



Herts Adviser

Updated benefits information and advice
From Hertfordshire's Money Advice Unit

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www.hertfordshire.gov.uk/benefits



Hertfordshire

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The Money Advice Unit's factsheets at www.hertfordshire.gov.uk/benefits cover topics including carers, disability, housing issues, retirement, and young people growing up.

Advisers in Hertfordshire can also access free E-learning courses:

- [Introduction to welfare benefits](#)
- [Benefits for older people](#)
- [Introduction to universal credit](#)

Whilst every effort has been made to provide accurate information, this newsletter is for guidance only and should not be considered an authoritative statement of the law.

Increase in state pension age

Starting from 6 April 2026, the UK state pension age will gradually rise from 66 to 67. This gradual increase will affect people born between April 1960 and March 1961, with a pension age of 67 implemented by 2028. An additional increase from 67 to 68 is planned between 2044 and 2046 (affecting people born after 5/4/1977). However, as the state pension age must be reviewed at least once every five years, this timetable may change.

Changes in state pension age also affect the age at which people can access the following:

- pension credit
- personal independence payment (PIP): PIP claims must be started before reaching state pension age, unless transferring from disability living allowance. Once awarded, PIP can continue being paid after reaching pension age.
- attendance allowance
- housing benefit (Most working age claimants must claim housing costs through universal credit instead.)
- council tax support under the pension age rules (which are more generous than the rules for working-aged people in many cases)
- winter fuel payment
- some other benefits and concessions

A state pension age calculator is available on gov.uk

Removal of the two child policy

What was the two child policy?

Introduced in 2017, this restricted the number of dependent children a parent or carer could be paid extra money for in their means-tested benefits, such as child tax credit and universal credit. Third and subsequent children born after 5 April 2017 would, with a few exceptions, **not** result in an increase in means tested benefits, although claimants could still receive extra child benefit for each additional child.

What is the change?

From 6 April 2026 for families claiming



universal credit, a child addition can now be awarded for **every** dependent child in their household. The child element for each additional child is £303.94 per month, starting from the claimant's monthly assessment period including 6 April 2026 (paid in May or early June).

For families with more than two children, universal credit awards will be adjusted automatically to reflect the change.

What does this mean?

It is estimated that this will lift 450,000 children out of poverty by the end of the current parliament.

However, it is important to be aware that not all families will see their universal credit increase, and some may only see a small increase. This is because of:

- The **benefit cap** – which limits the total amount in benefits paid. For claimants who are not exempt from the benefit cap, benefit may not go up at all, or may only increase up to the level of the cap. The cap does not go up every year, and did not increase in April 2026.
- **Transitional protection** – an amount of universal credit to protect people when they migrated from other benefits to universal credit, if they would otherwise have been worse off. Transitional protection erodes over time as other parts of the universal credit award increase, e.g. due to annual benefits uprating and changes of circumstances. Any additional child elements will first erode transitional protection. This means for example, if a universal credit award includes transitional protection of £100, when an additional child element of £303.94 is added, the first £100 will replace the transitional protection, and the overall increase each month will be only £203.94.

Childcare costs

Currently, universal credit can cover 85 per cent of relevant childcare costs, up to a maximum of £1,836.16, for claimants with two or more children. In November 2025, the government announced that they intend in future to increase the maximum amount of childcare costs by £736.06 for each additional child above the current maximum cap for two children. However, the date for this change has not yet been announced.

What can I do to make sure the families I am working with aren't missing out?

Every month universal credit claimants get a statement showing how their payment has been calculated. If they have a journal online, go to the payments tab from the home page and click on the latest statement date. If they have a telephone claim, they will get their statement by post. You can:

- **Help them check their statement:** See if it accurately reflects the claimant and their family's circumstances – if you are not sure the MAU advice line can advise you.
- **Check the right number of children are included in the claim:** We have seen cases where parents thought the two child limit also applied to child benefit claims, so had never claimed additional child benefit for a third child, or did not add them to their universal credit claim.
- **Check that any disability or caring responsibility shows on the award:** Some parents don't know that they need to (or may need help to) report the change when their child is awarded disability living allowance. They may be missing out on a disabled child element and be wrongly affected by the benefit cap.
- **Check deductions:** if the benefit cap is being applied, a deduction due to the benefit cap will show towards the end of the universal credit statement. If you think this is wrong, contact the MAU advice line (for professionals only) on 01438 843444 or signpost the family to Citizens Advice to get a benefit check.

