



A GENDER EDIT of the *UK GOVERNMENT SUMMER BUDGET 2015*

This document is a 'gender edit' guide to the UK Government's Summer Budget 2015. It includes all extracts that refer directly to women and gender, and selected policies from the 'welfare' section, where there will be a significant impact on women and girls in Scotland.

Employment (p.10)

Encouragingly, the increase in participation has been strong amongst women and older workers. The number of working-age women participating in the labour force has increased by over 700,000 since the beginning of the crisis. In the past year alone there have been an extra 200,000 workers aged over 50 in the labour force.

Employment support (p.42)

While progress has been made in women's employment, inequalities remain – the female employment rate is around 10 percentage points lower than for men. Much of this relates to childcare [...] This Budget confirms that, from September 2017, the free childcare entitlement will be doubled from 15 hours to 30 hours a week for working parents of 3 and 4 year olds.

Other spending measures (p.82)

The government will set up a £3 million fund to encourage innovative approaches including refuge provision to help those suffering from domestic abuse. Ahead of the Spending Review, the government will draw together evidence from frontline professionals to review how services for victims of violence against women and girls are funded and delivered and feed into a refreshed Violence Against Women and Girls strategy in the autumn.

Public sector reform (p.78)

Public sector pay: The government will fund public sector workforces for a pay award of 1% for 4 years from 2016-17 onwards.

Welfare (p.87- 89)

Changes to taper rates in tax credits: From April 2016 the taper rate in tax credits will be increased from 41% to 48% of gross income. Once claimants earn above the income threshold in tax credits, their award will be withdrawn at a rate of 48 pence for every extra pound earned.

Changes to tax credits income thresholds and Universal Credit work allowances:

From April 2016 the income threshold in tax credits will be reduced from £6,420 to £3,850 per year. Work allowances in Universal Credit will be abolished for non-disabled childless claimants, and reduced to £192 per month for those with housing costs and £397 per month for those without housing costs.

Limit Child Element in tax credits and Universal Credit: The Child Element of tax credits and Universal Credit will no longer be awarded for third and subsequent children born after 6 April 2017. This will also apply to families claiming Universal Credit for the first time after April 2017. Households who have been in receipt of tax credits or Universal Credit, with an interruption of less than 6 months, will be protected. Furthermore, children with disabilities will continue to receive the Disabled Child Element or Severely Disabled Child Element in tax credits and the equivalent in Universal Credit. Multiple births will be protected in both systems. The Department for Work and Pensions and HMRC will develop protections for women who have a third child as the result of rape, or other exceptional circumstances. Consequential changes will be made in Housing Benefit from April 2017.

Income rise disregard in tax credits: From April 2016 the amount by which a claimant's income can increase in-year compared to their previous year's income before their award is adjusted (the income rise disregard) will be reduced from £5,000 to £2,500.

Employment and Support Allowance: From April 2017 new claimants of Employment and Support Allowance who are placed in the Work-Related Activity Group will receive the same rate of benefit as those claiming Jobseeker's Allowance, alongside additional support to help them take steps back to work.

Tax-free childcare: The government reaffirms its commitment to introducing Tax-Free Childcare to support working parents with the costs of childcare. Due to a legal challenge, Tax-Free Childcare will now be launched from early 2017. The government will hold the existing scheme, Employer Supported Childcare, open to new entrants until the new scheme is introduced.

Removing the Family Element in tax credits, the first child premium in Universal Credit and the Family Premium in Housing Benefit: From April 2017, the Family Element in tax credits and the equivalent in Universal Credit will no longer be awarded when a first child is born. This will also apply for families with children making their first claim to Universal Credit. Households who have been in receipt of tax credits or Universal Credit with an interruption of less than 6 months will be protected. Furthermore, children with disabilities will continue to receive the Disabled Child Element or Severely Disabled Child Element in tax credits and the

equivalent in Universal Credit. In Housing Benefit, the family premium will be removed for new claims and new births from April 2016.

Extending parent conditionality: From April 2017 parents claiming Universal Credit, including lone parents, will be expected to prepare for work from when their youngest child turns 2, and to look for work when their youngest child turns 3, with support from Jobcentre Plus.

Lowering the household benefit cap: The government will lower the household benefit cap, which caps the amount of benefits out-of-work working-age families can receive, to £20,000, except in Greater London where the cap will be £23,000. The current exemptions to the cap will continue to apply.

Discretionary Housing Payments: The government has set out the level of Discretionary Housing Payment funding that will be made available to Local Authorities in future years. Local Authorities will be able to use this funding to protect the most vulnerable and to support households to adjust to Housing Benefit reforms.

Benefits uprating: Most working-age benefits will be frozen for 4 years from April 2016. This will apply to Jobseekers' Allowance; Employment and Support Allowance; Income Support; Child Benefit; applicable amounts for Housing Benefit; and Local Housing Allowance rates, with provision for high rent areas. This excludes Maternity Allowance; Statutory Sick Pay; Statutory Maternity Pay; Statutory Paternity Pay; Statutory Shared Parental Pay; and Statutory Adoption Pay; disability, carers and pensioners' premia in the frozen benefits; the Employment and Support Allowance Support Group component; and other disability, carer and pensioner benefits, which will continue to be uprated in relation to prices or earnings as applicable.

Tax credits uprating: The uprating freeze will extend to the Child Tax Credit and Working Tax Credit (excluding disability elements). All disability elements will continue to be uprated by prices each year.