

United Kingdom

Exchange rate: US\$1.00 = 0.68 pounds (£).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1908 (old-age pension), 1911 (disability insurance), and 1925 (old-age and survivors' insurance).

Current laws: 1992 (consolidated legislation), 1995 (pensions), 1999 (welfare reform and pensions), 2000 (child support, pensions, and social security), 2002 (pension credit), 2004 (pensions), 2007 (pensions), 2009 (welfare reform), 2011 (pensions), and 2014 (pensions).

Type of program: Social insurance and social assistance system.

Note: In April 2016, a new flat-rate single-tier state pension was introduced for workers retiring on or after April 6, 2016. The new pension replaces the previous two-tier system that consisted of the basic state retirement pension and the second state pension.

Coverage

Contributory benefits: Employed persons with earnings of £155 to £827 a week (April 2016).

Self-employed persons with income of at least £5,965 a year (April 2016) (state second pension excluded).

Voluntary coverage is available (the basic state retirement pension and survivor benefits only).

Employment and support allowance (contributory and means-tested ESA): Employed and self-employed persons ineligible for statutory sick pay or statutory maternity pay; certain unemployed and nonemployed persons (contributory ESA only).

Noncontributory benefits: Residents of the United Kingdom.

Source of Funds

Insured person: 12% of weekly earnings (5.85% for certain married women and widows) from £155 to £827 plus 2% of weekly earnings greater than £827 (April 2016).

The voluntarily insured pay a flat rate of £14.10 a week (April 2016).

The insured's contributions also finance sickness and maternity benefits, work injury benefits, and unemployment benefits.

Self-employed person: A flat rate of £2.80 a week if earnings are greater than £5,965 plus 9% of declared annual

earnings from £8,060 to £43,000 plus 2% of declared annual earnings greater than £43,000 (April 2016).

15.5% of the self-employed person's contribution is allocated to the National Health Service for medical benefits.

Employer: 13.8% of employee's earnings greater than £155 a week (April 2016).

The employer's contributions also finance work injury benefits and unemployment benefits.

Government: The total cost of means-tested allowances and other noncontributory benefits. Also pays a treasury grant to cover any deficit in the contributory programs.

Qualifying Conditions

Basic state retirement pension (contributory, flat rate): Age 65 (men) or age 63 (women) before April 6, 2016, with at least 30 years of paid or credited contributions. The basic state retirement pension will no longer be paid to new pensioners on or after April 6, 2016.

Contributions may be credited for periods the insured cared for a child or an elderly or disabled relative or if the insured received certain benefits.

Partial pension: Must have at least one year of contributions.

Dependent's supplement: Paid for a dependent adult if the dependent's earnings from work are below a specified amount. New claims are no longer possible and the supplement for existing beneficiaries will cease in April 2020.

Deferred pension: The pension may be deferred. There is no age limit.

Age addition: Aged 80 or older before April 6, 2016.

The basic retirement pension is payable abroad, but is adjusted only if ordinarily residing in a European Union or European Economic Area member country, Switzerland, or a country with a reciprocal agreement.

State second pension (contributory, SSP): Age 65 (men) or age 63 (women) before April 6, 2016, with at least 30 years of paid or credited contributions. Must have earnings of at least the lower earnings limit or receive certain benefits. The state second pension is no longer paid to new pensioners on or after April 6, 2016.

The lower earnings limit is £5,824 a year (April 2016).

Single-tier state pension (contributory, flat rate, STP): Age 65 (men) or age 63 (women, gradually rising to age 65 by October 2018) on or after April 6, 2016, with at least 35 years of paid or credited contributions. The retirement age (men and women) will rise gradually to age 66 from 2018 to 2020 and to age 67 from 2026 to 2028.

Contributions may be credited for periods the insured cared for a child or an elderly or disabled relative or if the insured received certain benefits.

Partial pension: Must have at least 10 years of contributions.

Deferred pension: The pension may be deferred. There is no age limit.

