

Universal Credit: A Quick Guide to Managed Migration

15th February 2024

1. The Background Universal Credit is a DWP benefit. It is designed to provide people of 'working age' (aged under 66) with a minimum amount of money for day to day living and to help them with their rent payments. It was introduced as a replacement for six, so called, 'legacy benefits' on the understanding that having only one benefit (instead of six) would 'simplify' at least part of the benefit system. The challenge has been how to move the millions of existing claimants of 'legacy benefits' on to Universal Credit. A system of 'natural migration' and 'managed migration' have been introduced to accomplish this task. Under 'natural migration' people who have historically been getting 'legacy benefits' have been required to apply for Universal Credit upon a relevant change in their circumstances. Whereas, under 'managed migration' DWP will be writing to people inviting them to make the switch.

2. When? We now know that 'managed migration' will start to impact on households in Wolverhampton (and surrounding areas) from **19th February 2024** from which point those getting Child Tax Credit / Working Tax Credit will be contacted first. Those receiving other 'legacy benefits' will then be contacted and expected to make the move later in the year.

3. How? The process of 'managed migration' will start by a person being sent a 'migration notice'. They will then have **THREE MONTHS** in which to apply for Universal Credit. If they fail to do so, then their 'legacy benefit' entitlement will end. Whilst a person may, of course, seek to apply for Universal Credit at some point in the future when they do the normal Universal Credit qualifying rules will apply. This could have real consequences for some student and those who get Child Tax Credit / Working Tax Credit and have savings / capital over £16,000 because of the way the rules operate.



The Legacy Benefits are Child Tax Credit, Working Tax Credit, Income-based JSA, Income-related ESA, Income Support and Housing Benefit. The following are **NOT** 'legacy benefits' - Personal Independence Payment, Disability Living Allowance, Attendance Allowance, Carer's Allowance, Pension Credit, Child Benefit, Guardian's Allowance and Council Tax Support.



The overriding concern is that many vulnerable and disadvantaged people may not be sufficiently equipped to engage in the 'managed migration' process or will simply not engage and thereby end up in significant financial difficulties.

Please see our [Benefits Bulletin 6: Manged Migration](#) for more information.

4. Claiming Universal Credit

When people are expected to apply for Universal Credit they will normally have to do so online. The Citizens Advice 'Help to Claim' team on 0800 1448 444 can assist people with this. However, if a person receives a 'migration notice' and they are not able to apply then they should ring the Universal Credit Helpline on 0800 169 0328 where they may be directed to a local organisation that can support them to make a claim or they may allow them to apply by phone. Moreover, a person should contact the Universal Credit Helpline if they need more time to apply.

5. Two Week Run-On When a person applies for Universal Credit, their first payment will not be made until one month plus a week later. To support people through this period it has been agreed to pay them two weeks extra 'legacy benefit' entitlement beyond the date when they apply for Universal Credit. If they need extra support because they cannot manage financially until their first Universal Credit payday, then they can apply for an [Advance Payment](#) - an advance of Universal Credit that will need to be repaid from deductions from their future Universal Credit payments.

6. Transitional Award If it transpires that the cumulative amount of a person's 'legacy benefit' entitlement is greater than the total value of their Universal Credit entitlement, then the DWP will include a 'transitional element' payment, in an attempt to make sure that at the point of transfer the person is no worse off.

7. Tax Credit Claimants Universal Credit is not normally available to people who have over £16,000 in savings (money in a bank/building society account) / capital (a second property or holiday home). However, Child Tax Credit / Working Tax Credit had no such rule. Under special transitional protection rules, tax credit claimants with over £16,000 in saving / capital will be allowed to apply for Universal Credit. Under the 'managed migration' rules any savings/capital above £16,000 will be ignored for 12 months.

8. Students Universal Credit is normally only available to students in very limited situations. However, if the person who is being expected to apply for Universal Credit under 'managed migration' is a student and getting Child Tax Credit and/or Working Tax Credit, then they will be able to apply for Universal Credit under special transition protection.

9. Rent Direct If a person has had their Housing Benefit paid direct to their landlord because of historic rent arrears or because it was considered that they would not reliably be able to pay their rent, then in the switch over to Universal Credit these

arrangements will stop. However, if the person remains in significant rent arrears or concerns remain about their ability to pay their rent then they can apply for Universal Credit to pay their rent direct to their landlord. See [Alternative Payment Arrangement](#) scheme for further details.

10. Claimant Commitment Under Universal Credit people will need to agree a [Claimant Commitment](#) which will outline what (if any) 'work-related requirements' will be expected of them as a condition of their on-going Universal Credit entitlement. Under this people may be asked to take part in Work-focused Interviews with Job Centre staff and to look for work / be available for work. What may be required depends upon a person's health, caring responsibilities and whether or not they are already working.

11. How Best to Prepare? It is important that those on 'legacy benefits' prepare by making sure that they are not missing out on any 'legacy benefit' entitlements. They need also to ensure that they are not missing out on any disability or carers benefits such as Disability Living Allowance (for a disabled child) or Personal Independence Payment (for themselves or their partner) or Carer's Allowance if they are a carer. It is also important to realise that as part of the Universal Credit claim, people will need to verify their income, rent and landlord details as well as their own identity. Please see this [LINK](#) (claiming Universal Credit and what a person needs to apply) and [LINK](#) (verifying identity) for more information.

People living in Wolverhampton may contact the Benefits Helpline for information and advice on benefits

Telephone: 07966 292321

wrs.benefitshelpline@wolverhampton.gov.uk

Monday to Friday between 10.00 am and 12.00 pm (noon).

Welfare Rights Service
Specialist Support Team
City of Wolverhampton Council
WRS@wolverhampton.gov.uk