



Welfare Reform Briefing and Timeline

What is Welfare Reform?

Welfare Reform is the major change being made by the government to the benefits system. The government says it is making these changes to save money, make the benefits system simpler, reduce dependency on benefits and make work pay. There is a lot of confusion and concerns from our older people about how this radical change will impact them.

How does it affect older people?

For people over state pension age, the changes will not affect older people in the same way as they will affect people of working age. If you are not sure when you will reach state pension change, due to the fact that state pension is increasing, you can find out here <https://www.gov.uk/calculate-state-pension> , or by ringing our advice line on **020 7837 3777**

If you are of working age the changes could affect you quite significantly. We have listed the timeline of changes so you can see what the changes are and when they come in. You can also see a simple guide to Welfare Benefit Changes and how they might affect you here <http://www.ageuk.org.uk/money-matters/claiming-benefits/the-welfare-reform-act/>

The main changes are overleaf;

- A new Universal Credit payment which replaces most working age benefits such as Job Seekers Allowance, Income Support, Employment and Support Allowance, Working and Child Tax Credits, and Housing Benefit
- Disability Living Allowance changes to Personal Independence Payment for people aged under 65, and will now include a medical assessment.
- Council tax benefit and the social fund will be replaced with new local council schemes, these are likely to be different to the way you have claimed them previously.
- For people aged over 65, the amount of money you receive for Council Tax Benefit should not be reduced, but it might be for people under 65. The Social Fund payments and criteria might change, but this has not been announced as yet
- A benefits cap on the amount of money a household can receive in benefits will come into place, which means a household or two people or a lone parent can receive no more than £500 in benefits per week, and where this is above £500 you will receive less housing benefit (or the equivalent). This reduces to £350 for a single person.

We realise this is significant change and can be very confusing, so please ring our advice line on **020 7837 3777** to find out how the changes personally affect you.

From April 2013	Council tax benefit	Local council tax support replaces Council Tax Benefit. This means that London Borough of Camden will pay council tax through a local scheme. People over state retirement age should receive the same level of support as now
From April 2013	Community care grants & Crisis Loans (for general living expenses)	Community Care grants and Crisis Loans for general living expenses will be replaced by new local provision. London Borough of Camden will have its own scheme. It has not been announced, and there may be less money available and different criteria for awarding community care grants and crisis loans
From April 2013	Crisis loan payments paid due to issues with benefit	Will be replaced by a new national scheme of Short Term Advances. This will be administered by the Department for Work and Pensions.

<p>From April 2013</p>	<p>Weekly Benefit Cap</p>	<p>Total weekly benefits for people of working age (Jobseekers Allowance, Income Support, employment support allowance, housing benefit, child benefit, carers allowance and later the new Universal Credit) will be limited to £500 a week for lone-parents/couples or £350 per week for single claimants.</p> <p>This benefits cap does not apply to households where someone is claiming working tax credits or getting disability living allowance/personal independence payment or in the support group of Employment and Support Allowance</p>
<p>From April 2013</p>	<p>Disability Living Allowance (DLA)</p>	<p>Disability Living Allowance for exiting claimants under working age to be replaced by a new Personal Independence Payment (PIP). It will be new claims only at first, and then people under 65 will be transferred over</p> <p>If you're under 65 and you think you might be eligible for Disability Living Allowance, we strongly encourage you to contact us for help with applying before April 2013</p>

From April 2013	Housing Benefit	<p>Housing entitlements for working age people in the council housing and housing association sector will reflect family size.</p> <p>Therefore if the council deem you to be over occupying a property, and you're of working age you may receive less money for rent</p>
From April 2013	Tax Credits	<p>Decrease in income disregards from £10,000 to £5,000 for Tax Credit entitlement calculation.</p>
From June 2013	Personal Independence Payment	<p>All new working age claimants will claim Personal Independence Payment (PIP) instead of Disability Living Allowance (DLA).</p>

From October 2013	Universal Credit	<p>National roll out of Universal Credit in Great Britain.</p> <p>Between October 2013 and Mid 2014 those making a new claim may receive Universal Credit in place of Jobseekers Allowance, Employment and Support Allowance, Housing Benefit, Working Tax Credit or Child Tax Credit. All new claims to these old benefits will be phased out by April 2014.</p> <p>Existing claimants will also be moved onto Universal Credit if they are already receiving one of these benefits and their circumstances change significantly. This will be for working age people only.</p> <p>For people claiming Pension Credit, they will receive a new housing credit towards rent, in replacement of Housing Benefit.</p>
From March 2014	Employment and Support Allowance	<p>All existing Incapacity Benefits claimants, Severe Disablement Allowance and Income Support on disability grounds should be transferred onto Employment and Support Allowance.</p>
From April 2014	Universal Credit	<p>Existing claimants may be given a priority move onto Universal Credit if it is considered that they will benefit from this.</p>

From end of 2015 to end of 2017	Universal Credit	Those who have not been moved onto Universal Credit already will be moved during this time.
From October 2020	State Pension	State Pension age for both men and women increases to 66. You can go to www.gov.uk/calculate-state-pension to calculate someone's retirement date.
From April 2026		The State Pension age will start to rise to 67 in stages from this date. You can go to www.gov.uk/calculate-state-pension to calculate someone's retirement date.
From April 2028		<ul style="list-style-type: none"> State Pension age will be 67. You can go to www.gov.uk/calculate-state-pension to calculate someone's retirement date.