

**Benefit Changes in the
HM Treasury Autumn Budget and Spending
Review 2021
(Last update 27/10/2021)
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Area of Benefits Affected	Benefit Change	Reference- Autumn Budget and Spending Review date 27 10 2021 -
Benefit changes		
		reference
Universal Credit- earnings taper decrease	By December 2021, reduce the earnings taper from 63% to 55%.	2.94
Universal Credit- increase in work allowances	By December 2021, increase work allowances(earnings disregard) by £500. Taper and work allowances changes will cost £2.49 billion by 2024/25.	2.94
Living Wage / minimum wage increase	From April 2022, a 6.6% increase to the National Living Wage (NLW) to £9.50 an hour for those over aged 23. increasing the rate for 21 to 22 year olds by 9.8% from £8.36 to £9.18 per hour • increasing the rate for 18 to 20 year olds by 4.1% from £6.56 to £6.83 per hour • increasing the rate for 16 to 17 year olds by 4.1% from £4.62 to £4.81 per hour • increasing the rate for apprentices by 11.9% from £4.30 to £4.81 per hour	2.96 & 5.5
Household Support Fund Confirmed	£500 million Household Support Fund (Winter 2021) administered by Local Authorities.	2.24
Complete the rollout of Universal Credit by March 2025	By providing: • £504 million resource and £54 million capital funding to complete its rollout over the next three years • £113 million for the Future Support Offer, to support new claimants in making a claim for UC.	4.101
Extension of eligibility for bereavement benefits to cohabiters with children	Once the Remedial Order is approved by Parliament, the government will extend eligibility for both Bereavement Support Payments and Widowed Parents Allowance for people with children who were cohabiting with a partner but who were not married or in a civil partnership.	5.9
Moving back the Pension Credit to Housing Benefit merger date	From April 2025, the government's plans to create a new housing element of Pension Credit, replacing pensioner Housing Benefit to align with the full rollout of working-age Housing Benefit into Universal Credit.	5.10
Extending the increase in the	The government will continue the temporary increase in the surplus earnings threshold to £2,500	5.12

Universal Credit surplus earnings threshold	for Universal Credit claimants until April 2023, when the threshold will reduce to £300.	
Shared Accommodation Rate exemptions for victims of domestic abuse and victims of modern slavery	From October 2022, these claimants will be able to claim the higher 1-bedroom self-contained Local Housing Allowance rate.	5.11
Extension of Employment and Support Allowance COVID-19 regulations	Until 24 March 2022, these changes enable eligible individuals to claim new style ESA from the first day of absence from work, rather than the eighth day.	5.14
Terminal Illness definition- 12 months	Expands the Special Rules for Terminal Illness (SRTI) so that people are eligible if they are reasonably expected to be in their final 12 months of life, rather than 6 months as currently.	5.15
State Pension uprating	Temporary turn the triple lock into a double lock, for 2022-23 the new and basic State Pension, Pension Credit and survivors' benefits in industrial death benefit will increase by the higher of CPI or 2.5%	5.33
Minimum PIP proposal scrapped	Removes the proposed 18 month minimum award period for those receiving Personal Independence Payment (PIP).	5.15

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