The single-tier state pension is payable abroad, but is adjusted only if ordinarily residing in a European Union or European Economic Area member country, Switzerland, or a country with a reciprocal agreement.

Old-person's pension (noncontributory retirement pension): Aged 80 or older, entitled to less than 60% of the full basic state retirement pension, and a resident of the United Kingdom for at least 10 years in any 20-year consecutive period after age 60.

Pension credit (noncontributory): Awarded to low-income pensioners aged 62 or older before April 6, 2016, and residing in the United Kingdom. Persons aged 65 or older before April 6, 2016, with modest retirement savings and receiving only state pensions may receive an additional savings credit.

The pension credit can only be paid abroad for a temporary absence from the United Kingdom.

Employment and support allowance (contributory): Paid to persons aged 16 up to the normal retirement age with at least four consecutive days of sickness within a period of incapacity for work. The insured must have paid contributions on earnings of at least 26 times the weekly lower earnings limit in one of the last two tax years before the claim is made, and paid or credited contributions on earnings of at least 50 times the weekly lower earnings limit in both of the last two tax years before the claim is made. Paid for up to one year, after which individuals may be moved onto the means-tested employment and support allowance.

The lower earnings limit is £112 a week (April 2016).

Employment and support allowance (noncontributory, means tested): Paid to persons aged 16 up to state pension age with at least four consecutive days of sickness within a period of incapacity for work. May be paid if the insured does not meet the contribution requirements, but subject to a means test and certain other conditions.

Disability living allowance (noncontributory, non-means tested): Paid to children younger than age 16 who are assessed with a disability that requires more attention than a nondisabled child of the same age.

Personal independence payment (noncontributory, non-means tested): Paid to persons aged 16 to 64 with a long-term health condition or disability. The person must have resided permanently in the United Kingdom for at least two of the last three years. The allowance is paid if difficulties with daily-living activities or mobility have existed for three months and are expected to last for at least nine months (paid immediately if terminally ill).

Attendance allowance (noncontributory, non-means tested): Paid if the disability began at age 65 or older. Must

have resided in the United Kingdom for at least two of the last three years and been disabled for at least six months unless terminally ill.

Carer's allowance (noncontributory, partially means tested): Paid to a person who forgoes full-time work to provide at least 35 hours a week of care for a person with a severe disability who receives certain qualifying benefits. The caregiver, at the time of the claim, must be aged 16 to 65 and earn £110 a week or less and not be a full-time student.

Disability living allowance, attendance allowance, and carer's allowance are payable abroad as long as a person ordinarily resides in the United Kingdom. A temporary absence of up to 26 weeks does not affect entitlement. The personal independence payment is payable for up to 13 weeks of temporary absence abroad, or for up to 26 weeks if the absence is for medical treatment.

Widowed parent's allowance (contributory): The deceased received or was entitled to receive an old-age pension at the date of death. Paid to a widow(er) or civil partner younger than the state pension age who is receiving a child benefit for at least one child whose parent was the deceased. Also paid to pregnant widows.

If the widow(er) is no longer eligible for the widowed parent's allowance within 52 weeks of the death, he or she may receive the bereavement allowance for the remainder of the 52 weeks.

Bereavement allowance (contributory): The deceased received or was entitled to receive an old-age pension at the date of death. Paid to a surviving spouse or civil partner aged 45 or older but younger than state pension age without dependent children.

Bereavement payment (contributory): The deceased received or was entitled to receive an old-age pension at the date of death.

Guardian's allowance (noncontributory): Paid for a person caring for an orphan whose deceased parents were born in the United Kingdom or lived in the United Kingdom since age 16 for at least 52 weeks in any two-year period, and who qualified for the child benefit (see Family Allowances). In certain cases, the allowance is paid for a person caring for a child with one surviving parent.

The bereavement allowance, bereavement payment, and guardian's allowance are payable abroad, but are adjusted only if ordinarily residing in a European Union or European Economic Area member country, Switzerland, or a country with a reciprocal agreement.

Old-Age Benefits

Basic state retirement pension (contributory, flat rate): £119 a week (April 2016) is paid.

