

Welfare reform timeline

There are cuts in expenditure in the UK social security budget totalling £22 billion a year by 2014/15 and major changes in the system of benefits. This factsheet gives a timeline for the changes and cuts to benefits from April 2013. A range of cuts have already been implemented before this date including tax credit cuts, local housing allowance caps and changes for those aged under 35 and time limiting of contributory employment and support allowance.

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| 1 April 2013 | <p>Bedroom tax Housing benefit is cut for working-age tenants of social landlords if they have more bedrooms than they are assessed as needing (the 'bedroom tax'). The cut is 14% of the rent allowed in housing benefit for a property with one spare bedroom and 25% for two or more spare bedrooms. If the person on housing benefit or their partner is over pension credit age, they are not affected by the bedroom tax.</p> |
| 1 April 2013 | <p>Council tax support Council tax benefit is abolished. Local council tax support is introduced in its place. In Scotland, local authorities continue to administer a council tax reduction scheme under very similar rules.</p> |
| 1 April 2013 | <p>Scottish Welfare Fund Social fund community care grants and crisis loans for emergencies are abolished.</p> <ul style="list-style-type: none"> • The Scottish Welfare Fund replaces these with a new system of community care grants and crisis grants. These are administered by local authorities. • Crisis loan 'alignment payments' (eg, when waiting for first benefit payment) are replaced by short-term advances of benefit administered by the DWP. • Budgeting loans remain and are administered by the DWP but for those on universal credit, when it is introduced, will be replaced by budgeting advances. |
| 1 April 2013 | <p>Benefit uprating The annual uprating of most working-age benefits and tax credits is capped at 1% for three years (equivalent to a real-terms cut of</p> |

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| | 4%). |
| 8 April 2013 | <p>Personal independence payment in N. England This is introduced for new claimants in parts of northern England. There are no new disability living allowance (DLA) claims from working-age claimants in this area. Personal independence payment is a non-means-tested benefit to help with the extra costs of disability. It replaces disability living allowance for people from age 16. It does not replace attendance allowance.</p> |
| 8 April 2013 | <p>Mandatory reconsideration before appeal A new requirement is introduced for claimants who disagree with a decision on their benefit. Before appealing the decision, the claimant must first request a revision. The revision before appeal requirement is introduced in stages:</p> <ul style="list-style-type: none"> • from 8 April 2013, for personal independence payment; • from 29 April 2013, for universal credit |
| 29 April 2013 | <p>Universal credit in Pathfinder areas Universal credit is introduced for certain new claimants in Pathfinder areas (in Greater Manchester and Cheshire). Jobseeker's allowance and employment and support allowance become contributory-only benefits for claimants affected and the sanctions regimes that apply to these benefits are aligned with universal credit.</p> |
| 29 April 2013 | <p>Overpayments A stricter overpayment recovery test is introduced. Overpayments of universal credit, are recoverable in all cases ie, even where the claimant has not failed to disclose or misrepresented anything about their claim. The DWP has the discretion to write off overpayments but there is no right of appeal if it refuses to do so.</p> |
| 10 June 2013 | <p>Personal independence payment introduced in Scotland and the rest of the UK If you live in Scotland, from 10 June, you make a new claim for personal independence payment instead of disability living allowance if you are aged 16 or over. Existing disability living allowance claimants are not affected yet. (People aged 65 or over continue to claim attendance allowance as usual.)</p> |
| April – September 2013 | <p>Benefit cap From 15 April 2013 the benefit cap is introduced in certain London local authorities. From 15 July 2013 it begins to come into force in other areas. By the end of September 2013, all affected people will have had their benefit capped. Local authorities need not implement the cap until notified by the DWP that a claimant is</p> |

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| | <p>affected, but are not prevented from doing so. The majority of those affected are families with four or more children.</p> <p>Any amount of benefit above the cap (£500 a week, or for single people without children, £350) is deducted from housing benefit (or universal credit). Not all benefits are included in the cap. You are not affected by the benefit cap if you are working and getting working tax credit or, in most cases, for nine months after you stop work. It does not apply if you, your partner or child get certain disability benefits (eg, DLA).</p> |
| 28 October 2013 | <p>Personal independence payment reassessment of existing DLA claimants</p> <p>The transfer of existing working-age DLA claimants begins in some areas of England and Wales if you are in one of three groups:</p> <ul style="list-style-type: none"> • your existing DLA award is due for renewal; • you report a change in your circumstances; or • you reach the age of 16, unless you are terminally ill. <p>You can also voluntarily claim PIP from this date in those areas, if you get DLA and you were under 65 on 8 April 2013. If you get DLA and were aged 65 or over on 8 April 2013, you do not transfer to personal independence payment.</p> <p>It is not clear when DLA claimants in the rest of the UK will be affected by the transfer. See www.gov.uk for updates.</p> |
| 28 October 2013 | <p>Mandatory reconsideration before appeal</p> <p>Already introduced for personal independence payment and universal credit, this new requirement on claimants to request a revision before making an appeal is introduced now for other benefits except housing benefit, child benefit, guardian's allowance and tax credits.</p> |
| 25 November 2013 | <p>Universal credit introduced in Inverness and other areas the UK</p> <p>After the six-month trial in the Pathfinder area, universal credit (UC) is rolled out to additional areas. From 25 November single people, without children and with no health problems living in Inverness and the surrounding area will claim UC. It is not known when this will be extended to other areas or other claimant groups.</p> <p>UC is a major new means-tested benefit that, when introduced, replaces entitlement to means-tested benefits and tax credits for working-age people. The introduction is gradual starting with unemployed people who are making a new claim.</p> <p>Once you claim UC, you can no longer claim any of the existing means-tested benefits (income-based jobseeker's allowance,</p> |

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| | <p>income-related employment and support allowance, income support or housing benefit) or tax credits.</p> <p>If you are over pension credit age, you continue to claim pension credit which is not replaced by universal credit. However, if you have a partner who is below pension credit age, you will both be expected to make a joint universal credit claim unless you are already getting pension credit.</p> |
| April 2014 | <p>Mandatory reconsideration before appeal Intended to be introduced for child benefit, guardian's allowance and tax credits.</p> |
| October 2015 | <p>Personal independence payment for existing DLA claimants It is expected that the DWP will begin contacting everyone else on DLA (who were not in the first groups to claim from October 2013) to apply for personal independence payment.</p> |
| 2016 | <p>Universal Credit available across Great Britain <u>It is intended that UC will be available in every area of Great Britain and that it will no longer be possible to make a new claim for:</u> income-based jobseeker's allowance, income-related employment and support allowance, income support or housing benefit or tax credits</p> |
| 2016/2017 | <p>Transfer of existing claimants to Universal Credit It is intended that existing claimants of means tested benefits will be transferred to UC by the end of 2017. ESA claimants who are in the support group will not be transferred until after 2017 and will continue to be able to claim housing benefit.</p> |

Further information

CPAG information at: www.cpag.org.uk/scotland

Free guides, factsheets and ebulletins covering a range of benefit situations including, benefits and tax credits for families, benefits for kinship carers and families of looked after children, benefits for disabled children, benefits for students and benefits for black and minority ethnic communities.

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