

What is Universal Credit, and how will it affect me?

What's happening?

- Universal Credit has started to replace a range of benefits and tax credits for working age people.
- It is paid differently – it is a single, monthly payment.
- It is for anyone on low to moderate income.
- It will not affect you if you and your partner are Pension Credit age.

What is Universal Credit replacing?

It brings together six benefits and tax credits, and replaces them with a single monthly payment. It is replacing –

- Income-based Jobseekers Allowance
- Income-related Employment and Support Allowance
- Income Support
- Child Tax Credit
- Working Tax Credit
- Housing Benefit.

Any benefits you receive which are not included in this list will continue to be paid as usual. This includes Child Benefit, Carers Allowance, Council Tax support, and so on.

When will I be affected by Universal Credit?

- It is slowly being rolled out across the UK. Certain new jobseekers will be the first people to claim it.
- You will continue to claim your benefits as normal, until you are told you need to claim Universal Credit instead.
- This change will take several years to complete.
- If you are told you need to claim, please contact us.

My Housing Benefit currently gets paid to my landlord – will this change?

- In most cases, yes. Any financial support you get to help pay your rent will be included in your monthly Universal Credit payment. You will then pay your full rent to us yourself.
- If you are two or more months in rent arrears, we can request that amount will be taken out of our Universal Credit payment, and paid directly to us instead. However, this may not cover your full rent, and you would need to cover any shortfall.
- If you are worried that you will not be able to cope with paying your rent, you can ask the DWP to consider you for an alternative payment arrangement. This means an amount of your Universal Credit payment will be paid directly to us instead. However, this may not cover your full rent, and you would need to cover any shortfall.

How and when is Universal Credit paid?

- It is paid once a month in to an account that you choose.
- It is a single payment. If you and your partner are both claiming Universal Credit, you will need to choose which account it is paid into.
- Your first payment will be made four to six weeks after your claim date, and then monthly after that.

- You may need to wait an additional seven days for your first Universal Credit payment. This is because the government introduced seven waiting days into the Universal Credit system.
- If you think you will struggle to manage while waiting for the first payment, you can ask the DWP for an advance payment – ask for this at your first interview, or call the helpline on 0345 600 0723. You will have to pay this back out of your future Universal Credit payments.
- You can ask for your Universal Credit payment to be fortnightly rather than monthly. You will need to explain why you cannot manage monthly payments.

How much Universal Credit will I get?

- How much you receive depends on you, your partners' and any dependent children's personal circumstances, such as any disabilities or being unfit to work, as well as income you already have coming in.
- Most people will receive a similar amount to the amount they currently receive from benefits. However, the rules are different which means that some people will be better off on Universal Credit, and some people may be worse off.

Do I have to have a bank account?

- No. Universal Credit will need to be paid into an account, but it can be several different types of account. Such as –
 - Post Office card account
 - Basic bank account
 - Credit Union current account
 - Jam Jar account
 - Current account
 - Prepaid card account
- See the table below for further information about each account.

	Current account	Basic bank account	Jam Jar account	Post Office card account	Prepaid card
Does it allow Direct Debits and standing orders?	Yes	Yes	Yes	No	No
Does it offer an overdraft facility?	Yes	Some accounts offer a small buffer zone	No	No	No
Is a debit card provided?	Yes	Sometimes	No	No	Yes
Can I use any cash machine?	Yes	Usually (some can only be used at their own machine)	Yes	No, the card can only be used at a Post Office cash machine	Usually
Is a cheque book provided?	Yes	No	No	No	No
Are credit checks needed to open the account?	Yes	No	No	No	No
Are there any fees and charges?	Yes - on overdrafts or failed standing orders and Direct Debits	Yes – on failed standing orders and Direct Debits	Monthly fee is £10-£15. No penalties on failed standing orders and Direct Debits	No	Yes – it varies, but can include setup fee, cash machine fee, and transaction fees.

What account is best for me?

- The best type of account for you will depend on how you want to use it. If you want to make sure your rent is paid, you are best going for an account where you can setup Direct Debits and standing orders. If you want to make sure you can't go overspend, you are best going for an account which does not offer an overdraft facility.
- For more information or help please contact us, or take a look at the [Money Advice Service website](#).

How will I claim Universal Credit?

- You apply for Universal Credit online.
- If you don't have access to the internet at home, you can use computers at your local library or Jobcentre.
- If you need help making your claim online, we can help you.
- Or you can call the Universal Credit helpline on 0345 600 0723.

Before you claim, make sure you have the following information

- Your National Insurance number (and your partner's if necessary).
- Your postcode.
- Your landlord's name and address.
- Your eligible rent (this can be different from your full rent – you can contact us to check what this is).
- Details of any children, relatives or friends who live with you.
- Bank account details of where you want your payments to go.
- Details of any savings you may have.
- Your expected monthly wage (if you are working).
- Details of any other income you receive.
- Your email address and contact telephone number(s).

- Once you have made your Universal Credit claim, you may need to go to the Jobcentre for an interview, to provide documents and discuss budgets.
- You will need to report any changes online, such as change in employment or changes in your household.
- You will need to make a separate claim for Council Tax Support from your local council.

What is the Claimant Commitment?

- To claim Universal Credit, you will need to sign a claimant commitment. It outlines what you need to do to receive your Universal Credit payments.
- If you are fit to work but unemployed, you will need to look for work. Most people will be expected to spend 35 hours a week looking for work, unless you have children under the age of 13.
- Some part-time and lower paid workers may also have to show that they are looking for more hours or higher paid work.
- Failing to keep to your claimant commitment will mean losing some of your Universal Credit – this is called a sanction.
- Hardship Payments are available if you face a sanction, but these are loans, and need to be repaid.

Think about how you will budget

- Universal Credit is paid monthly, but the amount you receive may change each month, depending on any other income you receive.
- It is a good idea to make a budget for all your income and outgoings each month. This helps to make sure you can pay all your bills and manage your money until your next payment is due.
- Contact us for help with budgets and debts, or find a local money advice service or Citizens Advice Bureau near you.

- Take a look at the following websites for further information -
 - www.moneyadviceservice.org.uk
 - www.stepchange.org
 - www.nationaldebtline.co.uk

How will you access the internet?

- All Universal Credit claims and amendments are done online.
- If you don't have access to the internet at home, find where your nearest library, community centre or Jobcentre is.
- Libraries and Jobcentres also offer computer courses if you want help getting online, or help to improve your skills.
- If you have access to a computer and the internet at home, you can find free computer courses online.

Make sure your rent is paid

- When you move onto Universal Credit let us know, and we can help you make arrangements to pay your rent.
- If you can, pay a little extra towards your rent now, so that when you are put on Universal Credit, you are not in too much arrears.

Couples – can you claim Pension Credit?

- If either you or your partner is Pension Credit age, you will be expected to claim Universal Credit unless you are getting Pension Credit.
- If you are awarded Pension Credit, you will not need to claim Universal Credit.
- Find out if you are Pension Credit age and if you can qualify for Pension Credit on the [Government website](#), or call the Pension Service on 0800 991234.