Partial pension: A percentage of the full pension is paid, according to the number of years of contributions.

Dependent's supplement: £71.50 a week (April 2016) is paid.

Deferred pension: The pension is increased by approximately 10.4% for each year of deferral beyond the state pension age. Insured persons who defer for at least 12 consecutive months can opt to take the deferred portion of the state pension as a one-time taxable lump sum plus interest.

Age addition: £0.25 a week (April 2016) is paid.

State second pension (contributory, SSP): The pension is based on average indexed earnings.

Single-tier state pension (contributory, flat rate, STP): £155.65 a week (April 2016) is paid.

Partial pension: A percentage of the full pension is paid, according to the number of years of contributions.

Deferred pension: The pension is increased by 1% for every nine weeks (approximately 5.8% a year) the insured defers beyond the normal retirement age.

Transitional provisions: Persons who contributed under the basic state retirement pension and the second state pension (old system) before April 6, 2016, and would have been entitled to a higher pension under the old system than under the STP, receive the difference as a protected payment.

Old-person's pension (noncontributory retirement pension): £71.50 a week (April 2016) is paid minus the amount of any other state pension received.

Pension credit (noncontributory): Income the insured receives is topped up to at least £155.60 a week (single person) or £237.55 a week (couple). Persons eligible for the savings credit receive up to an additional £13.07 a week (single person) or up to £14.75 a week (couple). (April 2016).

Benefit adjustment: Working-age benefits and tax credits are adjusted by 1% a year. Old-age and disability benefits are adjusted annually according to changes in the consumer price index for the previous September. The state pension is adjusted by the growth in average earnings, price increases, or by 2.5%, whichever is greater.

Permanent Disability Benefits

Employment and support allowance (contributory): £73.10 (£57.90 if aged 16 to 24) a week is paid after a seven-day waiting period for up to 13 weeks while the capacity for work is assessed. After the assessment, £73.10 (£57.90 if aged 16 to 24) a week plus £36.20 a week (if the disability has a severe effect on the ability to work) or £29.05 a week (if there is capacity for limited work) is paid. (April 2016). Additional amounts may be paid under certain circumstances.

Employment and support allowance (noncontributory, means tested): The benefit depends on income, savings, and other circumstances.

Disability living allowance (noncontributory, non-means tested): The amount depends on care and mobility

needs and is paid after a three-month waiting period (no waiting period if terminally ill). The care component is £82.30, £55.10, or £21.80 according to need. The mobility component is £57.45 or £21.80 a week according to need. (April 2016).

Personal independence payment (noncontributory, non-means tested): The amount depends on daily living and mobility needs. The daily living support component is £82.30 or £55.10 a week according to need. The mobility component is £57.45 or £21.80 a week according to need. (April 2016).

Attendance allowance (noncontributory, non-means tested): £82.30 or £55.10 a week (April 2016) is paid according to need.

Carer's allowance (noncontributory, partially means tested): £62.10 a week (April 2016) is paid.

Benefit adjustment: Working-age benefits and tax credits are increased by 1% a year. Old-age and disability benefits are adjusted annually according to changes in the consumer price index for the previous September. The state pension is adjusted by the growth in average earnings, price increases, or by 2.5%, whichever is greater.

Survivor Benefits

Widowed parent's allowance (contributory): Up to £112.55 a week (April 2016) is paid.

The allowance ceases upon remarriage or cohabitation.

Bereavement allowance (contributory): The amount varies with the survivor's age when widowed or when the widowed parent's allowance ends and with the deceased's number of contributions: up to £112.55 a week (April 2016) if aged 55 or older; a percentage of the full rate if aged 45 to 54. The allowance is paid for up to 52 weeks after the death.

The allowance ceases upon remarriage or cohabitation.

Bereavement payment (contributory): A lump sum of £2,000 (April 2016) is paid.

Guardian's allowance (noncontributory): £16.55 a week (April 2016) is paid for each child.

