

## **Benefit Changes in the HM Treasury Autumn Statement 2013**

Area of Benefits Affected	Benefit Change	reference
<b>Uprating of most benefits</b>	Uprated by 1%(less than inflation). <i>Affects most working age clients.</i> Exceptions are disability benefits, carers benefits and associated premiums which are uprated by 2.7%(inflation)	2.73
<b>Uprating of Basic State Retirement Pension/ State Pension Credit</b>	Uprated State Retirement Pension, additional State Pension and State Pension Credit(guarantee credit) by inflation 2.7%(the triple guarantee). <i>Will affect most pensioners.</i> The Savings Credit threshold will rise by 4.4%.	2.73
<b>Retirement age for Basic State Pension</b>	Under review, may rise to age 68 in the 2030's and age 69 by late 2040's. Will affect those in their 40's and below. <i>Affects the starting age for Universal Credit also.</i>	2.72
<b>Discretionary Housing Payments</b>	Budget increased by £25million 2013/14. <i>May allow longer term awards to be made by councils particularly those clients affected by the bedroom tax.</i>	2.70
<b>Ending of Assessed Income Periods for State Pension Credit</b>	From April 2016 households on Pension Credit will now need to report all changes in their circumstances that will affect their benefit as they happen. Pensioners aged 75 and over who have an indefinite assessed income period in place will be exempt unless the assessed income period would end under current rules. <i>May affect those selling their homes to go into rented accommodation who often benefit from this rule.</i>	2.74
<b>Free school meals</b>	Introduce these as a Universal Benefit for <i>all infant pupils(years- reception,1 and 2).</i> Also to some disadvantaged 6 <sup>th</sup> form students.	2.42
<b>Universal Credit</b>	Work allowances to remain at the same level for 3 years from April 2014. <i>These work like earnings disregards.</i>	2.80
<b>Debt Collection Agencies</b>	To be used to collect DWP debts on a payment by results basis.	2.79
<b>Single Fraud Investigation Service</b>	From April 2014 a single Fraud Investigation Service will look into fraud for the DWP, HMRC and Councils.	2.78
<b>Fraud</b>	An extra £140 million for measures such as- <ul style="list-style-type: none"> <li>stop tax credit payments during the year where, due to a change of circumstance, a claimant has already received their full annual entitlement – this will prevent claimants building up overpayments that must be repaid at a later stage</li> <li>maintain more regular contact with pensioners living abroad, to reduce overpayments in the state pension</li> </ul>	1.317

	<p>system that arise when a death goes unreported</p> <ul style="list-style-type: none"> <li>work in partnership with a private sector provider to carry out fraud and error checks to prevent money being paid out to tax credit claimants erroneously</li> <li>undertake more data matching across the benefits and tax systems to spot benefit claimants with undeclared income and to investigate these cases swiftly</li> <li>implement a Single Fraud Investigation Service to investigate fraud across the whole of the welfare system</li> <li>increase the use of private sector debt collection services to enable DWP and HMRC to expand their capacity to recover benefit and tax credit debts</li> <li>expand HMRC's capacity to collect additional tax debt that has gone repeatedly unpaid</li> </ul>	
<b>Winter Fuel Allowance</b>	Can't take you Winter fuel allowance with you to a EEA country with an average winter temperature higher than that in the warmest region of the UK.	2.75
<b>Benefit Conditionality</b>	<p>£250 million extra for a tougher regime of benefit conditionality. Will apply by-</p> <ul style="list-style-type: none"> <li>up-front work search, requiring jobseekers to write a CV and register on the Universal Jobmatch service immediately</li> <li>more frequent, weekly signing for half of all jobseekers</li> <li>quarterly interviews for all JSA claimants and those in the Universal Credit full conditionality group</li> <li>requiring all JSA claimants and Universal Credit claimants who are subject to work-related activity to wait 7 days before becoming eligible for financial support</li> <li>requiring claimants with poor spoken English to take immediate steps to improve this, with sanctions for those who fail to engage adequately</li> <li>requiring lone parents who are not working to prepare for work from the point where their youngest child turns 3</li> <li>requiring all JSA claimants and Universal Credit claimants who are subject to conditionality to verify their claim every year</li> </ul>	1.284
<b>Help to Work Scheme</b>	£700 million for extra help for those still unemployed after 2 years on the Work Programme. Could mean signing daily, working full time for 6 months on community projects or intensive regime of help for those with specific problems- homelessness or illiteracy.	1.285
<b>Welfare Cap</b>	Due to be set at the 2014 budget and coming into affect the following year. About half of the budget for Benefits will be affected. 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.	1.93

**Overall  
Expenditure  
Forecast for  
Spending on  
Benefits  
(£billions)**

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Social Security Benefits	180	183.2	187.9	192.6	198.2	203.5
Tax credits	28.8	28.6	28.8	31	33.7	35.1

**Table B.4**

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