

The **Potteries Gold** Post

THE AUTUMN STATEMENT – MORE CHANGES TO UNIVERSAL CREDIT

CHANCELLOR TWEAKS TAPER BUT WORK ALLOWANCE AND CHILD ELEMENT CUTS STAY.

The Chancellor announced on Wednesday that the Universal Credit taper will be reduced from **65%** to **63%** from April 2017. This means that you will keep 37p for every £1 (after tax and NI) earned above your 'work allowance', rather than 35p. The Government estimates that three million working households will benefit from this change.

According to the DWP:

- *'a single parent with one child, not receiving support with their housing costs, earning £15,000 a year will benefit by £170 a year*
- *a couple with two children receiving support with their housing costs, where one parent earns £30,000 a year, will benefit by £425 a year*
- *a disabled person receiving support with their housing costs and earning £12,000 a year will benefit by £180 a year'*

The increase in the **National Living Wage** to **£7.50** per hour and the increase in the Tax Allowance to £11,500 a year will mean that UC amounts will still decrease for most working claimants, with working age benefit rates still frozen, but increased net earnings will leave many better off.



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It's not all good news...

Although we welcome the change to the taper, we had hoped that cuts to the UC 'work allowances' introduced this year and cuts to child elements from April might be reversed. According to economic think-tank [The Resolution Foundation](#)...

'A single parent could lose up to £2,840 a year by 2020 and couple parents up to £1,220 from this cut alone, but both would gain only £200 a year from the taper reduction if working full time at the NLW.'

There were other disappointments too, with no change-of-heart on [ESA cuts](#) despite a recent debate in Parliament calling for this – no work-related activity component will be paid for new claims made after April 2017

'Full digital' service Universal Credit comes to Stoke-on-Trent... in 2018!

The DWP have published more [roll-out dates](#) for the full digital UC service. When this is introduced to an area, people there can no longer make new claims for the '[legacy benefits](#)' like income-based JSA, Income Support and Tax Credits.

The current timetable sees this system reach [Stoke-on-Trent](#) in [March 2018](#), Staffordshire Moorlands the following month and Newcastle-under-Lyme in September 2018, with 'migration' of existing claims not completing until [2022](#).

Looks like we might need [Potteries Gold 3](#)!

