Newsletter

COMMUNITY HELP & ADVICE INITIATIVE

April 2026 - Issue #23

No More Two-Child Limit from April 2026!

From April 2026, the UK Government will **remove the two-child limit** in Universal Credit (UC). This means families will receive the child element for every eligible child or qualifying young person, **with no cap on support.**

Payments reflecting this change will appear from May 2026, following the end of the relevant assessment period.

However, **not all families will see a full increase in income**. **The Benefit Cap** remains in place, which may limit how much additional support households actually receive.

For some people who moved to Universal UC from legacy benefits, this change may also **reduce any transitional protection** currently included in their award.

In Scotland, the **Scottish Child Payment** will increase to **£28.20 per week** per child from April 2026. In addition, from **April 2027**, families with **children under 12 months** will receive **£40 per week.** These changes replace earlier plans by the Scottish Government to fully offset the two-child limit, which are no longer needed now that the limit is being removed across the UK.

Contact us for a full benefit check!

In this issue, we cover:

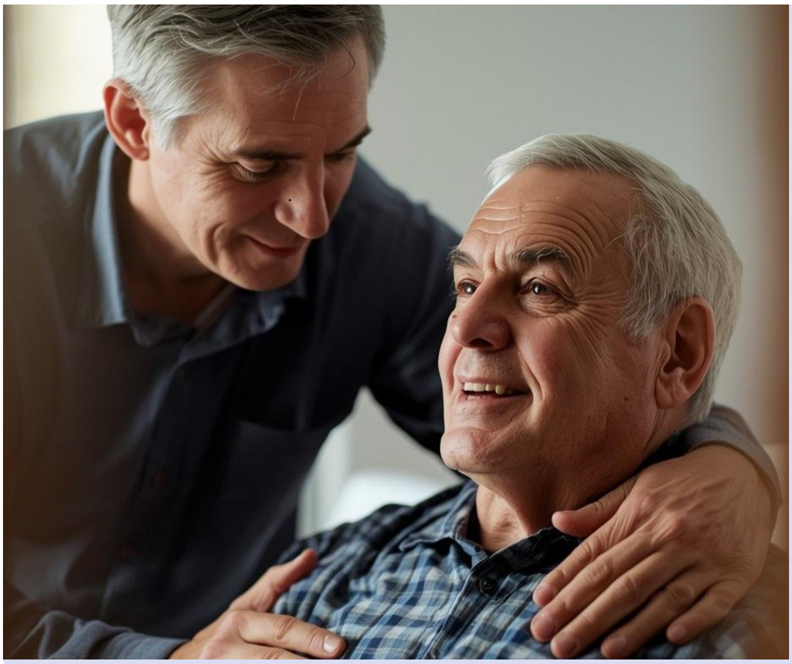
Welcome to our Spring Edition!

This newsletter includes information on benefits and tips for income maximisation, to keep you informed & empowered.

Our **Advice Team** provides advice and assistance with **benefits**, **housing** and **debt** issues & **employability**.

To make an appointment: 0131 442 2100 or chai@chaiedinburgh.org.uk

Changes to Carer Support Benefits



There are several important changes to carer support in Scotland that may affect some carers.

New payments and increased support

From March 2026, new support is being introduced through Carer Support Payment:

- A **Carer Additional Person Payment** of £10 per week will be paid for each additional person you care for. This applies where you provide care for more than one person (at least 20 hours per week for another person alongside the 35-hour requirement for your main claim). Hours of care can be counted at the same time if you are caring for more than one person simultaneously.

- The **Scottish Carer Supplement** will become a regular payment included as part of your award, instead of being paid as two lump sums each year. It is worth **around £11.70 from April 2026,** and will be paid alongside your Carer Support Payment. This payment **does not count as income** for Universal Credit.

More flexible rules for carers

Several changes aim to make support more flexible under the Carer Support Payment:

- Support will continue for **12 weeks after the death** of the person you cared for (previously 8 weeks).

- You will no longer need to have been caring for a set period to keep support during **short breaks from caring**.

Support for young carers

The **Young Carer Grant** is being extended to include 19-year-olds, meaning more young people will be eligible. This is a yearly payment of **£383.75 (from April 2026)** for young people aged 16 to 19 who provide regular care. To qualify, young people must usually be caring for **around 16 hours a week for at least 3 months** for someone receiving a qualifying disability benefit like Adult Disability Payment.

Review of Carer's Allowance overpayments

The UK Government has announced a review of **Carer's Allowance (CA) overpayments** linked to earnings. This follows concerns that unclear rules (between 2015 and summer 2025) led to carers building up unexpected debts.

If you were overpaid CA during this period, your case may be reviewed. Where overpayments were calculated incorrectly, debts may be reduced or written off. If you have already repaid money, you **may be refunded.** This mainly affects carers who previously claimed Carer's Allowance before moving onto Scottish benefits.

Statutory Benefits—What's New?

Statutory benefits are payments set by law that employers must provide to eligible employees, such as maternity pay, paternity pay and sick pay.

There are important changes coming into force from April 2026 to Statutory Sick Pay (SSP), as well as parental leave and paternity leave.

Statutory Sick Pay – wider access

Changes to SSP aim to make support available to more workers. From April 2026:

- SSP will be payable **from the first day of sickness** (removing the 3 waiting days)
- The **lower earnings limit will be removed**, meaning more low-paid workers can qualify
- SSP will be paid at **£123.25 per week, or 80% of your average weekly earnings if that is lower.**

SSP is paid by your employer for up to **28 weeks**. These changes mean that more workers will receive support **earlier**, helping to reduce financial pressure when off sick.

