



Universal Credit and Students

Advanced Course – delegate slides

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November 2024

What is UC? (re-cap)

- UC is a single **means-tested** benefit – paid to individuals or couples
- For people of working age
 - Some 16/17 year-olds in special circumstances
 - Below Pension Credit Age (unless mixed aged couple rules apply)
- It's paid to people both in and out of work
- It consists of different elements depending on the circumstances
- Capital limits apply
- Residence / immigration conditions must be met
- **Must not be 'Receiving Education'**

What does UC replace? (re-cap)

Income-based jobseeker's allowance (IB JSA)

Income-related employment and support allowance (IR ESA)

Income support (IS)

Child tax credit (CTC)

Working tax credit (WTC)

Housing benefit (HB)

UC does
NOT
replace

Contribution-based (New-Style) JSA (NS JSA)

Contribution-based (New-Style) ESA (NS ESA)

State Retirement Pension (SRP)

Pension Credit (PC)

SMP / SPA / SAP

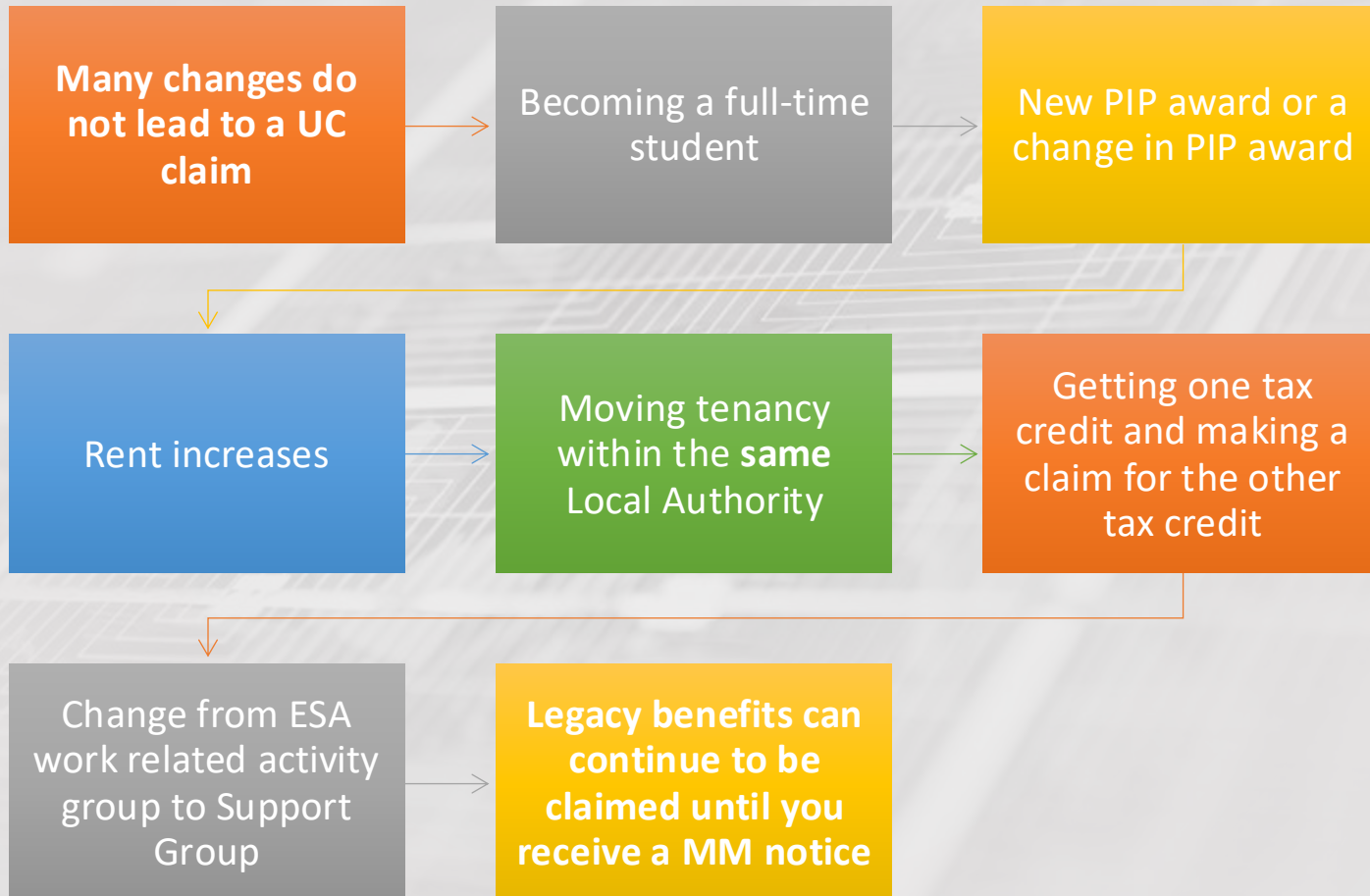
Child Benefit

Disability benefits e.g. PIP / DLA / AA

Many other contributory benefits

UC can be claimed alongside these e.g. for housing element

Migration on to UC from legacy benefits (natural)



UC & students: 'Receiving Education'

A student is classed as 'receiving education' if they are:

1. On a full-time course of **advanced** education (e.g. degree / postgrad / HND)
2. On another full-time course for which a loan, grant or bursary is provided for **maintenance**
3. A qualifying young person (QYP) in **non-advanced** education for min 12 hours p/w (unless without 'parental support')
4. Not in one of the above categories but on a course not compatible with your work-related requirements

YOU USUALLY CANNOT CLAIM UC, BUT SOME EXCEPTIONS APPLY...

Non-advanced courses

- AS / A Levels
- BTEC Levels 1-3
- NVQ Level 3
- National Diploma

* Those courses that do not lead to a formal qualification

** Apprenticeships / traineeships / WRR courses / 'relevant training scheme' – all **NOT** non-advanced (so don't preclude UC)

Advanced courses

Postgraduate courses (e.g. Masters)

Undergraduate degree

Foundation degree

HND's (BTEC Level 5)

HNC's (BTEC Level 4)

NVQ Level 4



Students on full time advanced courses

- Can claim UC if they fit into one of the following 4 categories:
 1. Living with a partner who can claim UC
 2. Responsible for a child / QYP either as lone parent or part of a couple
 3. Qualifying disabled student
 4. Claim UC under managed migration rules

Part-time advanced

- No automatic right to claim UC as a parent student
