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| **Date****Summary of Reforms to the Benefits System 2016-2019** | **Reform measure** | **Summary of the measure** |
| **April 2016** | Freeze of working age benefits | * All working age (non-disability) benefits rates and allowances frozen for four years
* Disability rates and allowances are not uprated in 2016/17 as the CPI rate was zero
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| Pension income uprating | * The ‘triple lock guarantee’ applies to pensioner allowances, state retirement pension and state pension credit, which have been uprated by 2.9%
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| Removal of pension credit assessed income period (AIP) | * The AIP is removed for new pensioners and when a current AIP comes to an end 2016–2019 – resulting in additional reassessments of housing benefit claims following changes in pensioners’ circumstances
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| Increase in pension age | * Women’s pension age is aligned with men’s at age 65 by November 2018
* Pension age for men and women will then increase to age 66 from December 2018 to October 2020
* Increased to age 67 between 2026 and 2028
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| New single-tier pension | * Introduced for new pensioners. The full rate of £155.65 is available for those with at least 35 qualifying years national insurance contributions. Pro rata amounts are available for those with 10–35 years qualifying years, protected at current rates
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| Freeze of local housing allowance (LHA) rates for four years | * LHA rates will remain at the April 2015 levels (or be set at the thirtieth percentile point for local market rents, if this is lower).
* This will result in the gap between LHA rates and affordable rent levels increasing over the next four years
* Research by the Chartered Institute of Housing suggests that LHA rates will be below the tenth percentile of private sector rents in 60 local authority areas by 2019
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| Limiting backdating of housing benefit claims | * The maximum period that working age housing benefit claims can be backdated for, under the ‘good cause throughout’ rules, is reduced from six months to one month
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| Reduction in social rented sector rents | * Rent liabilities for those living in most general needs social rented sector accommodation in England will be reduced by 1% a year for four years
* The rent reduction is based on rents charged as at July 2015 and each subsequent July
* Applies to all accommodation subject to the ‘rent standard’ including ‘affordable rent tenancies’
* Supported accommodation schemes are exempt for 2016/17 pending the outcome of the supported housing review
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| Reduction in and removal of universal credit work allowances | * The number of levels of work allowances in universal credit is reduced from seven to two
* Work allowance levels are reduced or removed
* For disabled people and people with children the work allowance is reduced to £192 per month for those with housing costs and £397 per month for those who don’t have housing costs
* For claimants who are not responsible for a child or qualifying young person and do not have limited capability for work, the work allowance is removed completely
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| Increase in universal credit child care element | * The level of the disregard of eligible childcare costs in the childcare costs element of universal credit increases from 70% to 85% up to an increased maximum monthly threshold of £646.35 for one child or £1,108.04 for two or more children
* The increases are phased in as childcare support moves from tax credits into universal credit
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| Reduction in income rise disregard in tax credits | * The amount by which a tax credit claimant’s in-year earnings can increase before their award is adjusted (the income rise disregard) is reduced from £5,000 to £2,500
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| Introduction of national living wage  | * Replaces the National Minimum Wage, starting at £7.20 per hour for workers aged 25 and above
* The rate will increase incrementally to £9.00 per hour by 2020
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| Increase in personal tax allowances | * The tax-free personal tax allowance is increased from £10,600 to £11,000. It will be further increased to £12,500 by 2020 and then set at 30 times the National Living Wage
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| Extension of waiting period for support for mortgage interest (SMI) | * The SMI waiting period before support for mortgage interest can start increases from 13 weeks to 39 weeks in income support, jobseeker’s allowance and employment and support allowance
* In universal credit, the waiting period will be nine assessment periods (ie nine months). The capital limit remains at the higher level of £200,000
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| **May 2016** | Phases one and two of rollout of universal credit digital solution commence | * The universal credit digital solution will be rolled out in five Jobcentre Plus offices per month in May, June and July (phase one), and October, November and December (phase two)
* All new claims will be for universal credit in these areas and significant changes in circumstances will convert to universal credit
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| Removal of the housing benefit family premium | * Eligibility for the family premium in housing benefit applicable amounts (£17.45 when a claimant has at least one child) is removed for new claims and where a first child is born after 1 May in existing claims
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| **Autumn 2016** | Temporary absence from Great Britain | * Entitlement to housing benefit for working age and pensioner claims and to pension credit is removed for those who are absent from Great Britain for longer than a continuous period of four weeks
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| Reduction in the household benefit cap | * The benefit cap is reduced to £23,000 in London (£15,410 single claimants) and £20,000 elsewhere (£13,400 single claimants)
* Local authorities have been given details of potentially affected claims to allow for advice and support to be provided prior to the implementation of the reduced cap
* At the same time, additional exemptions to the benefit cap are provided for those in receipt of carer’s allowance or guardian’s allowance