Other April 2026 changes

In addition to the removal of the two-child policy, other recent changes are

- **updated amounts for benefits** began from 6 April 2026.

For universal credit claimants, the new rates take effect from the monthly assessment period starting on or after 6 April 2026, so most claimants will not receive an increase in their UC award until May (or even June in some cases). Those with transitional protection in their universal credit may not see any increase due to erosion of transition protection.

- The **minimum wage** for people aged 21 and over (also known as the national living wage) is £12.71 per hour from 1 April 2026. The rate for 18-20 year olds is £10.85 per hour, and the rate for 16-17 year olds and apprentices is £8.00 per hour.
- There are now two levels of the limited capability for work-related activity element in universal credit. Many new claimants will receive a lower amount than they would have received pre-April 2026. **See below** for further information.



Crisis and resilience fund

From April 2026, the Household Support Fund and discretionary housing payments (DHPs) are being replaced by a new Crisis and Resilience Fund. This is money provided by central government to local councils, for targeted use to support low-income households.

The DWP has issued [new guidance](#) for councils about how to administer the Crisis and Resilience Fund. Local schemes must cover four strands:

1. crisis payments (for short-term support after financial shocks),
2. housing payments (a replacement for discretionary housing payments for housing benefit or universal credit claimants),
3. resilience services to build long-term financial stability
4. community coordination to strengthen local welfare partnerships.

The guidance also includes specific rules around immigrants who have no recourse to public funds, legal points for housing payments, and annual housing payment allocations.

Housing payments (replacing discretionary housing payments)

Housing payments provide a top-up for claimants who are receiving universal credit housing costs or housing benefit, but nevertheless struggling to meet housing costs and/or other essential living costs. For example, this can include people who have had their benefit restricted due to the local housing allowance or 'bedroom tax', and those with extra disability-related costs.

Although the name has changed from discretionary housing payments to housing payments, rules and priorities remain substantially unchanged. Housing payments can potentially help with:

- rental liability
- rental deposits
- rent in advance at the start of a tenancy
- removal expenses
- fees for setting up a tenancy

Local authority websites should provide information about housing payments and how to apply.

The [guidance](#) also makes clear that local authorities can use crisis payments for housing costs to help people who are not eligible for housing payments, for example people who are ineligible for universal credit because of earnings or other income but nevertheless struggling to afford their rent. See case study 5 in the guidance.

Statutory sick pay is now more accessible

From 6 April 2026, changes to the rules about statutory sick pay (SSP) make it easier for employees to qualify.

1. (SSP) is now payable from the first day of sickness absence. Previously, people had to wait until the fourth day of sickness.
2. The lower earnings limit has been removed. (Previously, employees needed to be earning at least £125 per week to qualify for SSP.)



SSP is now worth either 80 per cent of normal weekly earnings, or £123.25 per week, whichever is lower. Average weekly earnings are calculated based on the eight weeks before sickness absence.

People getting SSP may also qualify for means-tested benefits, such as universal credit and/or council tax support. When calculating universal credit, SSP is counted as earned income, meaning that at least part of it will be disregarded.

Note that SSP is a minimum amount employers must pay. Many employees will qualify for a higher amount, depending on the terms of their employment contract.

After 28 weeks on SSP, people who still have limited capability to work can claim new-style employment and support allowance (ESA) if they meet the national insurance contribution conditions. If they are getting contractual sick pay after 28 weeks, that won't affect entitlement to new-style ESA.

Anyone wanting advice about SSP or other aspects of employment rights can contact [Acas](https://www.acas.org.uk) on 0300 123 1100.

PIP review update – your chance to respond

[The Timms review](#) is currently considering the role of personal independence payment (PIP), the assessment criteria, the role of evidence, and how the PIP assessment could provide fair access to support

A [steering group](#) was appointed in February 2026. In March, the steering group issued a [call for evidence](#), inviting interested organisations and individuals to submit information to be considered by the steering group. The call for evidence will be open until **28 May 2026**. The relevant documents are available in accessible formats.

If or when changes are made to the PIP rules, it is likely that existing PIP claimants will have some protection during the transition to the new rules.

Future updates will be available on [The Timms review](#) web pages on gov.uk.

Changes to LCWRA (health) element in universal credit

The limited capability for work-related activity element (also known as the health element) is an extra amount that can be included when calculating universal credit if a claimant has (or is treated as having) limited capability for work-related activity (LCWRA).

