

# **Equality Analysis for Move to UC Scaling Phase for Working Age Benefits**

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**DWP** Department for  
Work and Pensions

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## **Universal Credit Move to UC**

### **Introduction**

1. This document records analysis undertaken by the Department for Work and Pensions (the Department) to enable Ministers to fulfil the requirements placed on them by the Public Sector Equality Duty (PSED) as set out in section 149 of the Equality Act 2010. The PSED requires the Minister to pay due regard for the need to:
  - eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act;
  - advance equality of opportunity between people who share a protected characteristic and those who do not; and
  - foster good relations between people who share a protected characteristic and those who do not.
2. The protected characteristics are:
  - age;
  - disability;
  - gender reassignment;
  - pregnancy and maternity;
  - race;
  - religion or belief;
  - sex;
  - sexual orientation; and
  - marriage and civil partnership;
3. In undertaking the analysis that underpins this document, where applicable, the Department has also taken into account the United Nations Convention on the Rights of Persons with Disabilities, and in particular the three parts of Article 19 which recognise the equal right of all disabled people to live in the community, with choices equal to others, and that the Department should take effective and appropriate measures to facilitate full enjoyment by disabled people of this right and their full inclusion and participation in the community.
4. In addition, the Department has also taken into account the United Nations Convention on the Rights of the Child<sup>1</sup> and, similarly, has paid due regard to the 'Family Test' in assessing the potential impacts on children and families.

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<sup>1</sup> United Nations Convention on the Rights of the Child, [https://downloads.unicef.org.uk/wp-content/uploads/2010/05/UNCRC\\_PRESS200910web.pdf?\\_ga=2.240544259.1404983385.1521469020-2144911637.1521469020](https://downloads.unicef.org.uk/wp-content/uploads/2010/05/UNCRC_PRESS200910web.pdf?_ga=2.240544259.1404983385.1521469020-2144911637.1521469020)

## **Brief outline of policy or service**

5. One of the main elements of the Welfare Reform Act 2012 was the introduction of Universal Credit (UC). UC:
  - improves work incentives by removing the need to claim different benefits and reducing the risks associated with moving from benefits into employment.
  - simplifies the way legacy benefits are calculated and delivered by replacing income-based Jobseeker's Allowance (JSA(IB)), Housing Benefit (HB), Child Tax Credit (CTC), Income Support (IS), Working Tax Credit (WTC), and income-related Employment and Support Allowance (ESA(IR)) into a single credit for people both in and out of work.
6. As announced to Parliament on 5<sup>th</sup> December 2013, the Department reshaped its approach to UC roll out:
  - to widen the Gateway Conditions and extended the original Live Service areas to new postcode districts; and
  - to start testing and learning from, the introduction of an enhanced online digital service<sup>2</sup> (Full Service), which would replace Live Service and deliver the full scope of UC for the full range of claimants' circumstances.
7. Since this announcement, the 'test and learn' approach to the implementation of Full Service has continued and has been fully rolled out across Great Britain since December 2018.
8. As Full Service is now completely rolled out, it is now not possible to make new claims to legacy benefits, unless a claimant lives in temporary or specified accommodation where a new claim for Housing Benefit can be made. As a result, all new claims for benefit should be made to UC.
9. In July 2019, the Department introduced a pilot in Harrogate to test the full managed migration process on a small scale. This was suspended in March 2020 due to the Covid-19 pandemic.
10. The Department resumed migrating claimants to UC via the Discovery Phase which began in May 2022. This started testing the Move to UC processes on a small scale, in a number of places across the UK. This was in order to learn and evaluate how to assist people in moving to UC safely and to make sure that the processes and systems for doing so serve our claimants as efficiently as possible.
11. This 'test and learn' approach has allowed the Department to tailor processes

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<sup>2</sup> From 26<sup>th</sup> November 2014.

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where necessary before larger volumes of claimants are managed migrated to UC.

### **Legacy Working Age Benefit Migration to Universal Credit**

12. From April 2024, The Department will start issuing migration notices to initiate the migration of around 400,000 households who are in payment of working age benefits and in receipt of Job Seekers Allowance Income Based (JSAIB), Income Support (IS), Working/Child Tax Credit (WTC/CTC) and Housing Benefit (HB), Housing Benefit only and Pension Tax Credit to UC.
13. We will consolidate our learning of migrating these claimant types ensuring all preparations are in place to undertake this at the forecast scale, ensuring the required automations, operational capacity and stability are in place to support the commencement of these migrations at scale.
14. The Department will build on its collective experience of around 325,045 Tax Credit claimants who have already moved onto UC as part of the Move to UC scaled migration and 1,422 Working Age benefit claimants who have moved to UC as part of our Discovery Phase. (Note: figures are as of 7<sup>th</sup> March 2024)
15. The Department will also employ its learnings from the previous Discovery phase around:
  - the degree to which different groups of claimants need support to successfully make their claim;
  - what will motivate people to move and make a UC claim;
  - how accurately we can calculate and pay their award, including transitional protection;
  - what we need to have in place in order to scale our ability to identify people, deliver support and calculate and pay the UC award, including transitional protection.
16. Prior to commencing the Move to UC Discovery Phase in May 2022, an Equality Analysis was conducted. This analysis examined the potential equality impacts of the decision to resume Move to UC on a small scale, specifically focusing on the impact this decision would have on the benefit claimants residing in the locations involved in this phase.
17. The Department also produced a separate Equality Analysis for scaling up the migration of Tax Credit only claimants from April 2023 .
18. A separate Equality Analysis will be prepared for the migration of claimants in receipt of HB and ESA(IR) only to UC which has been delayed to 2028 as announced in the Autumn Statement 2022.