- Likely to receive student maintenance loan so classed as 'receiving education'
- To claim UC must show course is compatible with WRR
 - Either in conditionality group that enables time for course completion or;
 - Work coach agrees course counts towards work preparation

Full time non- advanced

- Those courses that do not lead to any formal qualifications
- Do not normally have student loan provided
- QYP (aged 16 – 19) on course for more than 12 hours p/w classed as 'receiving education'
- Can claim UC if:
 - under 21 & without 'parental support' or;
 - responsible for child/QYP or;
 - qualifying disabled student
 - If none of the above, course must be compatible with WRR – at discretion of WC
- Similar rules for those on p/t non-advanced courses

Those 'receiving education' who can claim UC (1)

Living with a partner:

- who is either not a student, or;
- Is a student themselves & one of the the couple fits into one of the other categories of student that can claim, e.g. one of them is responsible for a child or QYP who lives with them
- Always ask a student if they have a partner & then consider whether they could claim as a couple because of partner's entitlement

Those 'receiving education' who can claim UC (2)

Responsible for a child or QYP who lives with them (either as a lone parent or as part of a couple)

- Lone parents can claim UC. WRR may apply depending on age of child
- Student couples may be able to claim UC if one of them is responsible for a child / QYP

Those 'receiving education' who can claim UC (3)

Qualifying disabled student

- Must be receiving PIP / DLA / AA
- Have limited capability for work (LCW) **before** the course start date
- If they don't have LCW/RA before the course starts from a current UC claim and work-capability assessment (WCA), or an IR-ESA, NS-ESA or credits only ESA claim, they cannot claim UC
- Important to note a WCA takes at least 3 months for UC, longer for ESA

Those 'receiving education' who can claim UC (4)

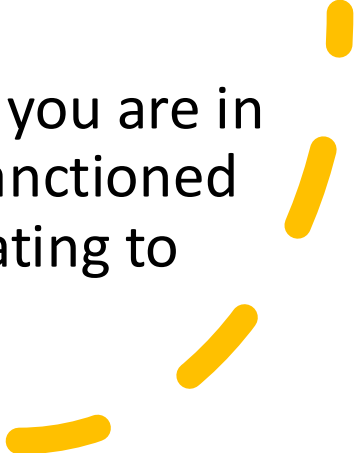
Managed Migration

- Receives a managed migration (MM) notice and claims UC by the deadline
- This is relevant to current tax credit claimants & other legacy benefit claimants who would not ordinarily qualify for UC
- They should receive the transitional element (TE) to ensure they're not worse off on UC (if claimed under MM)

Those who may be able to claim UC

- Those who have taken time out from their course because of illness or caring responsibilities, but the illness / responsibilities have ended, and they are waiting to rejoin their course, and they are not eligible for a loan or grant
- Work requirements will apply during the wait

What is LCW/RA?

