

## **Universal Credit Managed Migration and Transitional Protection** **Policy Briefing**



Universal Credit was passed as part of the Coalition Government's welfare reforms in the Welfare Reform Act 2012, merging the six largest working-age benefits into a single payment. As of July 2018, one million claimants are on the system. [Analysis by The Trussell Trust](#) has found an increase in demand for foodbanks in areas of full Universal Credit rollout even when accounting for seasonal and other variations.

There are some positive things the Government has already announced, like the run-on of housing benefit and transitional protection (where no claimant will get less on UC than their old benefits if they claim correctly).

**We are seriously concerned, however, that the plans for the next stage of Universal Credit – known as managed migration – and the ease with which transitional protections can be lost will lead to more people needing the support of foodbanks.**

### **What you can do**

Please write to the Secretary of State for Work and Pensions, Esther McVey, calling on her to:

- Take responsibility for moving claimants over to Universal Credit and minimise income breaks.
- Expand and strengthen Universal Support to make sure it is available and targeted in preparation for managed migration.
- Publish a schedule for the next stage of Universal Credit, ensuring there are opportunities to review the process and make changes whilst it is underway if they are needed.
- Ensure Transitional Protection applies to all who need it, particularly disabled people and larger families who stand to lose the most from Universal Credit.

### **Managed Migration**

The next stage of Universal Credit will see three million existing eligible claimants move manually over to Universal Credit starting from 2019, in a process called 'managed migration'. Some of the country's most vulnerable people will be affected in this process: a third currently claim Employment Support Allowance, while working families will also make up a significant proportion. The overall managed migration timetable is due to start September 2018 and finish in 2021.

The government's proposals are set out in the draft Universal Credit (Transitional Provisions) (Managed Migration) Amendment Regulations 2018 and are focused on how existing claimants will move onto Universal Credit and what they need to do and how much they will receive under Universal Credit. The Social Security Advisory Committee (SSAC) has consulted on the proposals and we expect the regulations to be laid in October.

We are concerned that the managed migration process will push people into the desperate position of needing the support of a foodbank. To ensure this isn't the case, the Government must do three things:

**1. Take responsibility for moving claimants over to Universal Credit and minimise income breaks.**

Under the current proposals, the responsibility for moving onto Universal Credit manually is left to the claimant. Claimants will receive a 'migration notice' telling them they have a month to make a claim. If they do not make their claim within this time, their existing claim will be terminated and they will not receive any benefits at all.

There is flexibility for this period to be extended, or for applications to be face-to-face or over the phone, if it is identified that claimants have additional needs, like disability or caring duties. However, there is no clarity on how the DWP will identify vulnerable people. This means the onus will likely be on the claimant to provide 'good reason' for delaying or missing the deadline day for applying to UC. If they can't provide a good reason, their claim will be invalidated and they'll have to make a brand new claim with no transitional protection.

It does not have to be like this. The final regulations must ensure people aren't left with no income, either by automating the process using existing benefit data or by another method.

**2. Expand and strengthen Universal Support to make sure it is available and targeted in preparation for managed migration.**

Claimants will be given migration notices and information about additional support to claimants 4-6 months in advance of the notice being issued. However, the Department has not laid out what support will be offered. Currently, [evidence from foodbanks](#) suggests Universal Support is not consistently available to people in need of digital or budgeting advice.

Managed migration will mean many more people need support moving onto the system and so Universal Support must be fit for purpose, well funded, and include advice for debt and benefits issues. A significant proportion of the caseload moving to Universal Credit via managed migration will have issues with digital literacy or access, will be unfamiliar with the new system, and be particularly vulnerable. Furthermore, many claimants, particularly people on ESA and families on tax credits, will need additional, proactive support to ensure they can manage their claim effectively.

**3. Publish a schedule for the next stage of Universal Credit, ensuring there are opportunities to review the process and make changes whilst it is underway if they are needed.**

It's crucial that in line with their 'test and learn' approach so far, the Government builds a schedule for how the next stage of rolling out Universal Credit will look, ensuring there are opportunities to review the process and make changes whilst it is underway if they are needed.

## **Transitional Protection**

Transitional protection addresses Universal Credit's lower payment levels for groups like disabled people and families and must be protected as much as possible. Under the current proposals, it can be lost if the household needs to make a new claim, or if earnings break a set threshold. This is a significant disincentive for work and undermines the principles Universal Credit is based on.

Disabled people lose out most if this protection is withdrawn, and we know this group is disproportionately likely to need a foodbank. People in insecure work, a significant proportion of whom are families with children, will also be affected disproportionately as they have unstable earnings.

If earnings increase and a person is no longer eligible for UC for 3 months, the claimant will not get transitional protection, even if they would be eligible under the old system. This is particularly worrying as difficult life events, like a relationship breakdown, can trigger a new claim and leave vulnerable people much worse off.

**The Government must ensure Transitional Protection applies to all who need it, particularly disabled people and larger families who stand to lose the most from Universal Credit.**

Transitional protection must apply for as long as possible – people shouldn't be pushed into crisis because they can't get the income they need. Anyone making a UC claim under managed migration should be transitionally protected for at least a year, and not lose their transitional protection if their underlying needs don't change.

## **Contact**

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## **About us**

The Trussell Trust is an anti-poverty charity that runs a network of over 420 foodbanks providing a minimum of three days' worth of nutritionally-balanced emergency food and support to people in crisis across the UK.

During April 2017 - March 2018, foodbanks in our network provided 1,335,952 three day emergency food supplies to people in crisis across the UK, a 13% increase on the previous year. Of these, 484,026 went to children.

Benefits issues are the most common reason for referral to a Trussell Trust foodbank and acute or chronic low income has been identified as the underlying reason for referral to a foodbank. Analysis by The Trussell Trust has found an increase in demand for foodbanks in areas of full Universal Credit rollout even when accounting for seasonal and other variations.