

WELFARE REFORM ROADMAP TO 2020

APRIL 2016

- + Personal allowance raised to £11,000
- + Higher rate tax threshold raised to £43,000
- + National Living Wage set at £7.20 p/h
- + Social sector rents reduced by 1% p/y for 4 yrs

- JSA, ESA Work-Related Activity Group and Income Support rates frozen for 4 yrs
- Child Benefit rates frozen for 4 yrs
- Housing Benefit applicable amounts and LHA rates frozen for 4 yrs
- Tax credits income rise disregard halved to £2,500
- Work allowances lowered or cut under UC
- Family Premium eliminated from Housing Benefit
- Minimum Income Floor for self-employed earners under UC uprated to NLW

AUTUMN 2016

- + New minimum wage rates for 16-24 year olds from 1 Oct 2016

- Benefit Cap set at £23,000 (London) or £20,000 (elsewhere)

APRIL 2017

- + Personal allowance increased to £11,500
- + Higher rate tax threshold increased to £43,600
- + NLW set at £7.50 p/hr for over 25
- + Taper rate of UC reduced to 63% from 65%

- Family element/first child premium, and child elements after 3+ children, eliminated for new births or claims on UC and tax credits
- New ESA Work-Related Activity Group claimants get same rate as JSA recipients
- 18-21 year olds lose auto entitlement to housing support under UC
- 18-21 year olds on UC get support at start of claim; must earn or learn after 6 mths

SEPT 2017

- + Free childcare entitlement doubled from 15 to 30 hours for parents of 3 & 4 year olds

APRIL 2018

- Mortgage Interest Support becomes a loan

APRIL 2019

- New social tenancies from April 2016 and all UC claimants see max Housing Benefit limited to LHA rate

APRIL 2020

- + Personal allowance increased to £12,500
- + Higher rate tax threshold increased to £50,000
- + National Living Wage likely to rise to £8.80 p/h