

Introduction to Universal Credit

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Training Objectives:

- What is Universal Credit
- Who can claim
- The claim process
- UC payments
- How can residents prepare for UC
- What help is on offer



ARE YOU READY?

What is Universal Credit?

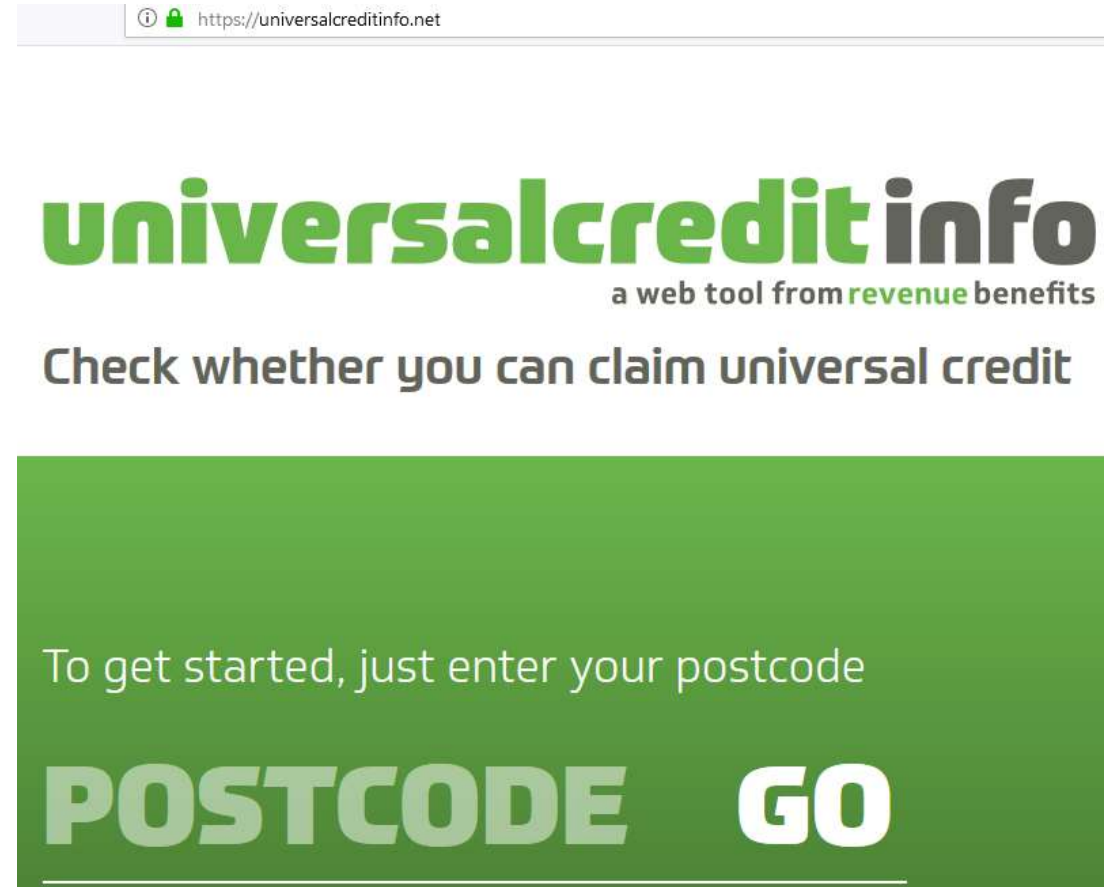
- New benefit administered by Department for Work and Pensions
- Replaces 6 benefits for people of working age
- Paid monthly in arrears
- Claim is made and managed online
- Claim commitment and conditionality – some will need to look for work in order to get UC.
- Currently only some resident in Camden can claim UC
- Those already receiving benefit do not to claim UC yet.

What benefits does UC replace?

