pension age with men's will be sped up from April 2016 so that women's pension age reaches 65 in November 2018
	Pension age for men and women will then increase to 66 by Oct 2020
	Further increases to the State Pension age are being considered to raise it from 66 to 68