One Parent Families Scotland
changing lives, challenging poverty

Young Single Parents and Universal Credit: One Parent Families Scotland briefing

When single parents move from Income Support to Universal Credit they lose the rate of benefit they were receiving and their entitlement is recalculated.

Under Universal Credit single parents who are under 25 are treated as single people and receive the lower standard allowance (£257.33), while under Income Support they are entitled to the higher standard allowance (£322.18) as single parents.

Parents have no option but to move to Universal Credit when their child reaches five, and so for young single parents this means their family income is reduced for no other reason that their child's age.

Single Universal Credit claimants aged between 18 and 24 are entitled up to £257.33 per month as standard allowance. Currently added to this is the temporary uplift which equates to £342.72. While this is more advantageous, when this ends they will again be worse off by approximately £64.85 per month. The only reason that they are better off at the moment is because the uplift is only on Universal Credit and not on legacy benefits.

Meanwhile, if single parents were treated the same under Universal Credit currently and received the higher rate of Standard Allowance plus the uplift, their standard allowance would currently be £409.89 per month, which would be an increase of £67.17 per month.

Citizens Advice Bureau have conducted research that shows that the removal of the £20.00 uplift will result in a drop of 25% for young single claimants. Taking this change into account, many single parents who are already losing out will now find themselves and their families having less money to live on while prices for essential goods continue to increase.

In real terms, the benefit rates for single parents under 25 on Universal Credit are worth less that they were in 2013, which has a direct effect on the number of single parents and their families experiencing growing levels of poverty.

Citizens Advice Statistics:

Key Findings

- From April, if the £20 weekly uplift is removed **the value of UC's Standard Allowance will drop by as much as a quarter.**

- Removing the £20 a week uplift will leave the Standard Allowance for UC **worth 11.5% less in real terms in 2021-22 than when it was first introduced 8 years ago in 2013.**

If the uplift is not made permanent, standard allowance rates will drop:

- **By a quarter (24%)** for single claimants under 25, from £342.72 to £257.33
- **By a fifth** for single claimants over 25, from £409.89 to £324.84
- **By 17%** for joint claimants under 25, from £488.59 to £403.93
- **By 14%** for joint claimants over 25, from £594.04 to £509.91

U25 single-person Standard Allowance rates:

Year	UC Standard Allowance (U25) Actual rate	UC Standard Allowance (U25) if increased year on year with inflation (cost of living increases) since 2013 [calculated with Bank of England inflation figures]
2013/14	246.81	246.81
2014/15	249.28	252.64
2015/16	251.77	255.14

2016/17	251.77	259.57
2017/18	251.77	268.88
2018/19	251.77	277.86
2019/20	251.77	284.99
2020/21 (with current uplift)	342.72	289.27
2021/22 (if uplift is cut)	257.33	290.72