

Benefit Changes in the HM Treasury Autumn Statement 2014

| Area of Benefits Affected | Benefit Change | reference |
|---|--|-------------------------------|
| Universal Credit | Will be rolled out to all Local Authority and Job Centre areas from early 2015 and finish by the end of 2015/16. Migration from the old benefits to the Universal Credit system will begin in 2016. | 1.228 |
| Universal Credit | From April 2016 increase childcare costs from 70% to 85%. Clients will also be able to keep their same assessment period if they come off Universal Credit and return within 6 months. | 2.83 |
| Universal Credit | A freezing of the current level of work allowances (earnings disregards) from now until at least 2017/18. | 2.83 |
| EU Migrants | Introduce the 'genuine prospect of work' assessment to migrants who have been claiming JSA since before 1 January 2014. This assessment is already in place for EEA migrants who have been claiming JSA since 1 January 2014. | 2.91 |
| Bereavement Support Payment | For deaths occurring from April 2017, a new tax free benefit will replace Widowed Parents Allowance, Bereavement Allowance and Bereavement Payment. | 2.93 |
| Self Employment under Working Tax Credit | From April 2015 self-employed Working Tax Credit (WTC) claimants will need to register their self-employment with HMRC. Those declaring income less than the equivalent of working 24 hours a week at the National Minimum Wage (NMW) will also be required to provide evidence to HMRC that the work they are undertaking is 'genuine and effective'. Predicted to save £45 million in 2015/16. | 2.92, table 2.2 |
| Carers Allowance | From April 2015 the earnings disregard will be raised from £102 to £110 per week. | 2.79 |
| Employment and Support Allowance | The DWP will employ additional healthcare professionals to carry out WCA's from April 2015. | 2.87 |
| Employment and Support Allowance | From April 2015, remove the provision that allows a reclaim for ESA if it has been 6 months since ESA last stopped. Will only allow further entitlement to ESA following a fit for work decision if a claimant can demonstrate that there has been a change in their condition or a new condition has developed. | Page 66 policy costings |
| National Insurance- Care and Support | From April 2015 will extend the exemption from employer National Insurance Contributions(class 1) to some care and support workers. This is due to also apply from this | 2.54, 1.156 |

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|--------------------|--|------|
| Workers | date to apprentices who are under 25. Already applies to under employees and apprentices who are 21. | |
| Welfare Cap | Freezing of working age benefits for 2015/16 and 2016/17. Increases the Standard Minimum Guarantee (SMG) in Pension Credit (PC) in April 2015 by 1.9%. | 1.88 |

This won't include the Basic and additional State Pensions and expenditure related to recessions; JSA and JSA-passported Housing Benefit expenditure and, following the introduction of Universal Credit, to jobseekers within the Full Conditionality group of Universal Credit with no net earnings.

Welfare Cap Forecast for Spending on Benefits (£billions)

| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
|--------------------|---------|---------|---------|---------|---------|
| Welfare Cap | 119.7 | 122.3 | 124.8 | 127 | 129.8 |
| Predicted spending | 120.7 | 122.4 | 124 | 126.8 | 129.8 |

table 1.5

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