

Southdown

Financial Inclusion Team

Newsletter

The government plans to move existing benefit claimants on to Universal Credit by 2029 through a process known as 'Managed Migration'.

This change will affect people who are still in receipt of legacy benefits.

We have produced an information leaflet which forms the first part of our newsletter and can also be found on our website,

southdown.org/how-we-help/costofliving

NB: Information is correct as at 25 September 2023.



Autumn 2023

MANAGED MIGRATION SPECIAL

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Moving to universal Credit - Managed Migration

What is happening?

Managed Migration is the final phase of the roll out of Universal Credit.

Universal Credit is a benefit for working-aged people which replaces the six 'legacy' benefits listed below by combining them into one single monthly payment.

The Government has stated that it plans to complete the Managed Migration process by the end of 2029.

Managed Migration will affect you if you are currently claiming one or more of the following 'legacy' benefits:

- Working Tax Credit
- Child Tax credit
- Income Support
- Income-Based Jobseekers Allowance (I-B JSA)
- Income-Related Employment and Support Allowance (I-R ESA)
- Housing Benefit

If you are in receipt of any of the above legacy benefits, you will receive a 'Migration Notice' from the Department of Work and Pensions (DWP) stating that your benefit will be ending and inviting you to make a new claim for Universal Credit instead.

This will happen in stages and some claimants may not receive a Migration Notice until 2028 (see timetable below).

2023 / 24

Tax Credit only claimants

2024 / 28

All other Tax Credit claimants and those on Income Support, income-based Jobseekers Allowance (JSA) or just Housing Benefit.

2028 /29

All remaining income-related ESA claimants

If you are receiving Tax Credits only

The DWP has already started the process of Managed Migration for Tax Credit only claimants in many areas of the country. It is expected that you will receive your Migration Notice sometime after September 2023.

If you are receiving one of the other benefits (instead of, or as well as Tax Credits)

The earliest you will be asked to claim Universal Credit is April 2024. You may need to claim sooner if you have a change of circumstances. If this is the case, always seek advice from a Benefits Adviser before making a new claim to Universal Credit.

If you are receiving Income-Related Employment and Support Allowance

The earliest you will be asked to claim Universal Credit is April 2028. You may need to claim sooner if you have a change of circumstances. If this is the case, always seek advice from a Benefits Adviser before making a new claim to Universal Credit.

What happens when I receive a Migration Notice?

The Migration Notice will explain that your legacy benefit is ending. The letter will include the date your benefit is due to end. This is called the 'deadline day' and it will be three months and one day from the date the notice was issued.

If you are unable to make the claim to Universal Credit before the deadline day, you can ask the DWP for an extension to this deadline.

What happens if I don't claim before the deadline day?

If you have not made your claim by the deadline day, or you have not already agreed an extension with the DWP, your legacy benefits will stop.

It is very important not to ignore your Migration Notice.

Important points

- Do not ignore your Migration Notice.
- Your benefits will end whether you have claimed Universal Credit or not.
- If you are unsure, or need help, get independent advice from a Benefits Adviser.

Should I claim Universal Credit before I receive my Migration Notice?

You do not have to make a claim for Universal Credit until you receive your Migration Notice although some changes of circumstance may mean you need to claim earlier.

If you know your circumstances are due to change, seek advice from a Benefits Adviser to find out what your options might be.

You may already be better off on Universal Credit than you are on legacy benefits. It is always worth getting your benefits checked by a Benefits Adviser who will tell you if this is the case.

IMPORTANT: In some circumstances, you may lose money if you claim Universal Credit too early. This might happen where your expected Universal Credit award is *less* than your current legacy benefit award and you claim Universal Credit before receiving your Migration Notice.

Transitional protection

The DWP have stated that if you make your claim to Universal Credit *after* receiving your Migration Notice, you will not immediately lose out on any money provided your personal circumstances have not changed.

The difference between the two amounts is made up through a '**Transitional Element**' which is included in your first Universal Credit Payment. This Transitional Element will continue to be included in future assessments, but certain changes can reduce it or end it altogether.

Transitional Element

A Transitional Element is paid to claimants who:

- Receive a Migration Notice.
- Claim Universal Credit by their deadline day.
- Do not have a change of personal circumstances between receiving the Notice and claiming Universal Credit (eg: from a couple / separate)
- Would be worse off on Universal Credit.

How do I claim Universal Credit?



Claims for Universal Credit are made online: [gov.uk/universal-credit/how-to-claim](https://www.gov.uk/universal-credit/how-to-claim)

If you are in a couple, both members will need to make their own claim and these will then be linked together.

If you are going to struggle to make and maintain an online claim, you may be able to have an 'offline' claim instead.

If you need support to make the claim, you may be able to get help through a local advice agency or through the Citizens Advice Help to Claim service.

You will need an email address, bank account, and photo ID.