Benefit adjustment: Working-age benefits and tax credits are increased by 1% a year. Old-age and disability benefits are adjusted annually according to changes in the consumer price index for the previous September. The state pension is adjusted by the growth in average earnings, price increases, or by 2.5%, whichever is greater.

Administrative Organization

Pension Service of the Department for Work and Pensions (<http://www.gov.uk/government/organisations/departments-for-work-pensions>) administers the state pension system and provides services and support to pensioners.

Her Majesty's Revenue and Customs (<https://www.gov.uk/government/organisations/hm-revenue-customs>) administers the National Insurance contribution system.

Jobcentre Plus of the Department for Work and Pensions (<http://www.gov.uk/government/organisations/department-for-work-pensions>) administers benefits for people of working age and helps them find work.

Sickness and Maternity

Regulatory Framework

First law: 1911.

Current laws: 1977 (national health service), 1992 (consolidated legislation), 1994 (sick pay), 1999 (welfare reform and pensions), 2005 (work and families), 2007 (welfare), 2009 (welfare reform), 2012 (welfare reform), and 2014 (shared parental leave).

Type of program: Social insurance, social assistance (cash benefits), and universal (medical benefits) system.

Coverage

Statutory sick pay: Employed persons with average earnings of at least £112 a week (April 2016).

Employment and support allowance (contributory and means-tested): Employed and self-employed persons ineligible for statutory sick pay; unemployed and nonemployed persons.

Universal credit (means test): Residents of the United Kingdom by 2017 (currently only applicable in certain regions).

Maternity allowance: Employed and self-employed persons ineligible for statutory maternity pay.

Statutory maternity pay: Female employed persons with average earnings of at least £112 a week (April 2016).

Statutory paternity pay: Employed persons with average earnings of at least £112 a week (April 2016) whose wife or partner is expecting a baby.

Statutory adoption pay: Employed persons with average earnings of at least £112 a week (April 2016) who are adopting a child.

Statutory shared parental pay: Employed persons sharing responsibility for a child born or adopted on or after April 5, 2015.

Medical benefits: Residents of the United Kingdom.

Source of Funds

Insured person: 2.05% of earnings from £155 to £827 a week and 1% of earnings greater than £827 (medical benefits). (April 2016). For the employment and support

allowance (incapacity benefit) and maternity allowance, see source of funds under Old Age, Disability, and Survivors.

Self-employed person: For the employment and support allowance (incapacity benefit) and maternity allowance, see source of funds under Old Age, Disability, and Survivors.

Employer: 1.9% of employee earnings (medical benefits); the total cost of statutory sick pay (in certain cases, part of the cost); 8% of statutory maternity, paternity, and shared parental pay. For the employment and support allowance (incapacity benefit) and maternity allowance, see source of funds under Old Age, Disability, and Survivors.

Government: 92% of statutory maternity, paternity, and shared parental pay (100% in the case of some small employers), and a portion of statutory sick pay; most of the cost of medical benefits (funded from general taxation). The total cost of means-tested allowances.

See also source funds under Old Age, Disability, and Survivors.

Qualifying Conditions

Statutory sick pay: Younger than age 65 with at least four consecutive days of sickness within a period of incapacity for work.

Employment and support allowance (contributory): Aged 16 to the normal retirement age with at least four consecutive days of sickness within a period of incapacity for work. Must have paid contributions on earnings of at least 26 times the weekly lower earnings limit in one of the last two tax years before the claim is made, and paid or credited contributions on earnings of at least 50 times the weekly lower earnings limit in both of the last two tax years before the claim is made.

The lower earnings limit is £112 a week (April 2016).

Employment and support allowance (means tested): Aged 16 to the normal retirement age with at least four consecutive days of sickness within a period of incapacity for work. May be paid if the insured does not meet the contribution requirements, but subject to a means test and certain other conditions.

Universal credit (means tested): Paid to persons of working age with low income, and replaces a number of existing benefits, including the housing benefit for accommodation costs, and tax credits, with a single monthly payment. Must sign a claimant commitment detailing the job seeking process they will follow and for how long they will seek work each week, and their personal circumstances, including work history, health, family, or caring responsibility.

