Milburn Review: summary

Benefitscast, December 2026

In brief

The Milburn Review proposes a new system for 18 to 24 year-olds who are not in work, education or training. It was published on 17 November 2026 and is a set of independent recommendations, not government policy.

- The government has said it backs the idea of a guaranteed route into work, education or training, with a White Paper due in the new year.
- The government has not yet said whether it accepts the benefit changes below.

The main proposals

The review would replace parts of the current benefits system for under-25s.

- **Youth Allowance:** one basic benefit at the current under-25 Universal Credit rate, with a higher rate for those living independently, such as care leavers. There would be no Work Capability Assessment for under-25s and the limited capability for work related activity element as we know it would be abolished.
- **Duty to engage:** in return for support, young people would agree a plan and take part in it where they are able. Benefits could be stopped only as a last resort, after many attempts to re-engage. The review says sanctions should be rare.
- **Additional Cost Allowance:** this would replace PIP for under-25s. It would be aimed at people with significant, long-term extra costs, decided once rather than through repeated reassessments. The review suggests that many people would get less than they currently do under PIP.
- **Severe and Complex Needs Insurance:** this would provide a more generous, secure income for a smaller group of people with profound, lifelong disabilities who are unlikely ever to work. Recipients would have no work-related requirements, and the review describes eligibility as having a "very high bar."
- **Health and Disability Fund:** a local fund for one-off or changing costs, such as equipment or help during serious illness, paid without a long-term assessment.
- **Youth Opportunity Service:** a locally run service giving each young person a named adviser, one plan and a route into work, education or training. It would be made up partly from existing Jobcentre Plus youth support, rather than replacing it outright.
- **Work allowance (not mentioned in the Benefitscast):** young people on the Youth Allowance who work could keep more of their earnings before the benefit is reduced.
- **Self-employment:** young people who start their own business could get a £3,000 start-up grant that would not count against their Youth Allowance. The review also suggests considering a longer start-up period, of up to 18 months.

- **Child DLA to 18:** Disability Living Allowance for children would carry on until age 18, instead of ending at 16. This would give young people and their families two more years to prepare and avoid a sudden reassessment for adult benefits at 16.

What happens next, and what we don't know yet

- **Timing:** a White Paper is expected in the new year, with legislation to follow. If accepted, it is suggested that new claims would move to the new system area by area, from 2029 at the earliest. Existing claimants would move at their next reassessment.
- **Support first:** the review says the support and opportunities must be in place before benefits change, and that current payments should continue until then.
- **Missing detail:** the review gives no payment rates for the higher Youth Allowance, the work allowance or the other new entitlements. It does not define "good cause" for refusing an offer, or set out appeal rights.
- **Open questions:** it does not say how the changes would affect people under-25s who are parents or caring for someone with a disability, or for family carers getting Carer's Allowance for someone under 25 who currently gets PIP.
- **Link to the Timms Review:** the two reviews will need to be reconciled.

This is a plain English summary and is not advice.