

MAY 2024 LMI PAGE



In 2012, Parliament voted to end legacy benefits and replace them with a single modern benefit system, Universal Credit (UC). This was legislated, for as part of the Welfare Reform Act 2012.

- The replacement of six legacy benefits with UC is a large and complex undertaking. A core principle of the policy design is that once a customer makes a claim for UC their existing legacy benefits will come to an end; this includes tax credits.
- Once customers make a claim to UC, a notice is sent terminating their legacy benefit claim. This means they cannot choose to move back to legacy benefits. This has been part of the UC design since its initial stages and reflects the overarching principle that UC will fully replace legacy benefits, which have been closed to new claims since 2018.
- UC was first introduced in April 2013 in four postcodes in the Northwest. At this point only single jobseekers with no children could make a claim.
- There were 6.4 million customers claiming Universal Credit as of January 2024.

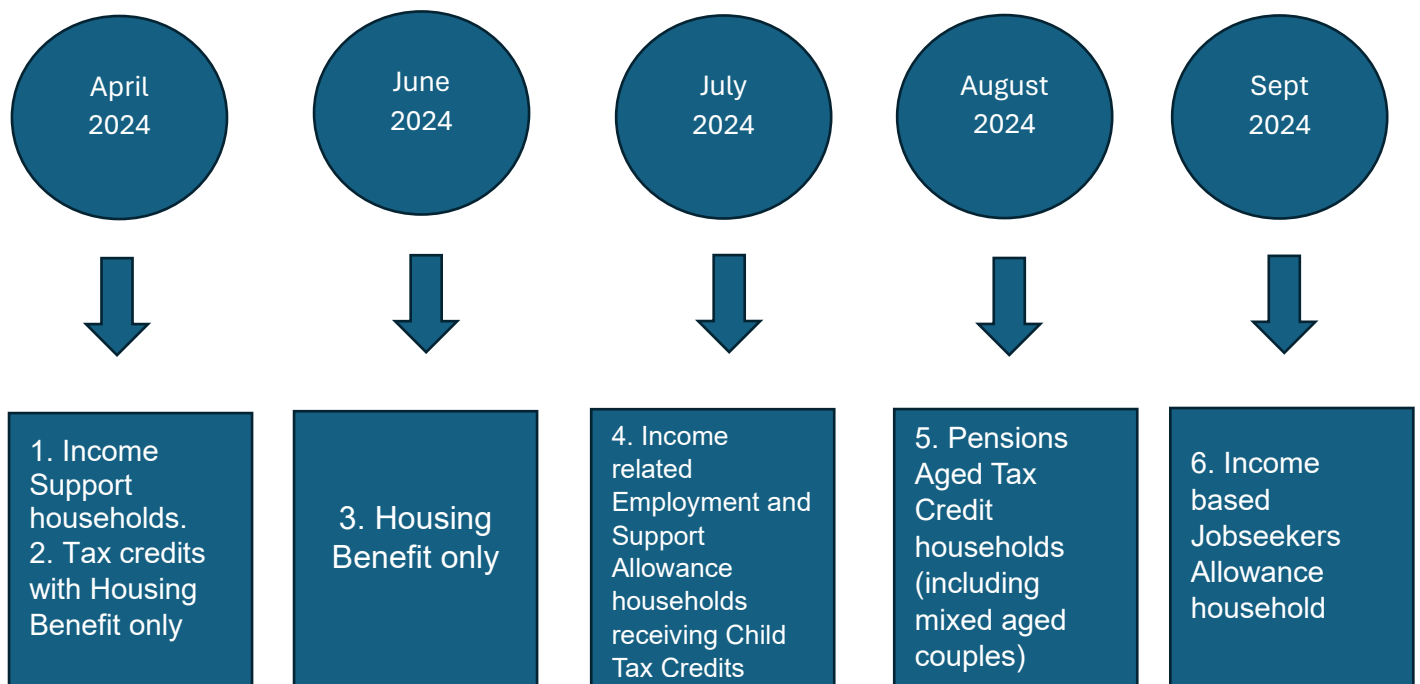
Move to UC was introduced in July 2019 and aimed at moving over existing tax credit and Legacy Benefit customers. A small pilot ran in Harrogate, until it was suspended due to the coronavirus.

- Move to UC restarted with a discovery phase in May 2022. Initially it looked at all combinations of the six legacy benefits and later focussed on tax-credit-only households.
- Since April 2023, there has been a steady increase in the number of Migration Notices issued, and as of February 2024 Move to UC is operating in all Jobcentre Plus regions of Great Britain.

- From April 2024 onwards, migration of all remaining groups of households receiving legacy benefits to Universal Credit will begin, with exception of Employment and Support Allowance only and Employment and Support Allowance with Housing Benefit. These are deferred until 2028.

