

# The government's approach to making working more worthwhile for families

I have been sent a reminder of changes coming in this April:

There are a number of welfare reforms and tax changes that come into effect in April. These reforms are about building a stronger economy and a fairer society. We want to support people in work, as well as ensure the welfare system works as a safety net for those who need it.

The measures include:

- A further increase in the Personal Allowance to £11,500; an increase of over 70% since 2010. Since the start of this Parliament we have cut income tax for 31m people and taken 1.3m of the lowest paid out of income tax altogether.
- Increasing support for low earners by raising the National Living Wage to £7.50. This marks a £1,400 a year increase in earnings for a full-time worker on the National Minimum Wage (NMW) since the introduction of the NLW in April 2016. – a pay-rise for one million people.
- Helping working parents with childcare costs by launching Tax Free Childcare from 28 April – saving working parents up to £2000 per year for each child under the age of 12.
- Increasing income for 3 million households by reducing the Universal Credit taper rate from 65 per cent to 63 per cent.
- Ensuring young people are always better off in work by delivering the manifesto commitment to end automatic entitlement to housing support for 18 to 21-year-olds who can safely live at home for new claims to full service Universal Credit.
- Investing £330m in practical employment support to help disabled people back into work, and aligning the rate paid to new claimants who are placed in the ESA work-related activity group or the Universal Credit limited capability for work group with the job-seeking equivalent in both benefits.
- Tackling worklessness by ensuring that those in receipt of Universal Credit will be expected to prepare for employment when their youngest child turns 2 and to look for work when their youngest child turns 3.
- Aligning the benefits system between those in work and those out of work by limiting Child Tax Credits and the child element of Universal Credit to 2 children (new awards will not be made for third or subsequent children born on or after 6 April).
- Removing the higher rate of child element for the first child in Universal Credit and the family element in tax credits for claims where the eldest

child is born on or after 6 April.

□ Widening help so that more bereaved people get the support they need by introducing the Bereavement Support Payment on 6 April. This will replace Bereavement Allowance, Widowed Parent's Allowance and the Bereavement Payment for those who lose a spouse or civil partner on or after this date.

Helping savers with the launch of a new NS&I bond offering a market-leading interest rate of 2.2% and increasing the annual ISA limit to £20,000.