Once you have completed the questions on the claim form, you will need to tick the 'claimant commitment' tab and press 'submit'. You will then need to have your ID verified and attend a New Claim interview at the Job Centre.

When will I receive my first payment?

Universal Credit is paid calendar monthly in arrears. As long as you have provided all the necessary evidence after submitting your claim, you should receive your first payment around five weeks later. You will then receive your ongoing payments on the same date each month.

When is the best time to claim?

If you are going to be worse off on Universal Credit, you should wait for your Migration Notice before claiming. You will then be eligible to receive a Transitional Element in your Universal Credit award if you have not had a change in your circumstances (see section on Transitional Protection).

If you are working and paid calendar monthly, it may be best not to make your claim around the time your wages are paid. This is because it can sometimes result in two monthly wages being used when the DWP assess your earnings in your monthly award. You may wish to speak to a Benefits Adviser about this before making your claim.

If you anticipate a significant change in your personal circumstances before your 'deadline day', you should seek advice to discuss what might be the best date for you to start your claim for Universal Credit. For example, you might be expecting a baby, going into full time advanced education, moving home, or anticipating an award of a disability benefit (list not exhaustive).

What help can I get while waiting for my first payment?

Two week 'run-on'

If you are in receipt of income-related ESA, income-based JSA, Income Support, or Housing Benefit you may be entitled to a two week 'run-on' of these benefits after making your claim to Universal Credit. These payments will be disregarded by Universal Credit when assessing your award.

Advance Payment

You will be able to claim an 'Advance Payment' of Universal Credit, however, this is a loan and will be recovered through deductions from your ongoing award. If you feel you will need an Advance Payment, think carefully about how much you will actually need to get you through to your first payment of Universal Credit. Remember: your Universal Credit award will now include housing costs for your rent in most cases.



Further help and advice

- **DWP Migration Notice Helpline:** Telephone: **0800 169 0328** Mon-Fri 8am to 6pm
- **Citizens Advice Help to Claim Service:** www.citizensadvice.org.uk/about-us/contact-us/help-to-claim/
- **Money Helper:** www.moneyhelper.org.uk / telephone: **0800 138 7777**
- **advicelocal.uk:** Independent advice organisations across the UK

More Universal Credit News

Managed Migration discovery phase extension

In addition to the confirmed plans for the roll out of Universal Credit managed migration, the DWP announced that it will begin to bring claimants on legacy benefits and housing benefit into its discovery phase from September 2023. This should not include those on Employment and Support Allowance (ESA) and ESA and Housing Benefit only.

The process will involve a sample of approximately 2,000 migration notices being sent out to both single and couple claimants receiving different benefit combinations in areas yet to be confirmed.



Increased conditionality for parents on Universal Credit

From 24th July, Universal Credit claimants who are the 'lead carer' of a young child will find that they are required to attend more frequent Work Focused Interviews and Work Preparation. These are mandatory, which means that failure to attend without good reason will lead to a sanction.

What has changed?

- Lead carers of children between one and two should now have Work Focused Interviews with their Work Coach every three months instead of every six months.
- Those with a two-year-old are in the Work Focused Interviews and Work Preparation group and they will be expected to meet with their Work Coach once a month instead of every three months as was required previously.
- Once the youngest child turns three, claimants will be moved into the All Work Requirements conditionality group and, in most cases, will be required to look for work.

What about couples?

Both members of a couple claiming Universal Credit are required to have a claimant commitment. Where they are responsible for children, one of them is designated as the 'lead carer'.

Childcare Cost Element of Universal Credit



Unless parents are in a 'no work requirement' group of Universal Credit, they will be required to look for suitable work once their child reaches the age of three.

Currently, 30 hours per week of free childcare is available for working families with a three or four year old. If they are not working, this is 15 hours.

If a Universal Credit claimant starts work and they pay for registered childcare, they can claim childcare costs through Universal Credit. From July of this year, the Childcare Cost element of Universal Credit has been increased. This is now 85% of a maximum amount:

- **£950.92** per month for one child.
- **£1630.15** for two or more children.

As Universal Credit is paid in arrears, those who are starting work or increasing their hours will be able to ask their Work Coach for help up front through the Flexible Support Fund.

Government Timetable to Extend Free Childcare

- **April 2024** - working parents of two year olds will be able to access 15 hours of free childcare.
- **September 2024** - working parents with children from the age of nine months will be able to access 15 hours of free childcare.
- **September 2025** - working parents of children aged nine months and upwards will be entitled to 30 hours free childcare per week right up to their child starting school.

Changes to Universal Credit calculations to affect couples where one is self-employed



An error in the way the Universal Credit computer system has calculated earnings for couples where one is self-employed and the other is in the PAYE system has now been fixed. This means that many claimants will see a substantial drop in their Universal Credit award (and some may lose it altogether).

