



Benefits Changes Timetable

Date	Change	Impact
October 2008	Employment and Support Allowance (ESA) Introduced ESA replaced Incapacity Benefit (IB) for all new claimants.	
October 2010	Support for Mortgage Interest Standard interest rate at which Support for Mortgage Interest is paid to be set at a level based on the Bank of England published average mortgage rate. Previous policy was to freeze the standard interest rate at 6.08% from late 2008 until December 2010.	DWP Equality Impact Assessment Reduction in support available for mortgage interest for benefit recipients. 50% of losers were pensioners.
January 2011	Health in Pregnancy Grant Abolished A one-off payment of £190 paid to pregnant women to help prepare for the birth. Not means tested so is available regardless of income and capital.	Loss of one-off payment of £190 to pregnant mothers

<p>January 2011</p>	<p>Child Trust Fund abolished The Child Trust Fund was a savings and investment scheme started in 2002 to encourage parents to save for their child's future. The Government plan to introduce a Junior ISA scheme in Autumn 2011 but no money will be provided.</p>	<p>IPPR Research Saving of just over £500 million a year. Children born in the UK since 2011 no longer receive £250 at birth and a further £250 when they reach the age of seven (£500 for poorer families and disabled children).</p>
<p>January 2011</p>	<p>Educational Maintenance Allowance No new applicants in England. The Scottish Government decided to continue the EMA in Scotland.</p>	<p>In Scotland a flat rate of £30/week per student is payable where assessed income is £20,351 or less (or £22,403 where there is more than one child in the household).</p>
<p>January 2011</p>	<p>Support for Mortgage Interest Temporary changes to the Support for Mortgage Interest Scheme which were due to come to an end in January 2011 were extended until January 2012. These included a reduced waiting period of 13 weeks and an increase in the eligible mortgage capital limit to £200,000.</p>	<p>Extension of 13 week waiting period (which was due to revert to 389 weeks) expected to protect payments to 100,000 jobless homeowners.</p>
<p>March 2011</p>	<p>Employment and Support Allowance From 28 March new rules applied to all assessments and the ESA50 form was be changed to reflect this. Those who had been sent an ESA50 based on the previous rules assessed using the previous rules as long as the form was received by 28 September 2011.</p>	<p>Support Group criteria expanded to include individuals awaiting or between courses of certain types of chemotherapy, as well as individuals with significant disability due to impaired mental function.</p>

April 2011	Child Benefit Child Benefit rates frozen for three years	Projected to save almost £3bn by 2015.
April 2011	Disability Living Allowance New qualification criteria for the higher rate mobility component of Disability Living Allowance to cover those with a severe visual impairment	Anticipated that up to 23,000 customers would benefit and become entitled to the higher rate mobility component at the point of change – current rate 2012-2013 - £54.05 per week
April 2011	Housing Benefit Baby element of family premium abolished.	Housing benefit entitlement for those affected reduced by up to £6.80 per week.
April 2011	Housing Benefit Non-dependant deductions (NDD) increased (uprated) on the basis of prices using the Consumer Prices Index. The rate of deduction made from a claimant's Housing Benefit award if they have a non-dependant living with them had been frozen since 2001. By April 2014, by gradual increases, NDD rates will reach the level they would have been at if they had not been frozen.	People with adult non dependants in their households receive a reduced level of housing benefit. 64% of those affected have a disability,
April 2011	Housing Benefit Local Housing Allowance (LHA) for new claimants is restricted to four-bedroom rate regardless of household size. Existing claimant's will have their LHA rate reduced on the anniversary of their claim.	About 8,000 households would be affected by this limit, according to the Department for Work and Pensions (DWP).

April 2011	<p>Housing Benefit Local Housing Allowance £15 excess rule removed. This was the rule that if a person's LHA rate is higher than the rent they are paying, they can keep the difference up to a maximum of £15 a week</p>	DWP estimated 300,000 customers may see a reduction in their benefit.
April 2011	<p>Housing Benefit An extra room allowed in the 'size criteria' used to determine LHA if a person has a disability and requires over night care from a non-resident carer.</p>	
April 2011	<p>Housing Benefit New maximum LHA rate based upon property size – £250 for one bedroom, £290 for two bedrooms, £340 for three bedrooms, £400 for four bedrooms. To apply to all new claimants. Transitional protection for most existing claimants introduced for up to 9 months to give them more time to find a new home if they could afford their existing one because of the benefits changes.</p>	DWP estimated 110 losers in Scotland – average loss £51 per week.
April 2011	<p>Housing Benefit LHA rates previously set at a value where 50% of the rents in an area fall below it, and 50% are more expensive. This was reduced so that LHA rates valued where only 30% of the rents in an area are below it and 70% are above it. Applied to all new claimants. Up to nine month's transitional protection for most existing claimants to give them more time to find a new home if they cannot afford their existing one because of the benefits changes.</p>	
April 2011	<p>Housing Benefit Discretionary Housing Payments (DHP) budget increased by £10 million to £30 million for 2011/12 to offer some assistance to those most affected by the cuts to Housing Benefit.</p>	