Maternity allowance: For the higher rate maternity allowance, the insured must have worked at least 26 weeks in the 66-week period before the expected date of childbirth with average earnings of at least £30 a week (April 2016) in a 13-week period. For the lower rate maternity allowance, the

insured must not be eligible for the higher rate maternity allowance, not be employed or self-employed, and not have been the spouse or civil partner of an insured person for at least 26 weeks in the 66-week period before the expected date of childbirth.

Statutory maternity pay: Employed continuously for at least 26 weeks by the same employer up to and including the 15th week before the expected week of childbirth, or the relevant qualifying week in the case of adoption.

Statutory paternity pay: Employed continuously for at least 26 weeks by the same employer up to and including the 15th week before the expected week of childbirth.

Statutory adoption pay: Employed continuously for at least 26 weeks by the same employer up to the week of the child's adoption.

Statutory shared parental pay: The mother must be eligible for statutory maternity or adoption pay, or the father must be eligible for statutory paternity pay and his partner must be eligible for statutory maternity pay, maternity allowance, or statutory adoption pay.

Maternity grant: Must be expecting a first child or multiple births if the insured already has children younger than age 16, and must be receiving certain low-income benefits.

Medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Statutory sick pay: The employer pays £88.45 a week (April 2016) for up to 28 weeks of incapacity after a three-day waiting period.

Employment and support allowance (contributory): £73.10 (£57.90 if aged 16 to 24) a week is paid after a seven-day waiting period for up to 13 weeks while the capacity for work is assessed. After the assessment, £73.10 (£57.90 if aged 16 to 24) a week plus £36.20 a week (if the disability has a severe effect on the ability to work) or £39.05 a week (if there is capacity for limited work) is paid. (April 2016). Additional amounts may be paid under certain circumstances.

Employment and support allowance (means tested): The benefit depends on income, savings, and other circumstances.

Universal credit (means tested): The benefit depends on the claimant's age and on household income and composition.

Maternity allowance: £139.58 a week or 90% of average weekly earnings (whichever is lower) is paid for up to 39 weeks starting from the 11th week before the expected date of childbirth (higher rate maternity allowance); or £27 a week is paid for 14 weeks (lower rate maternity allowance).

Statutory maternity pay: The employer pays 90% of average weekly earnings for the first six weeks; £139.58 a week (April 2016) or 90% of average weekly earnings (whichever is lower) for the next 33 weeks, up to a total of 39 weeks.

Statutory paternity pay: The employer pays £139.58 a week (April 2016) or 90% of average weekly earnings (whichever is lower) for one or two weeks (as chosen by the employee).

Statutory adoption pay: The employer pays £139.58 a week (April 2016) or 90% of average weekly earnings (whichever is lower) for up to 39 weeks.

Statutory shared parental pay: The employer pays £139.58 a week (April 2016) or 90% of average weekly earnings (whichever is lower) to either parent for up to 37 weeks after the mandatory two-week maternity leave.

The total combined statutory maternity, paternity, adoption, and shared parental pay period cannot exceed 39 weeks.

Maternity grant: A lump sum of £500 is paid (£1,000 for triplets if the insured has not previously had twins). (April 2016).

Benefit cap: The maximum total of benefits paid to persons of working age (currently age 16 up to age 65) is £350 a week for a single person without children or whose children do not live with them, or £500 a week for a couple or a single parent whose children live with them. Persons receiving the support component of the employment and support allowance, or working tax credit, are not subject to this cap. (April 2016).

Benefit adjustment: Working-age benefits and tax credits are increased by 1% a year.

Workers' Medical Benefits

Medical benefits for insured workers: The National Health Service (NHS) pays directly for medical services provided by public hospitals and by doctors and dentists under contract with the NHS. Benefits include general practitioner care, specialist services, hospitalization, maternity care, dental care, medicine, appliances, home nursing, and family planning.