Parental and paternity leave

From 6 April 2026, employees will have a **day one right** to both parental leave and paternity leave. This means you no longer need a minimum length of service with your employer to qualify.

In addition, fathers and partners will be able to take **paternity leave and receive Statutory Paternity Pay** even if they have already taken Shared Parental Leave or Pay.

These changes apply to babies due or born from April 2026, and to adoptions from the same date.

Reminder: statutory family payments

Statutory payments include:

- **Statutory Maternity Pay (SMP)** or **Maternity Allowance** – financial support for people taking time off work to have a baby, for up to **39 weeks**.
- **Statutory Paternity Pay (SPP)** – paid to a partner (including fathers) taking time off work to support a mother or primary adopter after a birth or adoption, for up to **2 weeks**.
- **Shared Parental Pay (ShPP)** – allows parents to share leave and pay between them, instead of one parent taking all the time off. Up to **50 weeks of leave and 37 weeks of pay** can be shared between parents.

Your entitlement depends on **your earnings, employment status and length of service.**

You can find full details and up-to-date rates on **www.gov.uk**, or speak to our advisers.

Changes to LCWRA Element from April 2026

From 6 April 2026, there will be important changes to the **Limited Capability for Work and Work-Related Activity (LCWRA)** element of Universal Credit.

The LCWRA element is extra money for people who are assessed as not fit for work and not required to prepare for work due to a health condition or disability.

There is also another group called **Limited Capability for Work (LCW)**. This applies to people who are also not currently fit for work but may be expected to take steps to prepare for work in the future (for example, attending work-focused interviews).

Unlike LCWRA, the LCW group does not receive an additional payment for most new Universal Credit claims, unless they were assessed as having LCW before April 2017.

What's changing?

From April 2026, there will be two LCWRA rates:

- Higher rate: **£429.80 per month**
- Lower rate: **£217.26 per month**

Most people who make a new claim after 6 April 2026 will receive the lower rate, unless they meet certain exceptions.

Who will still get the higher LCWRA rate?

- Existing claimants who are entitled to the LCWRA element on 5 April 2026 and remain continuously entitled
- People with a terminal illness who automatically qualify
- People meeting the Severe Conditions Criteria (they meet the criteria for LCWRA and have a severe, lifelong condition with no realistic chance of recovery, as confirmed by an NHS professional)
- People who are waiting for a Work Capability Assessment (or a reassessment if they currently have Limited Capability for Work only) and are later found to have LCWRA on or after 6 April 2026.

Keeping the higher rate

To stay on the higher rate, your Universal Credit claim must continue. If your claim stops (for example due to earnings), you can still keep it if you reclaim within 6 months.

If you are unsure how these changes affect you, seek advice.

Other Universal Credit Updates

The move from legacy benefits (such as ESA, Tax Credits and Housing Benefit) to **Universal Credit (UC)** is continuing under the managed migration process.

Managed migration – latest update

The Department for Work and Pensions (DWP) has confirmed that there is currently an **open extension period with no fixed end date** for the final stage of migration.

While the aim is to move most remaining claimants by **31 March 2026**, a small number of more complex cases (around 4,000 people) are still to be transferred. The extension is intended to ensure these cases are moved safely.

If you receive a **migration notice**, it is important to act quickly. If you do not claim Universal Credit by your **deadline,** your existing benefits will stop and you may lose your right to transitional protection, which is designed to ensure you are not worse off when moving to UC.

ESA claimants – important protection

There has been a key clarification for people moving from **Employment and Support Allowance (ESA)**.

The DWP has confirmed that ESA claimants who fail to move to Universal Credit by their migration deadline should still have the **LCWRA element included from the start of any later UC claim**.

Changes to the DWP's systems will be needed to make sure this happens correctly, and that this will **take time**.

In the meantime, if a claimant in this situation moves to UC and the **LCWRA element is missing**, they will need to ask for a Mandatory Reconsideration of the decision. Contact us for support!

Annual rent updates in UC account

Each April, Universal Credit claimants are asked to confirm their housing costs. This is a yearly task to make sure your rent is up to date and that you are receiving the correct amount.

A "Confirm your housing costs" to-do will appear in your UC account. You should:

- check your rent details
- report any changes
- provide updated amounts if your rent has increased

This process was already in place for private tenants, but it has now been extended to social housing tenants as well.

It's important to complete this task when prompted, as delays or missing information could affect your housing payments.

We can support you through the process and make sure you receive the correct entitlement.

Other News in Brief

Anti-fraud: new powers for DWP

The UK Government has introduced new anti-fraud measures under the Public Authorities (Fraud, Error and Recovery) Act 2025.

The DWP can now request information from banks and financial institutions to help identify benefit fraud and errors. New checks may also be carried out on accounts of people receiving benefits such as Universal Credit, Pension Credit and ESA, including indicators of savings above capital limits.

In some cases, where debts are not being repaid, the DWP may recover money directly from bank accounts. As a last resort, it may also apply to a court to suspend a person's driving licence. Safeguards and oversight will be set out in a Code of Practice.

Child Benefit suspensions

Around 23,000 Child Benefit claims have recently been suspended as part of fraud checks linked to time spent outside the UK. HMRC confirmed that some suspensions were made in error due to missing checks on UK employment. Affected claimants should seek advice if they believe their payments have been stopped incorrectly.

Moving to Scotland – benefit changes

If you move to Scotland from England, Wales or Northern Ireland, you must apply for the equivalent Scottish carer or disability benefit within set time limits (usually within 26 weeks) to ensure payments continue without gaps.

The DWP (or Department for Communities in Northern Ireland) will continue paying your existing carer or disability benefit for **13 weeks after you move**, giving you time to make a new claim in Scotland. Contact us if you need support!

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