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19. This document provides the Equality Analysis for the migration of Working Age Benefit claimants at scale to UC which is due to begin in April 2024. The analysis also covers claimants who are self-employed.
20. The Department is currently reviewing the deferrals policy because access to certain legacy benefit will end in 2025. The updated Deferrals Equality Analysis outlining the implications of excluding or deferring claimants from moving to UC from April 2024 will be issued once this process has been concluded.

### **Locations**

21. The Department will select claimants to be migrated to UC across Great Britain based on a random criterion.
22. The Department will issue migration notices to claimants by post informing them of the need to move to UC by a specific deadline. In addition to this it will provide additional support based on our learnings from the Discovery phase to help people to make a successful claim to UC.
23. The Department will 'stand up' dedicated teams within Service Centres to track the claimants' journey and provide more intensive support. There will also be a dedicated phone line to support claimants who require additional support. Those in need of further support can also visit their local jobcentre to seek further advice and guidance, where the staff will have been specifically trained and prepared for this work.
24. Where a migration notice has been issued, and the claimant moves out of GB to Northern Ireland, the Department will continue to support the claimant remotely to enable them to migrate to UC safely and successfully.

### **Transitional Protection**

25. The Transitional Protection policy will be applied to all protected characteristics within this Equality Analysis. These are designed to ensure an eligible claimants' entitlement to a previous legacy benefit is maintained, even though this may be for a short period of time. Therefore, there will be no disproportionate impact on any group.

### ***Transitional Element***

26. Transitional Protection, in the form of a Transitional Element (TE), will be provided to eligible UC recipients who have made their claim to UC as part of the Department's managed migration of legacy claimants. TE is an additional element of a claimants UC award that ensures that these claimants will not be entitled to

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less UC than had been their final entitlement of legacy benefits, at the point they claimed UC as a result of being moved to UC by the Department so where their circumstances have remained the same.

27. The TE will be calculated by comparing a household's total monthly legacy benefit and tax credit entitlement at the point of migration, the day before UC entitlement arises, with the indicative amount a household would be entitled to UC based on the same circumstances on that day. Where the UC amount is lower, TE will be awarded to make up the difference.
28. The TE is not intended to be an indefinite award of benefit. It can therefore erode if the claimant's underlying UC benefit increases; that includes when another UC element, other than the childcare costs element, is added to their UC award or an existing element increases. The TE will also end where there is a significant change in the claimant's circumstances, these are where:
- UC has terminated;
  - there is couple formation or separation; and/or
  - earnings (single/ joint UC claim) fall below the Administrative Earnings Threshold (AET), which is the administrative distinction between being in work and out of work and ensures that only claimants on no income or very low income will receive intensive support, for more than 3 months.<sup>3</sup> This is only applied when the earnings had been above the AET in the first Assessment period of the award and subsequently fall below that original level for in 3 consecutive assessment periods.
29. This approach ensures that claimants eventually move to their new rate, in line with brand new claimants to UC in the same circumstances, but without seeing any reductions in their award. Subsequent decreases in the UC award due to earnings, will not affect the TE amount, ensuring that work incentives are protected.
30. All claimants managed migrated to UC are assessed to determine if they are eligible for TE. However, there are small groups of claimants whose specific circumstances mean they may or will have a lower entitlement in UC even though TE is available. These circumstances are outlined in **annex A**.
31. In general, the Move to UC will be beneficial for the majority of claimants, with an estimated 55% of claimants eligible to gain if they choose to make a claim. Transitional Protection will be applied for those with lower notional entitlements.

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<sup>3</sup> This is applied when the earnings had been above the AET in the first Assessment period of the award.

***Self-employment and the Minimum Income Floor (MIF)***

32. Another transitional protection is available to self-employed claimants. This allows self-employed claimants who are managed migrated to UC and are found to be 'Gainfully Self-Employed', the ability to:

- enter the 12-month Start-Up period; and
- not have the MIF<sup>4</sup> applied to their UC award until the Start-Up period has ended.

33. This protection applies regardless of how long claimants have been self-employed prior to being managed migrated and also includes claimants who are self-employed and were not gainfully self-employed when they made their UC claim but were found to be gainfully self-employed later.