Cost sharing: Patients pay £8.40 for each prescription item and up to £233.70 for dental treatment depending on the course of treatment. For individuals needing four or more prescription items in a three-month period, or 14 or more items in one year, a prescription prepayment certificate limits the maximum amount payable to £29.10 for three months, or £104 a year.

Those receiving means-tested benefits and their adult dependents, children younger than age 16 (age 19 if a student), pregnant women, and nursing mothers are exempt from dental and prescription charges. Persons older than the state pension age and certain other groups are exempt from prescription charges.

There is no limit to duration.

Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.

Administrative Organization

Jobcentre Plus of the Department for Work and Pensions (<http://www.gov.uk/government/organisations/department-for-work-pensions>) administers benefits for people of working age and helps them find work.

Department of Health (<https://www.gov.uk/government/organisations/department-of-health>) administers medical benefits and services through the National Health Service.

Work Injury

Regulatory Framework

First law: 1897.

Current law: 1992 (consolidated legislation).

Type of program: Social insurance and social assistance system.

Coverage

Employed persons.

Exclusions: Self-employed persons.

Source of Funds

Insured person: See source of funds under Old Age, Disability, and Survivors.

Self-employed person: Not applicable.

Employer: See source of funds under Old Age, Disability, and Survivors.

Government: See source of funds under Old Age, Disability, and Survivors.

Qualifying Conditions

Employment and support allowance (contributory): Paid to persons aged 16 up to the state pension age with at least four consecutive sick days within a period of incapacity for work. The insured must have paid contributions on earnings of at least 26 times the weekly lower earnings limit in one of the last three tax years before the claim is made, and paid or credited contributions on earnings of at least 50 times the weekly lower earnings limit in both of the last two tax years before the claim is made.

The lower earnings limit is £112 a week (April 2016).

Employment and support allowance (means tested): Paid to persons aged 16 up to the eligibility age of the pension credit with at least four consecutive days of sickness within a period of incapacity for work. May be paid if the

insured does not meet the contribution requirements, subject to a means test and certain other conditions.

Industrial injuries disablement benefit: For a work-related injury, the insured must be an employee and assessed (by medical examination) with at least a 14% disability (with some exceptions). For an occupational disease, the insured must have developed a recognized disease during the course of employment.

Temporary Disability Benefits

Employment and support allowance (contributory): £73.10 (£57.90 if aged 16 to 24) a week is paid after a seven-day waiting period for up to 13 weeks while the capacity for work is assessed. After the assessment, £73.10 (£57.90 if aged 16-24) a week plus £36.20 a week (if the disability has a severe effect on the ability to work) or £29.05 a week (if there is capacity for limited work) is paid (April 2016). Additional amounts may be paid under certain circumstances.

Employment and support allowance (means tested):

The benefit depends on income and circumstances.

Benefit cap: The maximum total of benefits paid to persons of working age (currently age 16 up to age 65) is capped at £350 a week for a single person without children or whose children do not live with them, or £500 a week for a couple or a single parent whose children live with them. Persons receiving the support component of the employment and support allowance, or working tax credit, are not subject to this cap.

Benefit adjustment: Working-age benefits and tax credits are increased by 1% a year. Old-age and disability benefits are adjusted annually according to changes in the consumer price index for the previous September.

Permanent Disability Benefits

Industrial injuries disablement benefit: If the insured is assessed with a 100% disability, £168 a week (April 2016) is paid from the 15th week after the work-related accident occurred or the occupational disease began.

Partial disability: The benefit varies from £33.60 a week for an assessed degree of disability of 20% to £151.20 a week for an assessed degree of disability of 90% if aged 18 or older (April 2016).

Reduced earnings allowance: Paid for a work-related accident or an occupational disease that occurred before October 1990. Up to £67.20 a week (April 2016) is paid if the insured is assessed with a disability of at least 1%, and is unable to do the usual job, resulting in a loss of earnings.

Constant-attendance allowance: If the insured requires the constant attendance of others to perform daily functions, £132.80, £99.60, £66.40, or £33.20 a week is paid according to attendance needs (April 2016).