UC replaces the following benefits for people of working age:	These benefits will not be part of UC:
<p data-bbox="537 482 919 534">Housing Benefit</p> <p data-bbox="537 611 919 662">Income Support</p> <p data-bbox="537 739 919 791">Child Tax Credit</p> <p data-bbox="504 868 952 919">Working Tax Credit</p> <p data-bbox="275 996 1182 1048">Income-Based Job Seekers Allowance</p> <p data-bbox="231 1125 1225 1233">Income-Related Employment and Support Allowance</p> <p data-bbox="326 1310 1131 1362">Also known as Legacy Benefits</p>	<p data-bbox="1294 482 2364 591">Contribution based JSA and ESA (DWP call them new style JSA and ESA)</p> <p data-bbox="1294 611 1786 662">Attendance Allowance</p> <p data-bbox="1294 682 1862 733">Disability Living Allowance</p> <p data-bbox="1294 753 2007 805">Personal Independence Payment</p> <p data-bbox="1294 825 1684 876">Carer's Allowance</p> <p data-bbox="1294 896 2007 948">Child Benefit – no two child limit</p> <p data-bbox="1294 968 1768 1019">Council Tax Reduction</p> <p data-bbox="1294 1039 1964 1090">State Pension & Pension Credit</p> <p data-bbox="1294 1110 1778 1162">Bereavement Benefits</p> <p data-bbox="1294 1182 1964 1233">Disablement and War Pensions</p> <p data-bbox="1294 1253 2313 1305">Statutory Sick Pay, Maternity and Paternity Pay</p>

To get Universal Credit residents must:

- Live in an area where UC has rolled out
- Be of working age
- Not have more than 2 children (from February 2019 large families can claim UC)
- Meet conditions of entitlement



The screenshot shows a web browser address bar with the URL <https://universalcreditinfo.net>. Below the address bar is the logo for "universalcreditinfo" in green and black text, with the tagline "a web tool from revenue benefits" underneath. The main heading reads "Check whether you can claim universal credit". A large green button area contains the text "To get started, just enter your postcode" and a large "POSTCODE GO" button.

<https://universalcreditinfo.net>

universalcreditinfo
a web tool from revenue benefits

Check whether you can claim universal credit

To get started, just enter your postcode

POSTCODE GO

Roll out of Universal Credit

20th June 2018: Marylebone and Barnsbury Jobcentres became UC postcodes

21 November 2018 : residents living in the following postcodes will be able to claim UC: NW2 2..; NW2 3..; NW6 1..; NW6 2.., NW6 5

5th December 2018: Kentish Town Jobcentre goes live.

Managed migration will start any day from July 2019 completion date 2023 .



Temporary and Specified Accommodation

If a resident is living in temporary or specified accommodation and they claim Universal Credit they will also need to claim Housing Benefit.

Temporary accommodation is housing arranged by a Local authority if someone is homeless.

Supported accommodation is a resettlement place or accommodation provided by a county council, housing association, registered charity or voluntary organisation where the resident receives care, support or supervision.

Natural and managed migration what is the difference ?

Natural migration –when a resident makes a new claim for benefit and they claim UC. **These residents will not benefit from transitional protection.**

Managed migration- this is when the DWP will contact residents claiming legacy benefits requesting that they apply for UC. **They will benefit from transitional protection. This process hasn't started yet.**

Transitional protection- DWP will top up a persons UC award to make sure that they will not receive less money than what they were receiving on legacy benefits.



Conditions of Entitlement

- **Be at least 18 years old and under pension credit age.** Some 16 year olds can claim (carers, responsible for a child , due to give birth in 11 weeks or less, without parental support and not looked after by LA and have limited capability for work or waiting to be assessed and covered by sick note)
- **Habitually resident with right to reside not subject to immigration control. European Economic Area jobseekers will not be entitled to UC, they need to find another right to reside besides being a jobseeker in order to be entitled to UC .**
- **Not in education:** There are some exceptions where you can study and claim UC (Aged under 21 without parental support doing a non advance course, responsible for a child or foster parent, have limited capability for work and get disability benefit and qualifying age for pension credit)
- **Sign claim commitment**
- **Capital limits £16000** –savings, investments, shares and property here and abroad.

What do you need to find out in order to check if someone can claim Universal Credit



What will trigger a Universal Credit Claim under natural migration ?

Situation that can trigger a UC claim	Solutions
ESA - found fit for work	Seek benefit advice to request mandatory reconsideration and appeal if decision is not revised avoid claiming UC. ESA is paid once appeal is lodged
On Housing Benefit but lost job	Seek benefit advice -enough National Insurance contributions claim - New style JSA , inform Housing Benefit of change in income and stay on Housing Benefit
Moving home in a local authority where UC is rolled out	No solution if they need help with housing costs
Change in marital status	It will cause tax credits to stop – claim UC
Failing to provide information Housing Benefit	Seek benefit advice Request Mandatory Reconsideration and provide info
Starting employment already claiming Child Tax Credit	Inform tax credits and they will update claim
Income support ends child turns 5	No solution claim UC
Carer's allowance stops	Have they been caring for someone else if so inform Carer's allowance?