- LCW/RA decides the status that you are 'not fit for work'
 - Determined by a work-capability assessment (WCA) including a questionnaire
 - LCW – may be required to do work-related activity but not look for work (WFI's)
 - LCWRA - no work-related requirements (WRR) & pays an extra amount in your UC
 - You cannot be sanctioned if you are in the LCWRA group (can be sanctioned if do not complete tasks relating to LCW)
- 

WRR groups / Conditionality

4 groups

- all work requirements
- work-focused interviews
- work preparation
- no work requirements
- Disabled students – no work requirements if LCWRA applies
- Work-focused interviews for those with LCW
- WRR may apply during the periods that student income is not taken into account e.g. summer vacation
- Lone parents no WRR if child under one
- Some p/t courses not compatible with WRR so classed as 'receiving education'



Managed Migration & Transitional Protection

- All legacy benefit claimants will be migrated onto UC by end of 2025
- Transitional protection (TP) – UC matches the amounts of legacy benefits, so you don't lose out upon migration (eroded over time)
- Managed migration for current TC claimants – completion by April 2025
- Wait until contacted by DWP, do NOT make claim yourself – lose protections
- Students are protected – inc. those who don't ordinarily qualify for UC

Case Study - Michael

Michael is in his second year at University. He gets Housing Benefit to help him pay his rent. He is entitled to claim HB as a disabled student because he gets Personal Independence Payment.

When Michael receives his 'migration notice' he makes a claim for UC.

Usually, a student in Michael's situation would not be entitled to claim UC – to qualify for UC as a disabled student the claimant has to be BOTH in receipt of PIP **AND** also have been found to have a limited capability for work **before** their course started.

But because of the protection given by the government to students in this position, Michael will be treated as eligible to claim UC. **Transitional protection will apply.**

(Advise Michael to apply for NS ESA (credits only claim) to get WCA to get LCWRA to give rise to the transitional element (TE) before he receives MM notice)

Q's to ask students

Do they have a partner, if yes, what do they do?

Do they have dependent children? How old?

Are they getting disability benefits? Do they have LCW/RA?

What course are they on? What qualification will it lead to? Is it full or part time?

What would their WRR be?

Student income

Possible awards of student income – not all paid at the same time

- Maintenance loans / grants (reduced based on household income)
- Additional grants
- Special Support Element (SSE) *for some people
- Learning Support Fund (some health care courses)
- Bursaries (e.g. social work, NHS)

What counts as income for UC?

If entitled to a student loan for living costs (maintenance loan / grant)

Maintenance loan (less £4'221 SSE)

30% post-grad / masters loan

Adult Dependents Grant

Some hardship fund payments

What counts as income for UC?

Disregarded:

- SSE
- DSA
- Tuition fee loan
- 70% of PG / Masters loan
- Parents Learning Allowance
- Childcare grant
- NHS Bursary / LSF
- Social work bursary

*Even if student decides not to accept the loan, will be treated as having taken it – 'notional income' (*exceptions may apply)*

PLUS: any other income e.g. wages, capital etc

Regs 68(4) and 70 UC Regs 2013

Special Support Element (SSE)

- Paid to single parents; those on certain means tested benefits or those with disabilities
- Forms part of the maintenance loan
- £4'221 in 2023/24 / £4'327 24/25
- Disregarded for purposes of claiming means-tested benefits e.g. UC or HB
- Intended for costs of books, travel, equipment
- Recognised as having costs due to extra needs (e.g. disability)

Maximum loan for living costs for students eligible to claim benefits 2024/25

	Special support element	Maintenance element*	Total maintenance loan
Parental home	£4'327	£5'831	£10'158
London	£4'327	£10'230	£14'557
Elsewhere	£4'327	£7'331	£11'658

*lower maintenance element in final year

The process of calculating student income for UC

Annual amount divided over the number of UC monthly assessment periods (MAP) in the course year

Student income counts from the **start** of the MAP in which the course year begins

Student income is **ignored** in the MAP in which the last week of the course or the start of the long vacation falls *and*