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Exceptionally severe disablement allowance: £67.20 a week (April 2016) is paid if receiving either of the top two rates of constant-attendance allowance.

Benefit adjustment: Working-age benefits and tax credits are increased by 1% a year. Old-age and disability benefits are adjusted annually according to changes in the consumer price index for the previous September.

Workers' Medical Benefits

All necessary benefits are provided under the National Health Service.

Survivor Benefits

Widowed Parent's allowance: Up to £112.55 a week (April 2016) is paid to a widowed parent receiving child benefits for at least one dependent child.

Bereavement allowance: The amount varies with the survivor's age when widowed or when the widowed parent's allowance ends: up to £112.55 a week (April 2016) is paid if aged 55 or older; a percentage of the full rate if aged 45 to 54. The allowance is paid for up to 52 weeks after the death.

Bereavement payment: A lump sum of £2,000 (April 2016) is paid immediately to the surviving spouse or civil partner.

Guardian's allowance: £16.55 a week (April 2016) is paid for each child.

Benefit adjustment: Working-age benefits and tax credits are increased by 1% a year. Old-age and disability benefits are adjusted annually according to changes in the consumer price index for the previous September.

Administrative Organization

Jobcentre Plus of the Department for Work and Pensions (<http://www.gov.uk/government/organisations/department-for-work-pensions>) administers cash benefits for people of working age and helps them find work.

Her Majesty's Revenue and Customs (<http://www.gov.uk/government/organisations/hm-revenue-customs>) is responsible for the administration of the National Insurance contribution system.

Unemployment

Regulatory Framework

First law: 1911.

Current law: 1995 (job seekers), 2009 (welfare reform), and 2013 (uprating).

Type of program: Social insurance and social assistance system.

Coverage

Job seeker's allowance (contributory and means test): Employees.

Self-employed persons are eligible for the means-tested job seeker's allowance only.

Universal credit (means test): Residents of the United Kingdom by 2017 (currently only applicable in certain regions).

Source of Funds

Insured person: See source of funds under Old Age, Disability, and Survivors.

Self-employed person: None.

Employer: See source of funds under Old Age, Disability, and Survivors.

Government: See source of funds under Old Age, Disability, and Survivors. The total cost of means-tested allowances.

Qualifying Conditions

Job seeker's allowance (contributory): Aged 18 or older and unemployed or working less than 16 hours a week (if aged 16 or 17, may qualify only under specified conditions). Contributions must have been paid on earnings of at least 26 times the weekly lower earnings limit in one of the two relevant tax years on which a claim is based plus paid or credited contributions on earnings of at least 50 times the weekly lower earnings limit in both the relevant tax years on which a claim is based.

The weekly lower earnings limit is £112 (April 2016).

Must be registered as unemployed; be capable of, available for, and actively seeking employment; and have a current Jobseeker's Agreement (drafted and signed by the job seeker and the job seeker's advisor obliging the job seeker to actively seek training and work).

Jobseeker's Allowance (means tested): Paid to those who do not qualify for the contributory job seeker's Allowance and have savings of less than £16,000. Must work less than 16 hours a week on average and have a partner who works up to 24 hours a week.

Must be registered as unemployed; be capable of, available for, and actively seeking employment; and have a current Jobseeker's Agreement. The Jobseeker's Agreement is drafted and signed by the job seeker and the job seeker's advisor. It obliges the job seeker to actively seek training and work. Failure to sign a Jobseeker's Agreement results in the suspension of benefits.

Universal credit (means tested): Paid to low-income persons of working age. The credit replaces the housing benefit and tax credits with a single monthly payment. Must sign a claimant commitment describing the person's job-seeking

plans and personal circumstances (work history, health status, and family or caregiving responsibilities).

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Job seeker's allowance (contributory): £73.10 a week is paid if aged 25 or older; £57.90 if younger than age 25 (April 2016). The allowance is paid after a three-day waiting period for up to 26 weeks.