April 2011	<p>Jobseeker's Allowance Some Jobseeker's Allowance claimants to be required to do unpaid work, or work-related activity, for up to four weeks in order to continue receiving their benefit. The Personal Advisers at Jobcentre Plus to decide which claimants would benefit from being referred onto this scheme (delivered by a range of organisations from the private, voluntary and third sector.)</p>	
April 2011	<p>Pension Credit Maximum Savings Credit award to be frozen for four years</p>	1.8 million pensioners over age 65 will lose a total of £330 million by 2014-2015 according to Treasury estimates
April 2011	<p>State Retirement Pension rate increased through a 'triple guarantee' – which means that the pension is increased each year by the highest out of the earnings inflation rate, the prices inflation rate (using the Consumer Price Index) or 2.5%.</p>	DWP estimate that the triple guarantee means that the average person reaching state pension age in 2012/13 can expect to receive an additional £15,000 in basic state pension over their retirement.
April 2011	<p>Sure Start Maternity Grant Only to be available for the first child, unless it is a multiple birth or the new child is the only one in the family under 16.</p>	
April 2011	<p>Tax Credits Increase in the rate at which Tax Credits are withdrawn as a person's income increases. Loss of 41p from maximum entitlement for every £1 of income over the relevant threshold</p>	

April 2011	Tax Credits Change to in year income increase - increases of up to £10,000 ignored instead of previous £25,000.	Increase in Tax Credit overpayments
April 2011	Tax Credits The baby element removed from Child Tax Credit	
April 2011	Tax Credits changes to the way the family element of Child Tax Credit is awarded, claimants with incomes over £40,000 will be affected	
April 2011	Tax Credits The child element rate increased by £255	
April 2011	Tax Credits The percentage of childcare costs that parents can claim through the childcare element of Working Tax Credit (WTC) reduced from 80% to 70%	
April 2011	Tax Credits The basic and 30 hour elements of WTC frozen for three years	
April 2011	Tax Credits People aged 60 or over eligible for Working Tax Credit by working 16 hours - previously 30 hours	

<p>April 2011</p>	<p>Uprating of benefits Consumer Price Index (CPI) replaced Rossi and Retail Price Index (RPI) as the tool used to decide benefits increases in April each year (also known as uprating).</p>	<p>This change is expected to result in £6billion savings per year by 2015. Institute for Fiscal Studies (IFS) analysis found that only 23% of claimants protected by this change, the rest will be paying for things not covered by CPI so there will be a real loss of income over time. This change saves the Government the most money out of all things announced. CPI was just 3.1% in September 2010 and this is the figure that will be used for uprating benefits in April 2011, at that time RPI was 4.6%</p>
<p>May 2011</p>	<p>Incapacity Benefit and Employment and Support Allowance Migration of existing Incapacity Benefit, Severe Disablement Allowance and Income Support through sickness claimants to ESA. Application of the new Work Capability Assessment.</p>	<p>1.9 million claimants affected – As at February 2012 only 26% of existing claimants transferring to ESA at date of reassessment. Most of those awarded ESA are put in the Work Related Activity Group – and generally on a lower rate of benefit than previously.</p>

Winter 2011	<p>Winter Fuel Payment reduced for the winter of 2011/2012. The payments for people who have reached female state pension age were temporarily increased in 2008 from a maximum of £200 to £250 and, for people aged 80 and over, from a maximum of £300 to £400. This increase was renewed in subsequent Budgets until 2011 when payments returned to the £200 and £300 level</p>	
January 2012	<p>Support for Mortgage Interest Temporary changes to the Support for Mortgage Interest Scheme which were due to come to an end in January 2012 were extended until January 2013.</p>	Government predicted this would reduce mortgage arrears for 100,000 jobless homeowners.
January 2012	<p>Housing Benefit the age threshold for the shared accommodation rate of Local Housing Allowance (LHA) increased from 25 to 35. Single claimants up to the age of 35 to have their LHA based on a room in a shared property rather than a self contained one bedroom property. Exceptions for some disabled claimants, certain people who have previously been homeless, and ex-offenders who could pose a risk to the public. Existing claimants whose claims were made between 1 April 2011 and 1 January 2012 be moved to the shared accommodation rate on the anniversary date of their claim.</p>	
April 2012	<p>Crisis Loans Maximum rate of a Crisis Loan, for single non-householders, to be 30% of the appropriate benefit personal allowance rate. The maximum rate for householders or people who are homeless still set at 60% of the appropriate benefit personal allowance.</p>	