- In summer 2024 the migration of Pension Age Tax Credit customers will begin. This group will move onto Universal Credit or Pension Credit, depending on their individual circumstances.

UNIVERSAL CREDIT TIMELINE MIGRATION



Additional Information

- The migration approach from 2024 onwards is based on benefit combinations rather than customer or household location

- Customers in receipt of a contributory benefit **only** will **not** move to Universal Credit

- Those in receipt of both contributory **and** means tested benefits will be migrated in line with their means tested benefit

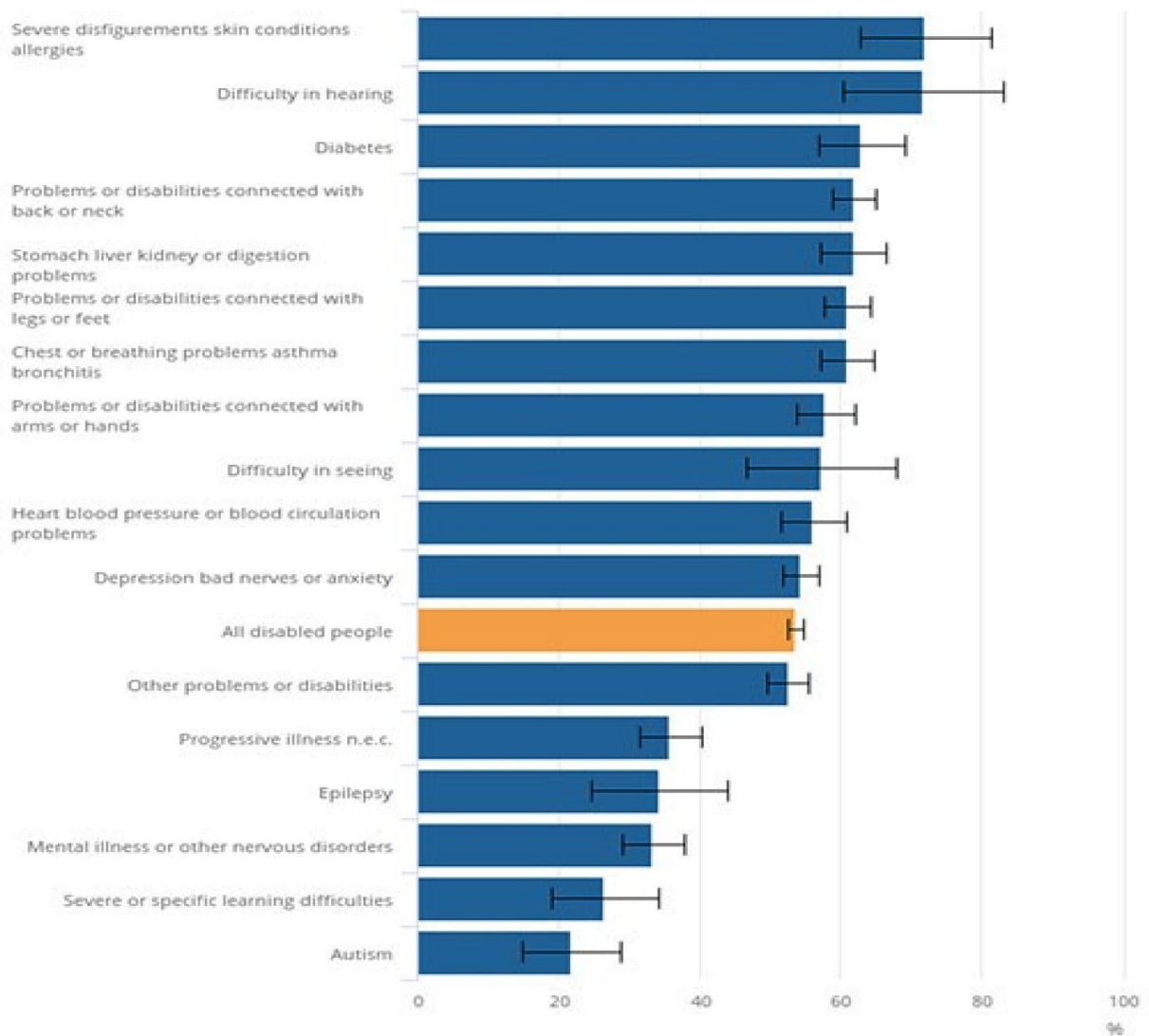
- Income related Employment and Support Allowance households (including those also receiving Housing Benefit) are deferred until 2028

For full information regarding UC migration, please refer to the link on the Realise Futures Website.

Some useful figures regarding disabled adults and employment rates

Figure 2: Disabled people with autism were among those disabled people with the lowest employment rate

Employment rates of disabled people, by main impairment, aged 16 to 64 years, UK, 6 months year ending June 2020



Source: Office for National Statistics – Annual Population Survey