34. It is designed to give such claimants time to grow their business before the MIF is applied. Once the Start-Up period ends, these claimants would be subject to the MIF and their overall UC award (which may include a transitional element) would be reduced accordingly.

***Claimants in education***

35. The final transitional protection applies to claimants who are receiving a legacy benefit but are also in education<sup>5</sup>. These claimants would not normally meet the UC basic conditions that they 'are not receiving education' when they migrate but provision has been made so they will be treated as having met these conditions when they make a UC claim. This also will mean any of the other Transitional Protections will also apply to them, where applicable.

36. However, the protection ends where the UC award ends, unless the TE is re-applied. As a result, it can be re-applied where a claimants UC award terminates due earnings, and they make a UC claim within 3 months of the final assessment period where UC would have been awarded (4 assessment periods since they were last awarded UC).

***Claimants not selected or deferred***

37. The legislation providing for the managed migration process gives the Department operational control of the 'flow' of those it can invite into the Move to

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<sup>4</sup> The MIF is an assumed level of income that is designed to encourage individuals to increase their earnings by developing their self-employment. It is determined by multiplying the number of hours claimants can reasonably be expected to work or be looking for work by the relevant national minimum wage or National Living Wage for their age, minus notional income tax and National Insurance contributions that would be payable on actual earnings at that level, to produce a net figure.

<sup>5</sup> Section 4 (Basic Conditions) of The Welfare Reform Act 2012 [Welfare Reform Act 2012 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2012/24/section/4).

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UC process. It is therefore possible to define the scope of those claimants who are invited to make a claim for UC. This means claimants can be deferred or excluded from entering the process if required.

38. There are a number of reasons why claimants would fall into these categories, and these are covered in a separate Deferrals Equality Analysis. The Department is currently reviewing the deferrals and exclusions policy due to the fact certain legacy benefits will end in 2025. Once this has been concluded an updated Equality Analysis will be provided outlining any implications.

## **Evidence and Analysis**

39. The analysis below is based on the Department's Policy Simulation Model (PSM). The PSM is built with data from the Family Resources Survey which is a survey of around 20,000 households in the UK which is then scaled up to the population. The PSM is then aligned to some DWP forecasts for numbers claiming each benefit. The estimates below give an indication of the equality impacts, but we have not included some tables because the sample size is not large enough to make estimates of whether some groups would have a higher entitlement on UC.
40. The estimates below are based on estimates of legacy benefit and UC entitlements and do not, for example, include debt and deductions, UC advances, or any change in entitlement to Passport Benefits.
41. This analysis is focussed on households who are in receipt of Working Age Benefits whom the Department will invite to move to UC from April 2024. It uses the Policy Simulation Model (post Autumn-23) to compare the estimated legacy and UC entitlements (before protections) for the households migrating in 24/25: Households claiming JSA, ESA with CTC, IS, CTC/WTC with HB, HB only.
42. The analysis is split by the various protected characteristics to highlight any differences in UC and legacy entitlement by these characteristics.
43. Migrating some claimants earlier than others will benefit claimants who would have a higher entitlement on UC but not claimants who would have a lower entitlement (before protections) as their protection would erode earlier. Conversely migrating other claimants later would not benefit those who would have a higher entitlement if migrated to UC but would benefit those who would have a lower entitlement before protection as their protection would not erode as quickly.



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44. Differences in legacy and UC entitlements are driven by a household's precise characteristics. For example, we expect many IS and JSA claimants to not experience any change in entitlement when moving to UC because UC and IS receipt tends to be very similar. For ESA households (who would generally identify as being disabled) households tend have a higher entitlement on UC if they do not have the Severe Disability Premium (SDP) but a lower entitlement if they have the SDP (before protections). Many Tax Credit and HB claimants will benefit from the single taper rate applied to UC which is more generous than the multiple taper rates used in legacy. So, if we split claimants by protected characteristic there are some claimants with protected characteristics that will have a higher UC entitlement and some with lower (before protections). The vast majority of those manage migrating with a lower entitlement will receive TP.

### Age

45. The *Equality Act* (2010) categorises 'age' as a protected characteristic and defines it as a 'person of a particular age group' or 'persons of the same age group'. An 'age group' is 'defined by reference to age, whether by reference to a particular age or to a range of ages'.<sup>6</sup>

46. As UC is a working-age benefit, only claimants in the age range of 18 to pension age are eligible. However, there are exceptions to this rule in certain circumstances if a claimant is aged 16 – 17 years old.

47. We have very few claimants in the 18-24 group. We have therefore combined age groups 18-24 and 25-49. The tables show that the proportion of claimants estimated to receive a higher award is fairly similar in each age group. However, slightly more 18-49 may receive a higher award, mainly as there are more people in this group claiming Tax Credits (and HB). A similar proportion of claimants are likely to have a lower entitlement as no change. For an Income Support claimant for example many of them will have no change in their entitlement (Table 1).