April 2012	<p>Discretionary Housing Payments A further £40million per year added to the Discretionary Housing Payment budget. £10 million was added in April 2011.</p>	
April 2012	<p>Housing Benefit Local Housing Allowance rates frozen ahead of the April 2013 change when rates will no longer be linked to market rents.</p>	
April 2012	<p>Tax Credits Further changes to the way Tax Credits are calculated so that the credit is withdrawn faster as income rises.</p>	
April 2012	<p>Tax Credits 50+ element removed from Working Tax Credits (WTC)</p>	
April 2012	<p>Tax Credits If income falls by up to £2,500 during the Tax Credit award year, benefit is not revised to see if you are entitled to a higher Tax Credit payment.</p>	
April 2012	<p>Tax Credits Backdating of new applications and changes of circumstances reduced from three months to one month.</p>	

<p>April 2012</p>	<p>Tax Credits Increase of child element by £110. This was not implemented (Chancellor's Autumn 2011 statement)</p>	
<p>April 2012</p>	<p>Tax Credits Couples with children required to work at least 24 hours a week between them, with one working at least 16 hours to qualify for WTC. However, couples with children where one person works at least 16 hours and is entitled to the WTC disability element or is aged 60 or over still to qualify for WTC. Also, couples with children will continue to qualify for WTC if only one member of the couple works at least 16 hours per week and the other is incapacitated, an in-patient in hospital or in prison. Changes announced in the Budget 2012 mean that a couple will also continue to receive Working Tax Credits as long as one partner works 16 hours a week and the other is entitled to Carer's Allowance. In this circumstance they will also qualify for help with childcare costs.</p>	

<p>May 2012</p>	<p>Contributory ESA From 1 May people in the Work Related Activity Group of Employment and Support Allowance (ESA) to have their claims limited to one year. Existing claimants to have their entitlement limited to one year from the time their entitlement began, disregarding time in the support group. Some claims ended immediately once this change came in.</p>	<p><u>DWP Impact Assessment October 2011</u> Around 700,000 people to lose their entitlement to contributory ESA by 2015/16. Some may qualify for the means-tested version of the benefit, but an estimated 40% will be removed from benefit. Any time already spent in receipt of contributory ESA whilst in the work related activity group will count towards the one year time limit so some claims ended 30 April.</p>
<p>May 2012</p>	<p>Contributory ESA in Youth Contributory ESA in youth abolished. Existing claimants to have their entitlement limited to one year from the time their entitlement began, disregarding time in the support group. Some claims ended immediately once this change came in.</p>	<p><u>DWP Equality impact assessment</u> By 2015/16, the abolishment of ESA 'youth' provisions will affect approximately 15,000 people who would have been claiming contributory ESA. Some may qualify for the means-tested version of the benefit. 20% will have no change in income, 70% will lose £25 per week and 10% will get no ESA at all.</p>

<p>May 2012</p>	<p>Income Support New claimants only able to claim Income Support as a lone parent if the youngest child is under 5. Originally intended to be changed from October 2011. Changed to 21 May 2012</p>	<p><u>DWP Impact Assessment</u> Many lone parents had to claim Jobseeker's Allowance unless they qualified for Employment and Support Allowance or Income Support for another reason.</p>
<p>October 2012</p>	<p>Automatic enrolment into pensions Automatic enrolment into pensions started. This is a new law that the Government has introduced to make it easier for people to save for their retirement. It requires all employers to enrol their workers into a qualifying workplace scheme if they are not already in one.</p>	
<p>October 2012</p>	<p>Civil penalties a civil penalty will apply if you are overpaid a benefit and you have negligently given incorrect information or evidence, and you fail to take steps to rectify the error, and the error causes an overpayment, or you fail to provide information or evidence or fail to notify a change in your circumstances without a reasonable excuse.</p>	<p><u>DWP Impact Assessment</u> Fixed rate penalty of £50. It will be added to the total amount of the overpayment and will be recovered by the same method. Tribunal Service expect an increase of 1,000 appeals in Scotland in 2013 as a result. Expected annual saving £32 million by 2014-2015</p>