Job seeker's allowance (means tested): The amount of the allowance depends on the claimant's age and on household income and composition. £57.90 to £73.10 a week is paid to an unmarried person, depending on age (April 2016). The allowance is paid after a seven-day waiting period.

Universal credit (means tested): The benefit depends on the claimant's age, and on household income and composition.

Benefit cap: The maximum total of benefits paid to persons of working age (currently age 16 up to age 65) is £350 a week for a single person without children or whose children do not live with them, or £500 a week for a couple or a single parent whose children live with them.

Benefit adjustment: Working-age benefits and tax credits are increased by 1% a year.

Administrative Organization

Jobcentre Plus of the Department for Work and Pensions (<http://www.gov.uk/government/organisations/department-for-work-pensions>) administers benefits for people of working age and helps them find work.

Her Majesty's Revenue and Customs (<http://www.gov.uk/government/organisations/hm-revenue-customs>) is responsible for the administration of the National Insurance contribution system.

Family Allowances

Regulatory Framework

First laws: 1945 (child benefit) and 1987 (family credit).

Current laws: 1992 (consolidated legislation) and 2002 (child tax credit).

Type of program: Universal (child benefit) and tax credits system.

Coverage

Child benefit and child tax credit: Residents of the United Kingdom with one or more children.

Working tax credit: Low-income workers with or without children.

Income support (social assistance): Residents of the United Kingdom.

Universal credit (means tested): Residents of the United Kingdom by 2017 (currently only applicable in certain regions).

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Child benefit: The child must be younger than age 16 (age 18 if not a full-time student and does not work more than 24 hours a week; age 20 if a full-time student). Eligibility also depends on residence and presence in the United Kingdom. If one person's income in the household exceeds £50,000 a year some or all of the benefit may be recovered through a tax charge.

Child tax credit: The child must be younger than age 16 (age 18 and has left full-time education and works less than 24 hours a week; age 20 if a full-time student). Eligibility also depends on residence and presence in the United Kingdom, and income.

Working tax credit: The claimant must work as an employed or self-employed person for at least 16 hours a week.

Income support (social assistance): Paid to persons aged 16 up to the eligibility age of the pension credit who are pregnant, caring for a child younger than age 5, or (in certain circumstances) unable to work due to an illness or disability. Must not be receiving a means-tested employment support allowance or a job seeker's allowance. Household income must be below prescribed levels, and the individual must have sufficient income for his or her needs and savings of less than £16,000. Must work less than 16 hours a week on average or have a partner who works up to 24 hours a week.

Universal credit (means tested): Paid to low-income persons of working age. The credit replaces the housing benefit and tax credits with a single monthly payment. Must sign a claimant commitment describing the person's job-seeking plans and personal circumstances (work history, health status, and family or caregiving responsibilities).

Family Allowance Benefits

Child benefit: £20.70 a week is paid for the eldest qualifying child, and £13.70 is paid for each additional child (April 2016).

Child tax credit: Provided to families with one child if annual household income is less than around £26,000; with two children, less than around £32,200. Employment

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is not required (see working tax credit, below). The tax credit amount depends on income and family status and may include approved childcare costs. Additional tax credit amounts are provided for children with disabilities.

Working tax credit: The tax credit depends on income and family status and can include approved childcare costs. Additional amounts are provided for workers with disabilities and persons with severe disabilities.

Income support (social assistance): The amount depends on income and circumstances.

Universal credit (means test): The benefit depends on the claimant's age and on household income and composition.

Benefit cap: The maximum total of benefits paid to persons of working age (currently age 16 up to age 65) is £350 a week for a single person without children, or whose children do not live with them, or £500 a week for a couple or a single parent whose children live with them. Persons receiving certain benefits to support needs related to disability, or working tax credit, are not subject to this cap.

Benefit adjustment: Working-age benefits and tax credits are increased by 1% a year.

Administrative Organization

Her Majesty's Revenue and Customs (<http://www.gov.uk/government/organisations/hm-revenue-customs>) administers child benefits and tax credits.