**Table 1 – Estimates of % of households, with the exception of Tax Credit only, ESA only and ESA with HB, in 2023/24 who may have a higher entitlement, lower entitlement (before protections), or no change, in their benefit if they moved to UC, by age**

	Higher entitlement	No Change	Lower entitlement	Total
18-49	60%	20%	20%	100%
Over 50	50%	20%	30%	100%

<sup>6</sup> See 'Equality Key Concepts' *Equality Act (c.15), Part 1 – Socio-economic inequalities*, Part 2, Chapter 1, 2010, p. 4: [https://www.legislation.gov.uk/ukpga/2010/15/pdfs/ukpga\\_20100015\\_en.pdf](https://www.legislation.gov.uk/ukpga/2010/15/pdfs/ukpga_20100015_en.pdf)

## Disability

48. Under the *Equality Act* (2010), disability as a protected characteristic is defined as a person who has 'a physical or mental impairment', which 'has a substantial and long-term adverse effect on [their] ability to carry out normal day-to-day activities'.<sup>7</sup>
49. Where claimants have a disability, they will be provided with the necessary support to help them to make a UC claim. If claimants are experiencing difficulty in making a UC claim by the deadline date, The Department has the power to extend the date by which a claimant needs to make a UC claim.
50. The approach we take on Move to UC to support vulnerable claimants is consistent with the approach on UC is identifying if any claimant might encounter additional barriers in the Move to UC journey and establishing what additional support they need to reduce the impact of those barriers.
51. In addition to the above, we will assess whether all claimants who do not make a claim by week 12 claim either ESA (or are a HB only claimants they also receives contribution based) or IS as a proxy indication that they may be more likely encounter barriers to moving, and will be making three outbound calls over three days to identify if they do need extra support to move.
52. In parallel, legacy systems will be checked for indications of whether a claimant may be vulnerable or have complex needs (e.g. are homeless, victim or domestic or substance abuse etc) and if so we will attempt to visit them at home to ensure that they have received the Migration Notice, understand it, and whether they need any support (for ESA claimants we will escalate to this stage regardless of what we find on legacy systems).
53. In some cases where a visit is not successful the case will be referred to a Advanced Customer Support Senior Leaders (ACSSLs) to use contacts in the wider community to see if we can make contact with the claimant, and if the claimant still can't be contacted or claim isn't made despite out efforts, in some cases there will be a case conference to decide if more time is needed, the Migration Notice should be cancelled because it's not the right time for the claimant to move, or whether we should end their benefits as per the Migration Notice.
54. By inviting disabled claimants into the Move to UC journey it will also allow the Department the chance to develop a better understanding of the support needs of these claimants and the best way of working with third parties and delivery

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<sup>7</sup> See 'Equality Key Concepts' *Equality Act (c.15), Part 1 – Socio-economic inequalities*, Part 2, Chapter 1, 2010, p. 4: [https://www.legislation.gov.uk/ukpga/2010/15/pdfs/ukpga\\_20100015\\_en.pdf](https://www.legislation.gov.uk/ukpga/2010/15/pdfs/ukpga_20100015_en.pdf)

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partners to ensure that claimants move to UC safely.

55. Estimates in Table 2 suggest that disabled claimants in the scaling group are slightly more likely to have a lower entitlement on Universal Credit than non-disabled claimants. That is mainly because DWP estimate that a high proportion of the Tax Credit and Housing Benefit group will have a higher entitlement and fewer of these claimants have a disability. However, a higher proportion of disabled claimants are estimated to have a higher entitlement than a lower entitlement when they move to UC.

**Table 2 – Estimates of % of households, with the exception of Tax Credit only, ESA only and ESA with HB, in 2023/24 who would have a higher, lower (before protections), or no change, in their benefit entitlement if they moved to UC, by disability status**

	Higher entitlement	No Change	Lower entitlement	Total
Disability	45%	30	25%	100%
No Disability	65%	15%	20%	100%

## Gender Reassignment

56. Under the Equality Act (2010), transsexual people share the protected characteristic of gender reassignment. A person has this characteristic if that 'person is proposing to undergo, is undergoing or has undergone a process (or part of a process) for the purpose of reassigning the person's sex by changing physiological or other attributes of sex'.<sup>8</sup>

57. There is no evidence that this phase of scaling the migration of working age benefit claimants to UC will have a disproportionate impact in relation to this group.