<p>October 2012</p>	<p>New Simple Payment Service A new 'Simple Payment' service introduced to replace the benefit cheques system for claimants who can't be paid by direct payment because they are unable to open or manage bank or Post Office card accounts. Under the new system, claimants are issued with a reusable 'Simple Payment' card so that they can receive their benefits at 'PayPoint' outlets located in local newsagents, convenience stores, supermarkets, garages and off licences.</p>	<p>Only available in limited circumstances https://www.gov.uk/simple-payment</p>
<p>January 2013</p>	<p>Child Benefit From 7 January 2013, a new income tax charge will be applied where a person has an individual income of over £50,000 and they or their partner gets Child Benefit. This will be applied as extra income tax payable by the person whose income is above £50,000. Where a person has an income between £50,000 and £60,000, the charge applied to their income tax will be 1% of the Child Benefit paid for every £100 of income between £50,000 and £60,000. The income tax charge will always be less than the amount of Child Benefit. Where a person has an income of over £60,000 the charge will be equal to the full amount of Child Benefit payable. Couples with a combined income of over £50,000 will not be affected, unless either one of them has an individual income of over £50,000.</p>	
<p>April 2013</p>	<p>Benefit Cap As part of the Welfare Reform Act there will be a cap on the amount of benefits a working-age household can receive, capped at the level of the average earnings of a working family. This will be applied through Housing Benefit.</p>	

April 2013	<p>Council Tax Benefit To be replaced by localised support for Council Tax. Local authorities will set up new schemes to support people in their own areas within a 10% reduced budget. This will only affect people of working-age who currently receive Council Tax Benefit. The Scottish Government and CoSLA have decided to fund council tax benefit at existing levels for 2013-2014</p>	No impact in Scotland 2013-2014
April 2013	<p>Personal Independence Payment Pilots In a number of areas PIP will replace DLA for new claimants to test out the new arrangements. Rolled out throughout the UK from June 2013.</p>	The government is hoping for a 20% reduction in expenditure by 2017 by bringing in this process. All working-age claimants will be reassessed.
April 2013	<p>Housing Benefit - Bedroom Tax In England, Wales and Scotland size criteria will apply in the social rented sector (e.g. council and housing association properties) replicating the size criteria that applies to Housing Benefit claimants in the private rented sector under the Local Housing Allowance rules. This means that people living in houses larger than they need (under-occupiers) will have to move to somewhere smaller or make up the difference in rent because their Housing Benefit will be reduced with a: 14% cut in Housing Benefit if you under-occupy by one bedroom 25% cut in Housing Benefit if you under-occupy by two or more bedrooms</p>	DWP Impact Assessment shows that 66% of those affected have a disabled person in the house, 41% have children.
April 2013	<p>Local Housing Allowance LHA (housing benefit in the private rented sector) rates will be increased in line with the Consumer Price Index instead of the market rents in each area. The connection with actual rents will be lost.</p>	

<p>April 2013</p>	<p>Social Fund Crisis Loans when waiting for benefit claims to be processed, and Budgeting Loans are to be replaced by a 'payment on account' system Other Crisis Loans and Community Care Grants are to be abolished with the budget being passed to Local Authorities in England and to the devolved governments in Wales and Scotland. New Scottish Welfare Fund (SWF) to administer Community Care Grants (CCGs) and Crisis Grants (CGs) in Scotland. An additional £9 million will be allocated to this next year.</p>	
<p>April 2013</p>	<p>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. Previously only income rises of £10,000 or more were taken into account.</p>	
<p>April 2013</p>	<p>Universal Credit Department for Work and Pensions, working with HM Revenue and Customs and selected local councils, will launch its pathfinder project to introduce Universal Credit to claimants within certain areas of the North-West of England.</p>	
<p>June 2013</p>	<p>Personal Independence Payment All new working age claimants will have to claim Personal Independence Payment instead of Disability Living Allowance.</p>	
<p>October 2013</p>	<p>Universal Credit The current complex system of working-age benefits and Tax Credits is to be replaced by a new benefit called Universal Credit. National introduction will start in October 2013.</p>	

October 2013	Personal Independence Payment Transfer of existing Disability Living allowance claimants to Personal Independence Payment begins.	
March 2014	Incapacity Benefit The transfer of existing claimants on incapacity benefits (i.e. Incapacity Benefit, Severe Disablement Allowance and Income Support on disability grounds) to Employment and Support Allowance should be completed by the end of March 2014.	
April 2014	Universal Credit to be introduced in Northern Ireland.	
April 2016	State Pension Age Plans to bring women's pension age in line 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 from December 2018 to April 2020. The Pensions Bill has been amended after concerns that some women would have to wait for up to an extra two years to collect their pensions. The proposed rise in the state pension age to 66 by 2020 is to be delayed by six months, from April 2020 to October 2020 capping the increase at a maximum of 18 months.	