

Claimant loses entitlement to legacy benefits before they claim Universal Credit

In between receiving a migration notice and making a claim to Universal Credit, claimants may have a change in personal circumstances that leads to them losing entitlement to some or all of their legacy benefits.

Legacy benefits are:

- Child Tax Credit (CTC)
- Working Tax Credit (WTC)
- Housing Benefit (HB)
- Income Support (IS)
- Income-based Jobseeker's Allowance (JSA IB)
- Income-related Employment and Support Allowance (ESA IR)

Loss of entitlement to all legacy benefits

Claimants who have a nil entitlement to all of their legacy benefits the day before they make their Universal Credit claim are then not entitled to transitional protection.

As the claimant had a nil entitlement the day before they claimed Universal Credit, there is no legacy award to use in the transitional protection additional amount calculation.

Claimants who are students are not entitled to the student disregard as they were not meeting any legacy benefit study requirements the day before they claimed Universal Credit.

As there was no entitlement to Tax Credits the day before they made their Universal Credit claim, they are not entitled to the transitional capital disregard.

For self-employed claimants who were not entitled to any of the migrating legacy benefits the day before they claimed Universal Credit, the normal Universal Credit self-employment rules will be applied.

Loss of entitlement to some legacy benefits

Claimants who lose entitlement to some but not all of their legacy benefits will still have an award of legacy benefit the day before they claim Universal Credit.

They will have entitlement to the transitional element if the total award of any existing benefits, the day before they claimed Universal Credit was greater than their notional Universal Credit award.

Students will also be entitled to the student disregard.

Claimants in receipt of Tax Credits the day before they claimed Universal Credit, will be entitled to the capital disregard.

If there was no entitlement to Tax Credits the day before they claimed Universal Credit, they will not be entitled to the capital disregard.