## Marriage and Civil Partnership

58. The *Equality Act* (2010) defines someone as having the protected characteristic of marriage or civil partnership if 'the person is married or is a civil partner'.<sup>9</sup>

59. Table 3 shows that a higher proportion of claimants in a couple are estimated to have a higher entitlement on UC so migrating claimants earlier could on average benefit more married claimants. This is because the Tax Credit and HB households are more likely to be couples and would then benefit from the single

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<sup>8</sup> See 'Equality Key Concepts' *Equality Act (c.15), Part 1 – Socio-economic inequalities*, Part 2, Chapter 1, 2010, p. 5: [https://www.legislation.gov.uk/ukpga/2010/15/pdfs/ukpga\\_20100015\\_en.pdf](https://www.legislation.gov.uk/ukpga/2010/15/pdfs/ukpga_20100015_en.pdf)

<sup>9</sup> See 'Equality Key Concepts' *Equality Act (c.15), Part 1 – Socio-economic inequalities*, Part 2, Chapter 1, 2010, p. 5: [https://www.legislation.gov.uk/ukpga/2010/15/pdfs/ukpga\\_20100015\\_en.pdf](https://www.legislation.gov.uk/ukpga/2010/15/pdfs/ukpga_20100015_en.pdf)

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taper on UC which replaces the multiple tapers applied to legacy benefits. Those not in a couple with no expected change, are likely to be IS claimants.

**Table 3 – Estimates of % of households, with the exception of Tax Credit only, ESA only and ESA with HB, in 2023/24 who would have a higher, lower (before protections), or no change, in their benefit entitlement if they moved to UC, by couple status.**

	Higher entitlement	No Change	Lower entitlement	Total
<b>Couple</b>	70%	<5%	30%	100%
<b>Not in a couple</b>	50%	30	20%	100%

60. Although we will know the numbers of couples that may make a joint claim to UC, the Department does not distinguish between those who are unmarried, married or in a civil partnership. Therefore, we cannot identify couples that live in marriage or civil partnership in all our administrative datasets, and this information will not be collected in the future.
61. Although this is the case, the process of moving claimants to UC will apply equally to all eligible couples regardless of marital status. As a result, there is no evidence that inclusion in Move to UC as part of the Move to UC Discovery will have a disproportionate impact on married couples or civil partners, and they do not amount to direct or indirect discrimination, or victimisation on the grounds of marriage or civil partnership.
62. Also as mentioned in **Annex A**, while HMRC recognises people who claim Tax Credits but live apart as a couple, under UC rules they are not recognised as a couple (as they do not live in the same household, or 'benefit unit'), and, therefore, they will have to make individual claims to UC.
63. Therefore, they will not be eligible for TP, as their previous award on legacy benefits will not be comparable to the UC award. They will both be required to make single claims and so will have access to all the UC elements, including the child and housing elements where eligible, in the own right and any income or capital earned or held by the other will not be taken into account in their assessment.
64. Couple formation is one of the causes for the cessation of transitional protection. Therefore, if two single legacy benefit claimants have been invited to make a UC claim and get married or form a civil partnership upon moving to UC, they will not be eligible for transitional protection. However as described earlier, the Department believes it is appropriate to end this protection when circumstances underlying an award are no longer recognisable as those on which the legacy calculation was made.

## Pregnancy and Maternity

65. Pregnancy and maternity are a protected characteristic under the *Equality Act* (2010). A woman is protected against discrimination on the grounds of pregnancy and maternity during her pregnancy and any statutory maternity leave to which she is entitled.
66. Those invited to move to UC during this next phase of migration will have their entitlement protected through Transitional Protection sooner than those claimants who will migrate at a later stage. As such, they may inevitably have that protection subject to erosion or cessation sooner than legacy claimants who will be moved to UC at a later date.
67. In the context of pregnancy and maternity, this would be relevant for those who have fewer than two children and who move to UC and receive Transitional Protection while pregnant. They could see their Transitional Protection reduce or cease if there was any increase in the UC award by adding in a child addition.
68. However, this would also be the case if a claimant had already moved to UC and had, Transitional Protection applied to their UC award. Again, in these cases, any increase in the UC award i.e., due to the birth of a child, will erode any Transitional Protection being paid. Transitional Protection is only available to 'cushion' the move from the old benefit regime to the new one where there may be a lower entitlement in the previous benefit.
69. Therefore, in cases where children are born and enter the benefit unit, such treatment is not confined to those who are migrating to UC but to all claimants in this circumstance.
70. Claimants receiving a tax credits and Maternity Allowance may have a lower entitlement in UC compared to tax credits only. However, this will depend on their circumstances. If this is the case, transitional protection will be awarded to ensure their UC entitlement is the same as their tax credit only entitlement.
71. There is no evidence that this phase of scaling the migration of working age benefit claimants to UC will have a disproportionate negative impact or that it will amount to direct discrimination or victimisation of claimants who are pregnant or have recently had a child.

## Race

72. Race, as a protected characteristic in the *Equality Act* (2010), includes 'colour',

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‘nationality’ and ‘ethnic or national origins.’<sup>10</sup> A racial group can include two or more different racial groups.

73. Table 4 suggests that a higher proportion of claimants from an ethnic background are estimated to have a higher entitlement on UC than those from a non-ethnic background. This is because there are relatively more couples claiming TC and HB from an ethnic background than claim IS or ESA.

