**Benefit Changes Timetable 2017**

Please note that information about some of these changes may be limited at present and also subject to further change. Although some will happen quickly, others may be introduced gradually over several years.

If you are worried about how you may be affected you should discuss this with a benefits adviser. You can use our [**Find an Adviser tool**](https://www.turn2us.org.uk/Find-an-advisor-redirect) to find one in your area.

**2017**

**During 2017**

**Tax Free Childcare**

Tax Free Childcare is to be introduced as a replacement for employer supported childcare ([**childcare vouchers**](https://www.turn2us.org.uk/Benefit-guides/Employer-Supported-Childcare-%28Childcare-Vouchers%29/What-is-Employer-Supported-Childcare)).

The government will contribute up to 20% of the first £10,000 of registered childcare costs per child, per year. This equates to a maximum of £2,000 per child, per year.

The scheme will be available to people who have an annual income under £150,000 and are not receiving help with childcare via tax credits. It is expected to reach more people than the current scheme. For further details see our [**Tax Free Childcare information sheet**](https://www.turn2us.org.uk/Benefit-guides/Tax-Free-Childcare/What-is-Tax-Free-Childcare).

**April 2017**

**Bereavement Support Payment**

The current [**bereavement benefits**](https://www.turn2us.org.uk/Your-Situation/Bereaved) ([**Bereavement Allowance**](https://www.turn2us.org.uk/Benefit-guides/Bereavement-Allowance/What-is-Bereavement-Allowance), [**Bereavement Payment**](https://www.turn2us.org.uk/Benefit-guides/Bereavement-Payment/What-is-a-Bereavement-Payment), [**Widowed Parent’s Allowance**](https://www.turn2us.org.uk/Benefit-guides/Widowed-Parent-s-Allowance)) will be replaced with the new Bereavement Support Payment (BSP). This will be introduced for new claims from April 2017.

**Tax Credits and Universal Credit two child limit**

In the summer budget 2015, the government proposed that support for children through Tax Credits and Universal Credit will be limited to two children from April 2017.

For Child Tax Credit, elements will not be included for a third (or more) child born on or after 6 April 2017 unless an exception applies. Elements will continue to be included for all children born before 6 April 2017.

For Universal Credit, elements will not be included for the third (or more) child who joins the family on or after 6 April 2017 unless an exception applies. Elements will continue to be included for all children who were part of the family before 6 April 2017. Families with more than two children cannot make a new claim for Universal Credit until November 2018, even if they are in a full digital service area. They will have to claim Child Tax Credit in the meantime.

Equivalent changes will be made to the Housing Benefit rules. See our [**Summer Budget 2015 page**](https://www.turn2us.org.uk/For-Charities-and-Intermediaries/Benefit-Changes/Summer-Budget-2015)

**Tax Credit Family Element removed**

People starting a family after April 2017 will no longer be eligible for the Family Element in tax credits. The equivalent in Universal Credit, known as the First Child Element, will also not be available for new claims from April 2017.

**Universal Credit requirements for parents to look for work**

Parents with a youngest child aged 3, including lone parents, are expected to look for work if they want to claim Universal Credit.

**ESA Work-Related Activity component abolished**

From 1 April 2017, new ESA claimants who are placed in the Work-Related Activity Group will receive the same rate of payment as those claiming Jobseeker’s Allowance and the equivalent in Universal Credit.  See our [**Summer Budget 2015 page**](https://www.turn2us.org.uk/For-Charities-and-Intermediaries/Benefit-Changes/Summer-Budget-2015).

**Universal Credit Youth Obligation**

From April 2017, 18-21 year olds who have been claiming Universal Credit for six months will have to either apply for training/ apprenticeships or attend a work placements, unless they are exempt (considered to be vulnerable).

**Universal Credit Housing Costs Element removed for young people**

It was proposed in the summer budget 2015 that unemployed claimants aged under 21 would not have a Housing Costs Element included in their Universal Credit from April 2017 unless an exception applies. See our [**Summer Budget 2015 page**](https://www.turn2us.org.uk/For-Charities-and-Intermediaries/Benefit-Changes/Summer-Budget-2015).

**Change in Hardship Payments for mentally ill and homeless**

The government has proposed that [**hardship payments**](https://www.turn2us.org.uk/Benefit-guides/Emergency-Assistance/Benefit-payments) (of 40% of the benefit amount) be automatically payable to jobseekers who are mentally ill or homeless when they are sanctioned. These claimants currently have to apply for hardship payments when they've been sanctioned and may be refused. The proposal means to add them to the group of vulnerable people who can receive hardship payments whilst under sanction without applying for them first (such as claimants with children or long-term health problems).

**Universal Credit taper to be reduced from 65 per cent to 63 per cent**

From April 2017 the taper rate that applies in Universal Credit will be reduced from 65 per cent to 63 per cent. This means that claimants will be able to keep 37p for every £1 earned in work above work allowances rather than 35p for every £1 earned. See our [**Autumn Statement 2016 page**](https://www.turn2us.org.uk/For-Charities-and-Intermediaries/Benefit-Changes/Autumn-Statement-2016).

**Benefit Cap exemption for Universal Credit claimants changing**

From 1 April 2017 the earnings threshold that applies to the Benefit Cap exemption for Universal Credit claimants will be changed from a fixed amount of £430 per month to the amount claimants would earn if they (or one of them, if a couple) was working 16 hours per week at national minimum wage.

The change means that for example, after April 2017 a working Universal Credit claimant aged over 25 in receipt of the Housing element (who is not otherwise exempt from the Benefit Cap) would have to earn £520 instead of £430 per month to be exempt from the cap.

The same change will be applied to the earnings threshold for the 9 months grace period but will not affect people who have already started a grace period. Read more about how the Benefit Cap is applied in our [**Benefit Cap guide**](https://www.turn2us.org.uk/Benefit-guides/Benefit-Cap/What-is-the-Benefit-Cap).