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| **April 2017** | Extended rollout of universal credit digital solution | * Subject to the success of phases one and two (see above), the universal credit digital solution will be rolled out to 50 Jobcentre Plus offices per month until June 2018, allowing all new claims to be for universal credit and significant changes in circumstances to be migrated to universal credit where the digital solution is available
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| Reduction in support for children in income-related benefits | * Support for children through housing benefit, tax credits and universal credit will be limited to two children; any subsequent children born after April 2017 will not be eligible for further support
* The government has indicated that there will be certain exemptions from the two-child limit, although these have yet to be confirmed
* The £545 per year ‘family element’ in tax credits and equivalent first-child premium in universal credit will be abolished, mirroring the removal of the family premium from housing benefit in May 2016
* Conditionality rules are also amended where parents will be expected to have work-focused interviews when their youngest child turns one, start work preparation when their youngest child turns two, and look for work when their youngest child turns three
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| Extending free childcare | * From September 2017, free childcare entitlement will be doubled from 15 hours to 30 hours per week for working parents of 3- and 4-year-olds
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| Extension of local housing allowance rates to homeless cases and removal of management allowances | * As the universal credit digital solution is rolled out in an area, homeless cases will receive housing support through universal credit, paid at the same rate as general private rented sector tenants, directly to tenants, unless alternative payment arrangements are requested
* The additional management allowance currently provided in housing benefit subsidy (£60 per week outside London, £40 per week in London) is intended to be replaced by a separate, flat-rate ‘contributions to costs fee’ paid to local authorities (illustrated at £46 per week). The payment arrangements have yet to be confirmed
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|  | Reductions in employment and support allowance (ESA) | * New ESA claimants who are placed in the work-related activity group (WRAG) will no longer receive the additional work-related activity component and instead will receive the same rate of benefit as those claiming jobseeker’s allowance.
* Similar changes will be made, removing the limited capability for work element in the disability component of universal credit and in housing benefit applicable amounts
* ESA claimants placed in the support group will not be affected by this change
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| Removal of housing support for young people | * Entitlement to housing support in universal credit and housing benefit will be removed for most 18 to 21 year-olds who, instead, will be expected to participate in an intensive period of support at the start of their claim. After six months, if they are still out of work, or not in training or education, they will be placed on a work placement
* There will be exemptions for certain groups, although these have yet to be confirmed
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| New bereavement support payments (BSP) | * New claims for bereavement benefits will be replaced with a single system of bereavement support payments (BSP).
* Support is limited to the 12-month period immediately following the bereavement to cover the additional costs of bereavement. Age will no longer be a factor in determining eligibility and national insurance contribution conditions will be simplified
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| Introduction of ‘pay to stay’ requirement for better-off social rented sector tenants | * All social rented sector tenants with income over an annual threshold of £41,000 in London and over £31,000 outside London will be required pay up to market rents
* Rent increases will be tapered at 15% as income exceeds the threshold
* The measure is voluntary for housing associations but compulsory for local authority landlords
* Housing associations may retain any additional rental income raised, for reinvestment in housing stock and conditions
* Local authorities must pay the additional rental income to the treasury, based on treasury estimates, although they may retain an as yet unspecified amount to cover additional administration costs

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| **April 2018** | Extension of local housing allowance rates to the social rented sector | * Housing benefit and the universal credit housing element in the social rented sector will be capped at the relevant LHA rate
* It will include the ‘shared accommodation rate’ – the LHA rate that applies to single people in the private rented sector who are under 35 and do not have dependent children
* The measure applies to all new general tenancies starting after April 2016 and supported housing tenancies starting after April 2017 (subject to the outcome of the supported housing review)
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| Support for mortgage interest payments | * New SMI payments will be paid as a loan rather than included as a housing element in universal credit
* Loans will be repayable upon sale of a claimant's house, or when claimants return to work, through direct deduction from earnings
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| **June 2018** | Completion of rollout of universal credit digital solution | * The rollout of the universal credit digital solution to all 700 Jobcentre Plus offices, resulting in all new claims for working age legacy benefits, along with significant changes in circumstances being replaced by claims for universal credit
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| Commencing of managed migration of existing legacy benefit claims to universal credit | * The managed migration of existing working age legacy benefit claims will commence, probably on a geographical basis, Jobcentre Plus office by Jobcentre Plus office.
* The managed migration process is scheduled to be completed by mid-2021, when universal credit will finally have been fully implemented
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This schedule is based on the latest information available at the time of writing (June 2016) and may be subject to change as government policy or timescales for reform change following any changes in the cabinet or government during the period April 2016–April 2018. Full details are available from [Local Authorities and the Continuing Process of Welfare Reform](http://www.cipfa.org/services/networks/benefits-and-revenues-service/benefits-events-material/local-authorities-and-the-continuing-process-of-welfare-reform).