

Universal Credit – Schedule of changes since Select Committee review and those planned to 2020

Please note that future plans may be subject to change.

1. April 2018 - Support for Mortgage Interest (SMI) payments

From 6 April 2018, Support for Mortgage Interest will no longer exist as a benefit for new or existing claimants. Claimants will instead be invited to apply for a loan if they want to continue to be supported. Loans will be repaid upon the sale of a claimant's house or on their return to work if the borrower can afford it.

2. April 2018 – two week roll on & payments to landlords

Those already on Housing Benefit will continue to receive their award for the first two weeks of their Universal Credit claim. This is an unrecoverable payment.

Claimants who live in privately rented properties who have their Housing Benefit paid directly to landlords have this option at the beginning of a claim for Universal Credit. The government will also make it easier for claimants to have their housing element paid direct to their landlords.

3. Autumn 2018 – childcare vouchers

Employer Childcare Vouchers will no longer be available to new claimants

New claims for Employer Supported Childcare (Childcare Vouchers) will not be accepted from October 2018. Existing claims will continue until the child is 15 years old (or 16 years old if disabled) or the claimant starts claiming under another scheme (Childcare element of Working Tax Credit, Childcare element of Universal Credit or Tax Free Childcare), whichever is earliest.

Maximum time limit for claiming Sure Start Maternity Grant extended

From 18 October 2018, a person can claim Sure Start Maternity Grant up to six months after the baby's birth or of adopting a baby. At present the rule is three months.

4. December 2018

18-21 year olds will automatically be entitled to housing support in Universal Credit from December 2018. This reverses a cut that was previously introduced for this age group.

5. January 2019 - Severe Disability Premium and Universal Credit

Claimants receiving the Severe Disability Premium in a legacy benefit will not be able to move on to Universal Credit.

6. February 2019 - Universal Credit Two-child Limit

From 1 February 2019 families with more than two children who make new claims for Universal Credit will no longer be directed to claim Child Tax Credit instead. The two child limit will apply to those families. Families who have been awarded Universal Credit after April 2017 and have two or fewer children but who then have a third or subsequent child will have the two-child limit applied.

7. February 2019 - Pension Credit Child allowances

From 1 February 2019, people of Pension Credit age who are responsible for a dependent child or children, will receive help with the child or children in the form of dependent allowances paid within their Pension Credit award. This is because you will no longer be able to make a new claim for Tax Credits (Child Tax Credit or Working Tax Credit) if you are Pension Credit age.

8. April 2019 - Universal Credit Work Allowance Increases

Work allowances are the amount of your earnings from employment that you are allowed to keep before it is taken into account as income for Universal Credit. These will increase by £1000 for the year, meaning that people in work who have children or have limited capability for work (or their partner has limited capability for work) will benefit by up to £630 per year. However if you are a worker who has no children, or you or your partner have not been assessed as having limited capability for work, you will still not receive help in the form of work allowances.

9. April 2019 - National Minimum Wage Increase

The National Living Wage will increase by 4.9% from £7.83 per hour to £8.21 per hour in April 2019. The National Minimum Wage increases from £7.38 per hour to £7.70 per hour for people aged 21 to 24; and from £5.90 per hour to £6.15 per hour for people aged 18 to 20.

10. May 2019 - Universal Credit and Mixed Aged Couples

From 15 May, couples where one partner is aged above Pension Credit age and the other is aged under Pension Credit age, will no longer be able to make a new claim for Pension Credit. Instead they must claim Universal Credit. Mixed aged couples on Pension Credit can continue to remain on Pension Credit as long as they continue to satisfy the other qualifying conditions for Pension Credit.

11. July 2019 - Self-employed Minimum Income Floor Grace Period

Self-employed people whose earnings are low may have their Universal Credit worked out on higher earnings than they have. This is called the Minimum Income Floor. If you have started your business within the last 12 months then the minimum income floor does not affect you for the first 12 months of your Universal Credit claim.

12. October 2019 - Universal Credit Advance Recovery Reduction

From October 2019, the maximum rate at which deductions can be made from Universal Credit, to repay an advance payment, will be reduced from 40% to 30% of the standard allowance of Universal Credit. The period over which advances can be recovered will be extended from 12 to 16 months, from October 2021.

13. April 2020- Parental Bereavement Leave and Pay

The government intend to introduce a new legal entitlement to two weeks' leave for employees who suffer the death of a child under 18, or a stillbirth after 24 weeks of pregnancy. Employed parents will also be able to claim pay for this period if they meet the qualifying conditions.

14. July 2020 – two week run on legacy benefits

Claimants will receive an additional fortnight's worth of Income-based Jobseekers' allowance, Income-related Employment and Support Allowance or Income Support if they are on one of these benefits when they move over to Universal Credit

15. November 2020 – Managed Migration

Any claimants remaining on legacy benefits will move on to Universal Credit. Current plans are to start with no more than 10,000 claimants from November 2020