**Table 4 – Estimate of % of all households, with the exception of Tax Credit only, ESA only and ESA with HB, in 2023/24 who would have a higher, lower (before protections), or no change, in their benefit entitlement if they voluntarily moved to UC, by ethnic group.**

	Higher entitlement	No Change	Lower entitlement	Total
<b>Ethnic background</b>	70%	10%	20%	100%
<b>Non-Ethnic background</b>	50%	25%	25%	100%

74. However, as the Move to UC process and policies apply equally to all regardless of race, there is no evidence that there will be a disproportionate impact on any racial groups that are migrated to UC as part of the scaling phase of Move to UC.

## Religion or Belief

75. The *Equality Act* defines ‘Religion’ as ‘any religion [including] a lack of religion’. ‘Belief’ is defined in the *Act* as ‘any religious or philosophical belief [including] lack of belief’.<sup>11</sup>

76. Table 5 suggests that there doesn’t appear to be much difference between these groups.

**Table 5 – Estimate of % of households, with the exception of Tax Credit only, ESA only and ESA with HB, in 2023/24 who would have a higher, lower, or no change, in their benefit entitlement if they moved to UC, by religion or no religion**

	Higher entitlement	No Change	Lower entitlement	Total
<b>Religious</b>	55%	20%	25%	100%
<b>No Religion</b>	55%	25%	20%	100%

<sup>10</sup> See ‘Equality Key Concepts’ *Equality Act (c.15), Part 1 – Socio-economic inequalities*, Part 2, Chapter 1, 2010, p. 5: [https://www.legislation.gov.uk/ukpga/2010/15/pdfs/ukpga\\_20100015\\_en.pdf](https://www.legislation.gov.uk/ukpga/2010/15/pdfs/ukpga_20100015_en.pdf)

<sup>11</sup> See ‘Equality Key Concepts’ *Equality Act (c.15), Part 1 – Socio-economic inequalities*, Part 2, Chapter 1, 2010, p. 6: [https://www.legislation.gov.uk/ukpga/2010/15/pdfs/ukpga\\_20100015\\_en.pdf](https://www.legislation.gov.uk/ukpga/2010/15/pdfs/ukpga_20100015_en.pdf)

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77. Regulation 19 of *The Universal Credit Regulations 2013*<sup>12</sup> prescribes that persons' who are employed by religious institutions are not entitled to UC. Therefore, they will not be eligible for Transitional Protection, even though they may have been receiving Tax Credits.
78. There is no evidence that inclusion of these claimants in the next phase of roll-out amounts to direct or indirect discrimination, harassment, or victimisation of claimants on the grounds of religion or belief. Neither do the provisions disproportionately affect any religious group or belief based on the steady state population.

### Sex

79. 'Sex' as a protected characteristic under the *Equality Act* (2010) refers 'to a man or to a woman'.<sup>13</sup> The Move to UC process apply to all claimants regardless of sex.
80. There will be more females than males in the Move to UC process. More households that include an adult female will have a higher entitlement in UC compared to those that don't include an adult female. This is due to more Tax Credit households including an adult female. Those households that don't have an adult female are less likely to experience a change in their entitlement. These are likely to be IS claimants. (Table 6). We estimate little change to entitlement for those households with an adult male compared to households without an adult male. Where females or males have a lower entitlement in UC they will be eligible for Transitional Protection.

**Table 6 – Estimates of % of legacy benefit households, with the exception of Tax Credit only, ESA only and ESA with HB in 2023/24 who would have a higher entitlement, lower entitlement, or no change, in their benefit entitlement if the voluntarily moved to UC, by sex.**

	Higher entitlement	No Change	Lower entitlement	Total
<b>Benefit unit does not include an adult female</b>	30%	55%	15%	100%
<b>Benefit unit includes adult female</b>	60%	15%	25%	100%

<sup>12</sup> [SI 2013.376](#)

<sup>13</sup> See 'Equality Key Concepts' *Equality Act (c.15), Part 1 – Socio-economic inequalities*, Part 2, Chapter 1, 2010, p. 6: [https://www.legislation.gov.uk/ukpga/2010/15/pdfs/ukpga\\_20100015\\_en.pdf](https://www.legislation.gov.uk/ukpga/2010/15/pdfs/ukpga_20100015_en.pdf)

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	Higher entitlement	No Change	Lower entitlement	Total
<b>Benefit unit does not include an adult male</b>	55%	20%	25%	100%
<b>Benefit unit includes adult male</b>	55%	20%	20%	100%

### Sexual Orientation

81. The *Equality Act* (2010) defines 'sexual orientation' as 'a person's sexual orientation towards – (a) persons of the same sex, (b) persons of the opposite sex, or (c) persons of either sex'.<sup>14</sup>
82. Based on analysis around 98% of legacy claimants involved in the second phase of the roll-out from have identified as heterosexual. This is broadly in line with the UC steady state population of 97%.
83. Although the vast majority of claimants involved are heterosexual, UC processes and policies apply equally to all claimants regardless of sexual orientation.
84. As a result, there is no evidence that the inclusion of these claimants in the scaled migration of working age claimants to UC from April 2024 amounts to direct or indirect discrimination, harassment, or victimisation on the grounds of sexual orientation.