We understand that for the last 10 years the Universal Credit computer system has not been calculating deductions for earnings for these couples correctly. It is unclear at this time whether the DWP will be creating overpayments for couples in this situation and, if they do, whether they will be seeking to recover these.

Other Changes

Work Capability Assessment

In our Spring newsletter we explained the government's plan to scrap the Work Capability Assessment and Limited Capability for Work Element in Universal Credit, and replace this with a new Health Element for anyone in receipt of Personal Independence Payment. If passed through Parliament, this will not happen until 2026/27 at the earliest.

In preparation for this change, the government has launched a consultation on proposed changes to the current Work Capability Assessment (WCA). The proposed changes include reducing points for, or removing altogether, some of the activity descriptors that form part of the assessment.

The purpose is to reduce the number of claimants found to have a Limited Capability for Work and Work-Related Activity (LCWRA) of Universal Credit, or the Support Group of Employment and Support Allowance (ESA). Claimants in these groups have no work or work-related requirements to their benefit conditionality.



The government have said that they intend to increase Work Coach support to encourage disabled people and those with health conditions to start to prepare for 'suitable' work. Work and Pensions secretary Mel Stride states:

'We have seen a huge shift in the world of work over the last few years, a huge change that has accelerated since the pandemic. This has opened up more opportunities for disabled people and those with health conditions to start, stay and succeed in work. The rise in flexible working and homeworking has brought new opportunities for disabled people to manage their conditions in a more familiar and accessible environment

Following the consultation, any changes will need to be passed in legislation which means they will not come into effect until at 2025 at the earliest.

Shortened PIP reviews for some claimants



From this month, some Personal Independence Payment (PIP) claimants will be issued a new light touch review form. This will be where they have:

- a planned award review date on or after reaching State Pension age; or
- a severe, lifelong condition and get the enhanced rate of both daily living and mobility components.

Pre-Settled Status to be Automatically Extended

From September 2023, Immigration rules have been amended to provide that an automated process will ensure that those with Pre-Settled status who have not yet applied for Settled Status will automatically have their status extended by two years before it expires.

Changes to the law allow that those currently with Pre-Settled Status will not be seen as a Person Subject to Immigration control if they do not apply for Settled Status in time. However, they should apply for their Settled Status as soon as possible.



Changes for New-Style Jobseeker's Allowance Claimants



The DWP have agreed to introduce a Universal Credit style diary for New-Style-JSA claimants making sure that they have access to the same employment programmes as those on Universal Credit.

Autumn Cost-of-Living Payment Dates Announced

The second government cost-of-living payment of £300 will be paid directly into qualifying claimants' accounts between 31 Oct and 19th Nov 2023.

To qualify you will need to have been in receipt of one of the following benefits for at least one day between 18/08/2023 and 17/09/2023.

- Income Support
- Income-Related ESA
- Income-Based JSA
- Working or Child Tax Credits
- Universal Credit
- Pension Credit

Useful to Know

Cold Call PIP Assessments

We have recently noticed that some of our clients awaiting a PIP assessment have received an unscheduled telephone call from the assessment services to conduct the review.



Since the pandemic, assessment services can choose to conduct PIP assessments by telephone rather than face-to-face. In the majority of cases, claimants will be sent an appointment in advance of the interview with a health assessor, however, this does not always seem to be happening.

We can confirm that if a claimant is called unexpectedly, they have the right to ask the assessor to give them an alternative assessment appointment. This might be because they need to prepare for their interview or they need support from a third party.

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If support from a third party is needed for a telephone assessment and they cannot be with the claimant in person, a three way call can be arranged in advance.

Cost of Living reminders

Warm Home Discount Scheme: £140 towards energy bills.

Applicants could get £140 off their energy bill under the Warm Home Discount Scheme. In most cases, successful applicants will need to be in receipt of certain welfare benefits.

This scheme is offered through most energy companies, but check with supplier. Applications are usually taken from October and the discount is credited to the energy bill the following March.

Household Support Fund

Local Authorities each hold a fund to help support households who are struggling to keep up with their bills due to the cost of living.

This is discretionary help and administration of the fund will vary depending on the local authority area in which a person lives.

Applicants should contact their local authority to check if they qualify.



Scams reminder

Every year, millions of people fall for scams sent through the post, by email, phone, text, in person and online. Don't be fooled by professional-looking websites and marketing materials.

Stop. Take a moment to stop and think.

Challenge. Could it be fake?

Protect. If you think you have been scammed, contact your bank immediately and change your passwords. Report it to

Action Fraud on 0300 123 2040 -

www.actionfraud.police.uk

Also, check out the Little Book of Big Scams for information, hints and tips:

www.thamesvalley.police.uk/

SysSiteAssets/media/downloads/central/advice/thames-valley/fraud/little-book-big-scams.pdf



Thank you all for taking the time to read our newsletter.
We hope that you find it helpful.

Please be aware that this information is correct as at the 25 September 2023 and is subject to change.