From 6 April 2026, the LCWRA (health) element in universal credit will be paid at two different levels:

- a higher (protected) rate of **£429.80 per month**
- a new lower rate of **£217.26 per month**, frozen until 2029/30

By comparison, the rate for the 2025/26 financial year was £423.27 per month.

Who will get the higher rate of LCWRA element?

The higher 'protected' rate of LCWRA element, applies to:

1. 'pre-2026 claimants' (see definition below)
2. People who are **terminally ill** (i.e., have a progressive disease and their death can reasonably be expected within 12 months)
3. People who meet **severe conditions criteria** (see definition below)

Who is a pre-2026 claimant?

This category includes:

- Claimants who were entitled to universal credit including a LCWRA element before 6 April 2026, and continuously since then
- Claimants who had an employment and support award including a support component before 6 April 2026, and then continuously until they claim universal credit
- claimants awaiting a work capability assessment before 6 April 2026 and subsequently found to have LCWRA
- claimants in the 'relevant period' before 6 April 2026 (i.e., they have LCWRA but are not yet entitled to have an LCWRA element included in their award)

Note that if a claimant challenges a decision that they do not have LCWRA, a successful reconsideration or appeal covering a period before 6 April 2026 could result in them becoming a pre-2026 claimant and becoming eligible for the higher rate of LCWRA element. Seek advice if necessary.

What are the severe conditions criteria?

A claimant meets the severe conditions criteria if at least one of **the LCWRA descriptors** constantly applies to them because of a specific bodily disease or disablement, or a specific mental illness, that they will have for the rest of their life, which has been diagnosed by an appropriately qualified health care professional in the course of providing NHS services.

Examples:

1. Ali applied for universal credit in February 2026. When he applied, he stated that he has a disability that restricts his ability to look for work, and obtained a fitnote from his GP. In June 2026, the DWP decides that he has LCWRA. He is classed as a pre-2026 claimant, and gets the higher rate of the LCWRA element from the fourth month of his claim onwards.
2. Ruth has depression. She applies of universal credit in summer 2026. The DWP decides that none of the LCWRA descriptors apply to her, but that she should be treated as having LCWRA because there would be a risk to her mental health if she is found capable of work-related activity. She gets the LCWRA element from the fourth month of her claim onwards, but only at the lower rate.

Who will get the lower rate of LCWRA element?

The lower rate of LCWRA element (£217.26 per month) will be used in calculating universal credit for claimants who do not fit into any of the categories for the higher rate. This means that many claimants who are found to have LCWRA on or after 6 April 2026 will receive a significantly lower amount of benefit than they would have under the previous rules.

Claimants should seek advice if they are not sure whether they are receiving the correct rate of the LCWRA element.

Universal credit migration update

The process of managed migration - transferring claimants who received legacy benefits to universal credit - is now nearly complete. There are very few claimants still receiving income-related employment and support allowance (IRESA), income-based jobseeker's allowance, or income support. In February 2026, the DWP said that there were 4,000 legacy benefit claimants (nationwide) who have yet to migrate to universal credit. To put this in perspective, by January 2026 there were 8.4 million people on universal credit. Around a fifth of universal credit claimants have joined under managed migration.

From 1 April 2026, income-based jobseeker's allowance and income support are being terminated (though claimants migrating to universal credit at that point can still get a two-week run-on.)

Claimants who have received a migration notice from the DWP should **apply for universal credit on gov.uk** before their 'deadline date,' which is three months after the date the migration notice was issued. If they cannot claim universal credit by the deadline date, they should contact the **universal credit migration notice helpline** on **0800 169 0328** before their deadline date, to request an extension. There is no limit to the number of times an extension can be requested or applied.

Transitional protection rules mean that most claimants are not immediately worse off following managed migration to universal credit, but subsequent changes in circumstances, and the annual April benefit uprating, result in erosion of transitional protection.

‘Right to Try’ work

New legislation, coming into force on 30 April 2026, means that starting work will not automatically trigger a work capability assessment for claimants on new-style employment and support allowance (ESA) or universal credit with a health condition, or a review of personal independence payment (PIP).

The **UC, PIP and ESA (Amendment) Regulations 2026** mean that undertaking paid or voluntary work, in itself, will not trigger a work capability assessment or a PIP award review. The DWP can still undertake a reassessment if there has been a genuine change in circumstances, or where there is suspected fraud.

Example 1

Lorraine has limited mobility due to arthritis and has been claiming universal credit (including a LCWRA element) and PIP. She finds a new job working in an office, and her employer makes reasonable adjustments to enable her to do her job.

