



Universal Credit

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July 2024



Introduction

- Some people claim benefit on the basis that they have “limited capability for work”. In ordinary language, that means they are not expected to look for work.
- The two benefits are **employment and support allowance (ESA)** and **universal credit (UC)**.
- There is another disability benefit called **Personal Independence Payment (PIP)** but that is based on mobility and help with daily life. **PIP isn't changing.**
- For most people, universal credit has replaced ESA for **new** claims, unless the ESA is based on having worked recently.
- People **already getting ESA** will be moving to UC by December 2025

There are two versions of ESA

New style ESA

People who are working who are sick but don't get sick pay or who have recently stopped working and are sick, might get new style ESA, if they have paid sufficient national insurance contributions.

Income related ESA

No new claims possible for most claimants – will have to claim UC

The Department for Work and Pensions use a test called the **work capability assessment (WCA)**, to decide if you are fit for work or not. It is the same test for both ESA and UC.

Moving from ESA to UC (this is called 'migration')

[How to apply for Universal Credit \(Easy Read\)](https://publishing.service.gov.uk) publishing.service.gov.uk



- Between September 2024 and December 2025, the Job Centre will ask you to claim Universal Credit if you get ESA at present.

[DWP: What is Universal Credit?](https://www.youtube.com/watch?v=...) [youtube.com](https://www.youtube.com/watch?v=...)

jobcentreplus

Part of the Department
for Work and Pensions

Moving from ESA to UC (this is called 'migration')



- These are the 6 'legacy benefits' that UC replaces.



- Once you move onto UC, you can't go back to legacy benefits

ESA moving to Universal Credit

- You will be sent a Migration Notice. [A Move to UC Guide with Chelsea \(youtube.com\)](#)
- You will have 3 months to apply for Universal Credit
- Your ESA will stop after those 3 months, even if you don't apply for Universal Credit.
- Get help to apply – it's done online



ESA moving to Universal Credit

- If you are already in the ESA Support Group, you will go into the Limited Capacity for Work-Related Activity Group (LCWRA)
- If you are already in the ESA Work-Related Activity Group, you will go into the Limited Capacity for Work Group (LCW)



Proving Identity and Work-Focussed Interviews

You might be asked to go to the Job Centre to show identity documents.

You might also be invited to ‘Work Focused Interviews’ (WFI) with a Work Coach from Jobcentre Plus.

You will not be expected to apply for jobs, but the interview will cover possible ways to find work, including education, training and rehabilitation.



How much is Universal Credit?

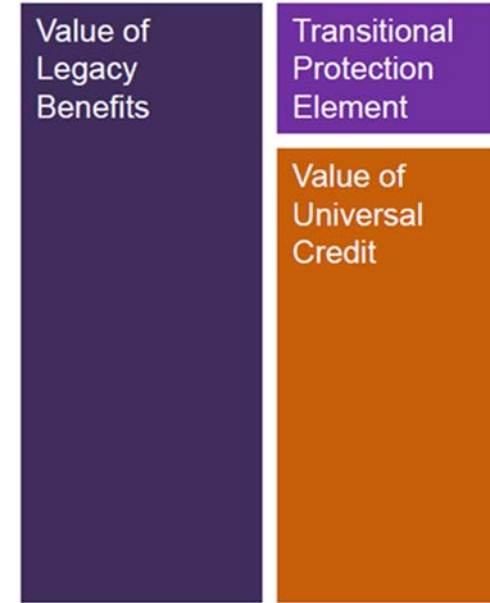
- The basic allowance is £311.68 a month – Under 25 or £393.45 a month if 25 or over.
- There is an extra £416.19 a month if in LCWRA Group
- There is an extra £156.11 a month for some people in LCW Group
- It also includes your rent (but if in supported accommodation, the rent will come from local Council as housing benefit instead)



Will my money go up or down?

- Some people will get a bit more under UC than they did under ESA
- Some people will get the same
- Some people will get less BUT will then get an extra payment (called 'transitional protection') which will stop their money being reduced.

[Transitional Protection for UC Migration from Legacy Benefits \(youtube.com\)](https://www.youtube.com/watch?v=...)



Transitional Protection for UC Migration from Legacy Benefits

How is Universal Credit paid?

- It is normally paid into a bank account every month, based on the date you apply.
- For example, if you apply on October 3rd., your first payment would be November 10th, and then the 10th of every month after that.
- To help you in those first 5 weeks, the Job Centre can loan you a month's money, which you repay over the next 2 years.
- If you find it hard to deal with monthly pay, you can ask to be paid every 2 weeks instead.



Working and Universal Credit

There isn't one easy answer when it comes to moving into work!

How old the person is?

How much they will be paid?

Which benefits they currently get?

Where they are living – at home, or supported accommodation or somewhere else?



Working and Universal Credit

An example. Alexa is 23 and gets Universal Credit at present, and is seen by DWP as having 'limited capability for work and work-related activity' (LCWRA). Alexa lives with parents. She is offered a job paying £500 a month.

Her current UC is £311.68 a month for herself and £416.19 for having LCWRA = £727.87 a month plus PIP.



- **Alexa can earn up to £673 a month before she loses any universal credit at all.**
- **If she is renting, she can earn up to £404 a month before she loses any UC.**
- **After that, she loses 55p for every extra £1 per month earned**



That's all Folks!

Any Question?