Blog: How benefits will increase in April 2023

If you are claiming benefits, you face a whole set of government changes this year and more money because of the rise in the cost of living. Here, we explain how much more you could get.

As set out in the government’s Autumn Statement last year, benefits increased by 10.1% from April 2023. These changes aim to help people to meet the rising living costs and energy bills.

**What benefits can I get?**

You may be eligible for [Universal Credit](https://www.gov.uk/universal-credit/what-youll-get) if you’re on low income or need help with your living costs, whether you’re in work, out of work or unable to work. Universal Credit is means tested so you’ll need to show how much money you have and where any income comes from.

How much allowance you get depends on your age and your circumstances, whether you are single or live with a partner or whether you have children. You can help with living costs, paying rent and childcare. You get money deducted from your allowance if you have more than £6000 in savings, have other income or owe money on your council tax or utility bills.

**How Universal Credit works**

For people claiming Universal Credit, the government expects people who are able to work to try to find work while claiming benefits. The Administrative Earnings Threshold (AET) is the pay you are expected to earn from employment while claiming benefits.

If you are claiming Universal Credit and earn less than this amount, you are put into the ‘Intensive Work Search’ group where your work coach will help you find ways to earn more. If you earn more than the threshold, you are put into the ‘Light Touch’ group.

**How many hours you need to work on Universal Credit**

The AET threshold was raised in September 2022 from £355 to £494 a month for a single person and from £567 to £782 for a couple. This affected around 115,000 people.

From 30 January 2023, the earnings threshold went up to £617 for a single person and £988 for a couple. This is calculated as 15 hours on National Living Wage.

As a result of this change, around 120,000 more people moved into the intensive work search group to help them find ways to earn more.

**What you get on Universal Credit**

From April 2023, the Universal Credit standard allowance payment went up. Here are some examples:

**If you are under 25**

* £265.31 to £292.11 per month for a single person
* £416.45 to £458.51 per month for a couple

**If you are over 25**

* £334.91 to £368.74 per month for a single person
* £525.72 to £578.82 per month for a couple

**If you are over 25, single, with limited capacity for work**

* £689.19 to £750.80 per month

**If you are over 25, single, with 1 child**

* £579.49 to £638.32 per month

**If you are over 25, a couple, with 2 children**

* £1,014.88 to £1,117.98 per month

What this amounts to, if you are single and under 25, is an increase of £321.60 a year. If you live with your partner and you’re both under 25, you’ll get £504.72 more a year. If you live with your partner, have no children and either of you is over 25, you can expect £637.20 more a year.

**Child Benefit**

You can apply for [Child Benefit](https://www.gov.uk/child-benefit/what-youll-get) if you are responsible for a child under 16 or under 20 in education or training. From April 2023, child benefit payments increased from

* £21.80 a week to £24 a week for the first child and from
* £14.45 to £15.90 each for any other children.

Child Benefit payments count towards your benefit cap.

**Benefit Cap**

The [benefit cap](https://www.gov.uk/benefit-cap) is a limit on the total amount of benefits you can get, adding all your benefits together. It doesn’t apply to everyone – you can check if it applies to you: [Am I affected by the benefits cap?](https://www.turn2us.org.uk/Benefit-guides/Benefit-Cap/Am-I-affected-by-the-Benefit-Cap)

From April, the benefit cap increased from:

**Single person**

* £15,410 to £16,967 a year in Greater London (£1,284.17 to £1,413.92 a month)
* £13,400 to £14,753 a year outside of Greater London (£1,116.67 to £1,229.42 a month)

**Couple**

* £23,000 to £25,323 a year living in Greater London (£1,916.67 to £2,110.25 a month)
* £20,000 to £22,020 a year living outside of Greater London (£1,667.67 to £1,835 a month).

**If you are caring for someone**

You could get [Carer’s Allowance](https://www.gov.uk/carers-allowance) if you care for someone at least 35 hours a week and they get certain benefits. You do not have to be related to, or live with, the person you care for. Carer’s Allowance went up in April from

* £69.70 to £76.75 a week.

Carer’s Allowance is exempt from the benefits cap.

**If you have a disability**

[Personal Independence Payment](https://www.gov.uk/pip) (PIP) can help with extra living costs if you have difficulty doing certain everyday tasks or getting around because of a health condition. You can get PIP even if you’re working, have savings or are getting most other benefits. PIP is exempt from the benefits cap.

How much you get depends on how difficult you find everyday tasks and getting around. The PIP allowance is in 2 parts – for difficulties with daily living and for lack of mobility.

The **daily living allowance** increased in April 2023 from

* £61.85 to £68.10 for the standard rate and from
* £92.40 to £101.75 for the enhanced rate.

The **mobility allowance** increased from

* £24.45 to £26.90 for the standard rate and from
* £64.50 to £71.00 for the enhanced rate.

Did you know Young Women’s Trust offers [6 sessions of free coaching](https://www.youngwomenstrust.org/get-support/coaching/) and [job application feedback](https://www.youngwomenstrust.org/get-support/help-cv-job-applications/) to help young women improve their prospects? More than half of young women who have been through our Work It Out coaching have boosted their income. [Find out more.](https://www.youngwomenstrust.org/voices/turn-hope-into-action-find-ways-to-earn-more/)

[**GET SUPPORT**](https://www.youngwomenstrust.org/get-support/)

If you are struggling to make ends meet, there are organisations that offer information and advice.

[**HELP WITH YOUR MONEY**](https://www.youngwomenstrust.org/get-support/help-with-your-money/)

Find out more about [Universal Credit](https://www.gov.uk/universal-credit)and [how to make a claim](https://www.gov.uk/universal-credit/how-to-claim). Read more about how [Universal Credit hours have changed](https://www.theguardian.com/politics/2022/sep/21/kwasi-kwarteng-to-shrink-part-time-work-benefits-to-grow-labour-supply) to encourage people to work more.

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