Her universal credit still includes LCWRA element (at the higher rate because she is a pre-2026 claimant). The first £427 per month of her earnings are disregarded. Earnings above that level reduce her universal credit by 55 pence for each pound earned. Her PIP continues.

Two years later, her fixed term PIP award is due for review. The PIP assessor asks about what she does at work, and she explains about the adjustments made by her employer. Her PIP award is renewed.

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Example 2

Robbie has anxiety and depression. He has been getting a LCWRA element as part of his universal credit, and also gets PIP. At previous benefit assessments in 2023, he told the assessor that he rarely leaves the house and struggles with speaking to strangers because of his mental health problems.

He gets a part time job in a pub. The DWP has discretion to initiate a work capability assessment and/or PIP review. The nature of the work he is doing may indicate that his condition has improved.



The new legislation is part of a larger package of measures announced by the DWP “to incentivise and support sick and disabled people into jobs”.

From 8 April 2026, universal credit claimants with limited capability for work or work-related activity will also see a new notification on their universal credit online account giving information on the support available and allowing them to opt in to find out more about the support.

Opting in will trigger a conversation with a pathways to work adviser, who can offer personalised appointments and signpost people to programmes such as Connect to Work (delivered by **Step2Skills** in Hertfordshire).

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Note that claimants who have limited capability for work-related activity are still **not** obliged to take any action relating to work. Claimants who have limited capability for work are required to take part in work-focussed interviews and work preparation conditions, but are not obliged to seek work or apply for jobs. See pages 15 - 17 of our [universal credit factsheet](#) for more information about work-related requirements for claimants in different circumstances.

Claimants should seek advice if they think that the Jobcentre is expecting them to comply with work-related requirements that are unreasonable.

Earnings and benefits

Before starting paid work, claimants should seek advice about whether earnings will affect the amount of benefit paid. If claiming ESA, earnings must come within the [permitted work](#) rules or other exceptions. If claiming universal credit, claimants with limited capability for work or limited capability for work-related activity will have a work allowance (earnings disregard). As PIP is not means-tested, earnings will not affect it.

A [better off calculator](#) can help estimate how working, or a change in hours or earnings, could affect income.

Court ruling on council tax support for UC claimants

A recent High Court decision will help reduce council tax bills for some universal credit claimants.

Claimants who migrate from legacy benefits, such as income-related employment and support allowance (ESA), to universal credit sometimes become liable to pay council tax, even if they were previously getting full council tax support. Each local authority has its own council tax support scheme for working-aged people, with different rules.



A legal challenge was brought after two disabled claimants, who had previously been exempt from council tax, were asked to pay more than £1,500 per year. This happened after they migrated from ESA to universal credit. Their universal credit included transitional protection, and they had no increase in income. The High Court [decided](#) that local authorities should disregard transitional protection elements in universal credit payments when calculating entitlement to means-tested council tax support.

The Money Advice Unit has contacted local authorities in Hertfordshire, to ask how they are addressing this issue. St Albans, Dacorum, and Stevenage councils have confirmed that they disregard transitional protection when calculating council tax support. North Hertfordshire has advised that they are not currently looking to review their position, indicating that this would not be considered until after local government reorganisation. We are awaiting responses from other local authorities. Claimants should seek advice if necessary.

Sometimes it's the little things... (or, how our adviser made a client cry)

MAU don't always claim the big bucks for clients, particularly where the client is *already* getting personal independence payment (PIP), but our advice can still make a difference.

A social worker referred a client with multiple complex health conditions, who has been unable to work for nine months, to the MAU for a benefits check.

The adviser quickly ruled out means tested benefits based on the client's spouse's earnings. The client thought this was the case, as their spouse had already used an online benefit calculator such as [Turn2us Benefits Calculator](#) to check their entitlement.

The client had recently been awarded PIP, but thought their letter did not tell them what they would get. It was clear they had become overwhelmed. We helped them understand their award letter, and to locate the important information including the level of benefit, how often it would be paid, and how long the award was for.

Employment and Support Allowance (ESA) was discussed because the client had worked and paid national insurance contributions. They had already claimed and been awarded the standard allowance of ESA, and were awaiting the outcome of the work capability assessment. The adviser explained the next steps, including where to send additional medical evidence, and advised that once the assessment was complete they should be placed in the support group, meaning extra money each week on top of their current payments.

