



Department  
for Work &  
Pensions

# Universal Credit Update

February 2019

**UC** *Universal  
Credit*

Opening up work\_

## Current Position with UCFS

Roll out completed all 83 jobcentres in Scotland are now UC Full Service

Landlord Portal - now 640 enrolled in with a further 60 + planned for February and March

December statistics show there are 1,572,170 people on UC.

Scotland	Employed	Not in employment
149,313	35%	65%

Managed Migration - from July 2019 we will start to test and refine our processes on a small scale to ensure they are working well , before we take on larger volumes , and complete the process in 2023

# Budget Announcements

April 2019

**UC Work Allowances for eligible claimants (working parents and people with disabilities) will be increased by £1,000 from April 2019 - £630 better off each year.**

October 2019

**There will be a reduction in the cap for deductions from 40% to 30% of a claimant's standard allowance to help with the burden of debt repayments.**

July 2020

**From July 2020 there will be an introduction of a two week run on for ESA (IR), JSA(IB) and Income Support claimants who move on to UC**

September 2020

**From September 2020 the creation of a one year grace period from the Minimum Income Floor for self employed people joining UC who already have an existing business, to provide them with time and support to grow their business.**

## Budget Announcements (continued)

October 2021

**Advances can be repaid over a 16 month period**

December 2023

**The Managed Migration (now Move to Universal Credit) plan will be completed**

The budget also confirmed from previous announcements.

- ❖ **SDP claimants will only migrate to UC during the Managed Migration phase to ensure Transitional Protection (TP) is received.**
- ❖ **Parents on UC will not see their TP eroded by an award of , or an increase in, childcare support claimed through UC**
- ❖ **Workers who receive a spike in earnings that terminates their UC award will retain their TP as long as they re-claim UC within three months of the earnings spike**
- ❖ **Tax Credit claimants with capital in excess of £16,000 will not receive indefinite TP. Instead they will have a 12 month grace period during which eligibility to UC will continue**
- ❖ **Children adopted or cared for by no-parental (kinship) carers will be exempt from the 2 child policy**
- ❖ **Automatic housing support for 18-21 year olds claiming UC will be reinstated (31.12.18)**

## Recent Announcements

Removal of the extension of the two child limit **on Universal Credit for children born before 6 April 2017. All children born before that date will continue to be supported by Universal Credit**

Support for private landlords **will be increased. An online system for private landlords will be introduced so they can request, where necessary, that their tenants' rent is paid directly to them.**

Testing how we can improve the provision of more frequent payments **for new claimants and once we have evidence of what works we will roll out further**

Being more flexible when parents are unable to report their childcare costs **immediately so these are still reimbursed. Also ensure Flexible Support Fund can be used whenever the initial month's childcare costs prevent a claimant from starting work.**

**Looking at what can be done to** enable the main carer to receive UC payments.

## Mixed Age Couples – Pension Credit/Universal Credit

### Key Changes

**From 15 May 2019, mixed age couples will no longer have the choice of being a pensioner couple for new claims to benefit. Pension Credit and pension age Housing Benefit will only be available when both members of the couple have reached State Pension age, unless the couple were already receiving Pension Credit and /or pension age Housing Benefit on 14 May 2019.**

**Mixed age couples may be able to qualify for Universal Credit if they meet the capital, income and other entitlement conditions. Any Universal Credit work-related requirements will only apply to the partner below State pension age.**

### Exceptions

**The change will not apply to mixed-age couples who are entitled to Pension Credit or pension age Housing Benefit (or both) on 14 May 2019, for as long as they remain entitled to either benefit as part of the same couple.**

## Key Dates

- ❖ **November 2018 – January 2019** small number of pilots to test the service and the level of demand
- ❖ **January 2019 – April 2019** implementation activities, readiness reviews and checkpoints
- ❖ **April 2019** the new service goes live across Scotland.