### Consideration of UN Convention on the Rights of Persons with Disabilities

#### Introduction

85. The UK Government is committed to the implementation of the UNCRPD, and so, accordingly the Department has taken due consideration of the articles in light of the introduction of Move to UC.
86. The Department can also extend the deadline date have to make a claim to UC by if there is a good reason for doing so. This enables disabled claimants who are having difficulty making a UC claim have extra time to do so. Also, when claimants contact the Department about extending a deadline they will be advised of the support currently available to help them make a UC claim.

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<sup>14</sup> See 'Equality Key Concepts' *Equality Act (c.15), Part 1 – Socio-economic inequalities*, Part 2, Chapter 1, 2010, p. 6: [https://www.legislation.gov.uk/ukpga/2010/15/pdfs/ukpga\\_20100015\\_en.pdf](https://www.legislation.gov.uk/ukpga/2010/15/pdfs/ukpga_20100015_en.pdf)



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87. During this next phase, we will also be assessing the risk of claimants not engaging with the process and will consider how the Department will handle claimants who do not make a claim themselves.

### Consideration of UN Convention on the Rights of the Child

88. The UNCRC is an international human rights treaty that grants children and young people a comprehensive set of rights, many of which are described in broad terms, rather than setting tightly defined standards. The UNCRC confirms the importance of the family group and emphasises the need to protect and support this unit, recognising

‘[...] the family, as the fundamental group of society and the natural environment for the growth and well-being of all its members and particularly children, should be afforded the necessary protection and assistance so that it can fully assume its responsibilities within the community.’<sup>15</sup>

89. The UNCRC was ratified by the UK in 1991. Since then, the UK has sought to implement the UNCRC through a mix of legislation and policy initiatives. In December 2010, the Government reaffirmed its commitment to the UNCRC. Accordingly, the Department has taken due consideration of the articles in light of the next phase of rollout.

90. Broadly, the General Principles of the UNCRC are:

- The right to non-discrimination in the application and enjoyment of rights (Article 2);
- For the best interests of the child to be a primary consideration when decisions are being made that affect children (Article 3);
- The right to life and maximum development (Article 6);
- The right to express views and have those views taken seriously (Article 12).

91. It is important to note that the UNCRC defines child as ‘every human being below the age of 18 years and the consideration of the effect of policies on children is informed by this definition’<sup>16</sup>.

92. After consideration, there are no adverse effects directly on children when migrating working age benefit claimants to UC at scale.

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<sup>15</sup> ‘Preamble’, UN Convention on the Rights of the Child, [https://downloads.unicef.org.uk/wp-content/uploads/2010/05/UNCRC\\_PRESS200910web.pdf?\\_ga=2.240544259.1404983385.1521469020-2144911637.1521469020](https://downloads.unicef.org.uk/wp-content/uploads/2010/05/UNCRC_PRESS200910web.pdf?_ga=2.240544259.1404983385.1521469020-2144911637.1521469020), p. 3.

<sup>16</sup> Preamble’, UN Convention on the Rights of the Child, [https://downloads.unicef.org.uk/wp-content/uploads/2010/05/UNCRC\\_PRESS200910web.pdf?\\_ga=2.240544259.1404983385.1521469020-2144911637.1521469020](https://downloads.unicef.org.uk/wp-content/uploads/2010/05/UNCRC_PRESS200910web.pdf?_ga=2.240544259.1404983385.1521469020-2144911637.1521469020), p. 4.

## **Family Test**

93. Consideration has also been given to the impact of the expansion on families. In particular, the key questions of the Family Test have been considered, i.e.:

- What kinds of impact might the policy have on family formation?
- What kind of impact will the policy have on families going through key transitions such as becoming parents, getting married, fostering, or adopting, bereavement, redundancy, new caring responsibilities, or the onset of a long-term health condition?
- What impacts will the policy have on all family members' ability to play a full role in family life, including with respect to parenting and other caring responsibilities?
- How does the policy impact families before, during and after couple separation?
- How does the policy impact those families most at risk of deterioration of relationship quality and breakdown, including in circumstances of domestic abuse?

94. No adverse impacts on families have been identified, as a result of scaling the migration of working age benefit claimants from April 2024.

## **Decision making**

95. There does not appear to be issues that appear to give rise to any unlawful discrimination to any of the population groups as a result of scaling the migration of working age benefit claimants from April 2024..

## **Monitoring and evaluation**

96. We will continue to take the learnings from our Discovery Phase to support our claimants effectively as we scale the migration of Working Age benefits.

97. User Researchers and Data Scientists form part of the Move to UC programme team and will be gather evidence of claimant experience and feedback that will be used to help evaluate the success of different approaches.