A wider benefit check meant we could also advise on:

- Council tax disability reduction – which will reduce their council tax down a band saving several hundred pounds each year
- Health costs – we discussed whether the client was medically exempt which they will explore with their doctor: [Check if you're eligible for help](#) If not, they can buy a [prescription prepayment certificate](#)
- [Marriage allowance](#) - Although this did not help this client, it can be worth up to £252 per year, and may be backdated for up to four years prior to the current tax year if eligible.

It was when we discussed the prepayment certificate the client became emotional. They had been worried about cost as their consultant had shown them a long list of medications they were going to prescribe shortly. As the current prescription cost **per item** is £9.90, a prepayment certificate will save this client several hundred pounds each year.

Saving and spending

Energy prices

The energy price cap (a limit on the unit rate and standing charges for gas and electricity) fell by nearly seven per cent on 1 April 2026. The price cap only applies to customers on a standard variable tariff.

Unusually, many customers on fixed tariffs will also see lower bills, due to reductions in policy costs.

For those who are experiencing hardship or struggling to manage energy debt, many utility providers offer a hardship fund. Applicants will have to provide details of income and expenditure, and may need to be referred by a professional. For details, phone the utility provider or check their website.

Saving money on phone and broadband

Social tariffs (sometimes known as 'essential' or 'basic' broadband) are cheaper broadband and phone packages for people claiming universal credit, pension credit and some other benefits.

A [list of available social tariffs](#) and costs is available on the Ofcom website. Prices start from £10 per month. In most cases, the person receiving the benefit needs to be the named person on the contract. People who are currently paying for a higher priced package but are eligible for a social tariff with the same provider should be allowed to switch at any time, free of charge.

Unwanted subscriptions

UK consumers spend an estimated £1.4 billion a year on unwanted subscriptions. An increase in online shopping, online services and the use of apps has meant that many of us continue paying for services we no longer use or that are no longer good value for money. This often happens when a free-trial or discounted contract rolls into a full-cost contract, or when a service auto-renews.

New rules have been announced to make it easier for consumers to avoid unwanted expenditure on subscriptions. The new rules, expected to come into force in April 2027, require businesses to provide:

- Clear, simple information before signing up to any subscription
- Reminders before free or discounted trials end, or 12month+ contracts automatically renew
- Straightforward cancellations, including online exits for online sign ups
- A new 14-day cooling off period, after a free or discounted trial ends, or when a contract renews for 12 months or longer

Although the new rules won't apply until 2027, many people could save money now by checking bank statements or banking apps for direct debits, and ending unwanted or duplicated subscriptions.

Query from the MAU advice line

Every working day, the Money Advice Unit answers benefits queries from statutory and voluntary organisations on our advice line on **01438 843444** (9.30 am - 12.30 pm) or by email at moneyadvice.unit@hertfordshire.gov.uk This advice line is for professionals only.



Question

I'm supporting a young woman with mental health problems, who receives universal credit including an amount for her rent. She receives her universal credit in the middle of each month. Unfortunately, she can be impulsive and tends to spend her money quickly after it's paid, meaning that she often doesn't have enough to pay for the rent by the time it's due. She also has arrears on her utility bills.

Answer

We suggest considering the following to help make sure that rent and other priority bills are covered:

1. **Check whether the universal credit has been calculated correctly.** Is she, or should she, be getting a limited capability for work-related activity element? Is the housing costs element correct? Sometimes claimants forget to notify the DWP about annual increases in rent. If the housing costs element does not cover the full rent, it may be possible to get a (discretionary) housing payment to help cover the shortfall.
2. **Managed payment to landlord:** The housing cost element of universal credit can be paid directly to the landlord if [eligibility criteria](#) are met. Either the tenant or their landlord can ask the DWP to arrange this. Claimants with mental health conditions which impair their ability to manage their affairs can be eligible.
3. **Twice monthly payments** of universal credit: Claimants who find it difficult to budget monthly can have their universal credit split into two payments (or in exceptional cases, four payments).
4. **Third party deductions:** The DWP can make deductions from her universal credit and use them to pay towards her rent arrears, utility arrears and/or council tax arrears. A maximum of three third party deductions can be made at any time.
5. Check her council tax bill to make sure that she has the correct amount of **council tax support**, and that she is getting discounts if eligible (such as sole occupancy discount).
6. Consider whether she could claim **personal independence payment (PIP)** if she does not already get it. Budgeting is one of the ten daily living activities taken into account when assessing entitlement to PIP.