In any assessment periods that fall completely within the long vacation (usually the summer hols)

Monthly Assessment Period (MAP)

- A claimant's MAP is determined by the date of claim for UC
- E.g. claim for UC made 6th Nov. MAP runs from 6th Nov – 5th Dec
- UC pay day is 7 days later – 12th Dec
- Monthly pay date is then 12th every month
- Income from student loan, earnings, capital etc is calculated within each MAP so whatever a claimant has earned within that MAP will be used for that month's UC calc
- It includes whatever is reported by the last day of the MAP

UC monthly calculation for students

step by step

1. STEP ONE

Work out what income is to be taken into account for UC

2. STEP TWO

Work out maximum UC entitlement for that individual before any income is considered

3. STEP THREE

Deduct the income from step 1 from the maximum UC amount in step 2

(each step has multiple sub-steps 😊)



STEP 1

1. Step 1/1:

Identify loans and grants that count as income for UC

2. Step 2/1:

Divide over the number of assessment periods

3. Step 3/1:

Disregard £110 per assessment period (standard disregard for UC)

(Step 4 is to add any other income here e.g. wages)

Step 2 – calculate the max UC entitlement

Standard Allowance - £393.45 (2024/25)

Child Responsibility Elements - £287.92 (born after 06/04/17)

Disabled Child Elements (DCE) - £156.11 / £487.58

Limited Capability for Work/Work Related Activity Element - £416.19 (£0 for LCW after 2017)

Carer Element - £198.31

Child Care Cost Element – variable (up to 85% / max)

Housing Element (eligible rent or mortgage interest) – variable

Step 3 – calculate monthly UC

What is Lila's maximum UC?

£1547.56

Minus

Her income (student income calculated earlier)

- £1168.75

= £378.81 UC per month

(BEFORE benefit cap, sanctions, deductions)


UC & Students

Issues with
claiming


Appeals &
resolutions

Practical
implementation
issues
What can
you/your
organisation
offer?

1. Students experiencing financial difficulties **prior to claiming UC**
2. **Making a claim** – support to get proof of breakdown of student finance, rent liability, payment of rent and occupation of the tenancy verified?
3. **Waiting** for the first payment of Universal Credit – students with no money?
4. Students struggling to manage with being paid Universal Credit **monthly in arrears?**

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Specific issues affecting students

- Restrictions for disabled students on being able to make a claim
 - Claiming UC over the summer – WRR / closed claims
 - Calculation of student income routinely incorrect
 - Misinformation and wrong advice by UC work coaches and UC service centre
- 
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How to claim UC

- Must be online

www.gov.uk/universalcredit

Citizens Advice Help to Claim Service for those who need support to make a claim

National helpline 0800 144 8 444

Support in local jobcentres

www.citizensadvice.org.uk/helptoclaim

- **Must attend Jobcentre** interviews to agree claimant commitment and verify ID

Waiting to be paid UC - advance payments

- Claim up to 100% of expected entitlement
- Must evidence “financial need” (unless transferring from legacy benefits)
- Recovered over 24 months
- Can delay repayment for three months if in hardship (not at point of claim)
- <https://www.gov.uk/guidance/universal-credit-advances>

Discretionary Housing Payments (DHP)

Available to UC claimants who have a rent liability and eligible for a housing cost element

Available to HB claimants

DHP can be paid to a tenant who has a managed payment to the landlord in place

When it
goes
wrong....

Escalation routes

General queries - get the email address and mobile phone number of your area DWP Partnership Manager

Individual claimant escalation – local jobcentre plus work coach team leader

Specialist advice – www.cpag.org.uk

Feedback issues & campaign request

- www.rightsnet.org.uk
- www.cpag.org.uk – early warning system, judicial reviews
- Disability Rights UK is campaigning for UC to be payable to disabled students
- Leigh Day law firm
- www.housingsystems.co.uk

Relevant legislation

- Universal Credit Regulations 2013
- Regs 68, 70
- Universal Credit (Exceptions to the Requirement not to be receiving Education) (Amendment) Regulations 2020 (the “2020 Regulations”)
- Universal Credit (Exceptions to the Requirement not to be receiving Education) (Amendment) Regulations 2021 (the “2021 Regulations”)
- Managed migration protection for students - Reg 60 of The Universal Credit (Transitional Provisions) Regulations 2014

Follow-up from me

For any questions post course attendance (for up to 3 months) please email me at:

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