## **When will the potential impacts be reviewed?**

98. This Equality Analysis will be reviewed on an ongoing basis and updated based on the materiality of the changes. The learnings from previous phases will continue to inform this phase particularly as we scale to larger volumes at a national scale.

**OFFICIAL - SENSITIVE****ANNEX A****THOSE WHO WILL HAVE A LOWER ENTITLEMENT TO UNIVERSAL CREDIT**

<b>Claimants affected</b>	<b>Reason</b>
<b>Application of the benefit cap when moved to Universal Credit</b>	The benefit cap can only be applied in legacy benefits by reducing the level of a claimant's Housing Benefit (HB). There are some legacy benefit claimants who are not entitled to HB or are entitled to insufficient HB to cover the reduction. In these cases, the cap will be applied to their new UC award immediately without the provision of Transitional Protection (TP).
<b>Foster Carers with current legacy benefit entitlement above the level of the benefit cap</b>	Foster carers who are caring on a regular basis can be treated as self-employed, so can be entitled to Working Tax Credit (WTC). Being entitled to WTC is one of the exemptions from the benefit cap. UC, however, does not treat the fostering allowances paid to carers by Local Authorities as earnings. Therefore, they cannot be exempt from the benefit cap on the grounds of being a foster carer.
<b>Those entitled to Child Tax Credits for children that live outside of the United Kingdom</b>	Claimants living in the UK who are deemed to be responsible for children living abroad can receive Child Tax Credits (CTC). UC cannot be paid for a child living abroad except when they are the children of frontier workers. This is because under EU legislation UC is a "social security benefit" and is not available to those who are not treated as present in Great Britain unless temporary absence rules apply.
<b>People living abroad who can be entitled to CTC for children for whom they remain responsible</b>	Because CTC is exportable under EU co-ordination rules, some people can be paid CTC whilst living in one of the EEA countries or Switzerland. As explained above, UC is not exportable. This means that those currently living abroad and in receipt of CTC will not be entitled to UC.
<b>Members of religious orders who are fully maintained by their order</b>	It is possible for legacy benefit recipients who are members of religious orders and fully maintained by that religious order to qualify for tax credits. They can be entitled to CTC if deemed responsible for a child or WTC if they are undertaking remunerative work. UC regulations specifically preclude entitlement to UC for those who are members of a religious order and who are fully maintained by their order.

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**THOSE THAT MAY HAVE A LOWER LEVEL OF ENTITLEMENT THAN THEY HAD TO LEGACY BENEFITS**

<b>Claimants affected</b>	<b>Reason</b>
<b>Claimants receiving CTC for a child for whom a UC child element has already been awarded to a different person</b>	It is not Government policy for different parts of the welfare system to make dual provision for the same need. Nevertheless, situations may arise where separated claimants submit claims for support for the same child, i.e., they each make separate claims to UC and CTC. There is no legal obstacle to ensuring only one award is made. When both claimants are receiving UC, however, only one parent will be able to receive support for the same child.
<b>Claimants receiving WTC whose earnings increase during the tax year and before the move to UC</b>	In WTC, the first £2,500 of any reported change is ignored during the current tax year. TP will be based on the actual level of earnings used to calculate the final tax credit award at migration. This means the inclusion of the total change in earnings will be brought forward upon migration. If the claimant had remained on tax credits, it would not have been included until the beginning of the next tax year. This means the UC award will be different to the total award of legacy benefits at migration, i.e., where the earnings have increased since the start of the tax year, the UC award will be lower but where the earnings have decreased, the UC award will be higher.
<b>Claimants classed as couples for tax credits awards but who live apart and so will not be treated as a couple on being moved to UC</b>	In tax credits, married couples (or those in civil partnerships) living apart are treated as couples unless they are separated permanently. In UC, there is a cut off after 6 months of separation or immediately if it is known that the couple will live apart for more than 6 months. This means that when a UC claim is made some couples will need to make single claims where individual rates will be lower than the couple rate they were receiving before. However, while individually they may have lower UC awards their overall individual entitlements on UC may be greater than the previous joint TC entitlement.
<b>Claimants in polygamous marriages who are entitled to ESA, HB, IS or JSA who are moved to Universal Credit</b>	UC does not recognise polygamous marriages. However, they are recognised in legacy benefits where the marriage occurred before 1988. Where a UC claim is made, the husband would not be able to claim for all the 'wives. Instead, he would need to make a claim for himself and the first wife, while the remaining wives would make individual claims. In such cases, the husband would have a lower entitlement to UC than he had had to total legacy benefits. However, the sum of the awards may be the same or higher than the previous legacy entitlement.

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**SIGN OFF PAGE**

**Signed off on behalf of Move to UC Programme**

**Name: Neil Couling**

**Title: Director General, Change and  
Resilience**

**Signature: Neil Couling**

**Date: 30<sup>th</sup> March 2024**