Universal Credit vs ESA

Musa is 30 years old, single and lives alone, in receipt of ESA and in the support group, he also gets personal independence payment and severe disability premium.

ESA	
Main phase	£73.10
Support component	£37.65
Severe disability premium	£64.30
Enhanced disability premium	£16.40
Total per week	£191.45

UC	
Personal allowance	£73.10
Limited capability for work and work related activity	£75.77
Total per week	£149.11

Loss of £42.34 per week on UC

Making a claim



What you need to know

Call the helpline to:

- get help making your claim online
- make a claim in Welsh

Universal Credit helpline

Telephone: 0800 328 5644

Welsh language (make a claim): 0800 012 1888

Textphone: 0800 328 1344

Monday to Friday, 8am to 6pm



What information will they need?

- Bank, building society or credit union account details (call the Universal Credit helpline if they do not have one)
- An email address
- National Insurance number
- Rent and service charge details- Council residents can access this via Camden account or by ringing their rent officer.
- Income details -payslips
- Details of savings and any investments, like shares or a property they own
- Childcare costs

Universal claim help line Telephone: 0800 328 5644

Claim process

1. Create an account on gov.uk , provide email and state preferred method of communication text or email
2. Check email to get verification code
3. Apply online <https://www.gov.uk/apply-universal-credit>
4. Verify identity through one of the Partner companies online: Barclays, CitizenSafe, Digidentity, Experian, Post Office, Royal Mail, SecureIdentity - works like credit check, they ask series of questions to verify a person's identity.
5. Book appointment to visit jobcentre
6. Visit Jobcentre to meet work coach and sign claim commitment. UC claim is not complete until claimant signs claim commitment.

 GOV.UK

Universal Credit

BETA This is a new service – your feedback will help us to improve it.

Universal Credit online

Use this service to:

- start a Universal Credit claim
- switch your Universal Credit account online
- join your partner's Universal Credit claim

Enter your postcode

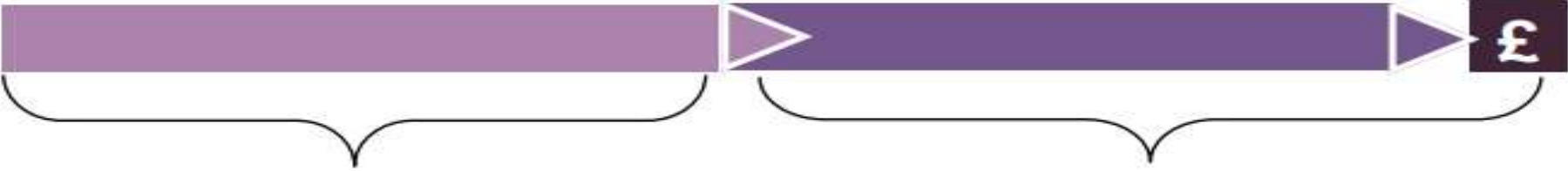
Start

Claim has been successful so when will they be paid?

**1 calendar month
Assessment Period**

7 Days

Payment



Assessment Period

Universal Credit is assessed and paid in arrears, on a monthly basis, in a single payment.

Your personal circumstances will be assessed to work out the amount of Universal Credit you are entitled to.

7 Days and Payments

Your payments will usually be calculated from the day you submit your claim and you will get your first payment 7 days after the end of your first Assessment Period.

Your payment will then be made on the same date every month while you remain entitled to Universal Credit. If your payment date is on a bank holiday or weekend you will be paid on the last working day before the bank holiday or weekend.

Universal Credit will be paid directly into your chosen account.

Resident that had Housing Benefit before they claimed Universal Credit will benefit from 2 week run on payments if they claim UC

They can't wait for 5 weeks what are the options ?

Request and advanced payment

- Can be requested at the jobcentre, calling the helpline or via UC online account
- They will need to explain why they need an advance payment
- Need to have passed ID verification stage
- Advance payments will need to be paid back usually over 12 months



What is included in the monthly UC payments?

Child element/qualifying young person 16-19 non advanced education.

2 child limit (unless transitional protection applies or you claimed UC before April 2017)
Disabled child premiums

Childcare costs – no minimum set hours of work required to apply . They will pay whichever is the lowest either 85% of actual costs of childcare or £646.35 per month for 1 child or £1108.04 for 2 or more children

Housing costs- benefit cap, LHA, non dependent deductions and bedroom tax applies .

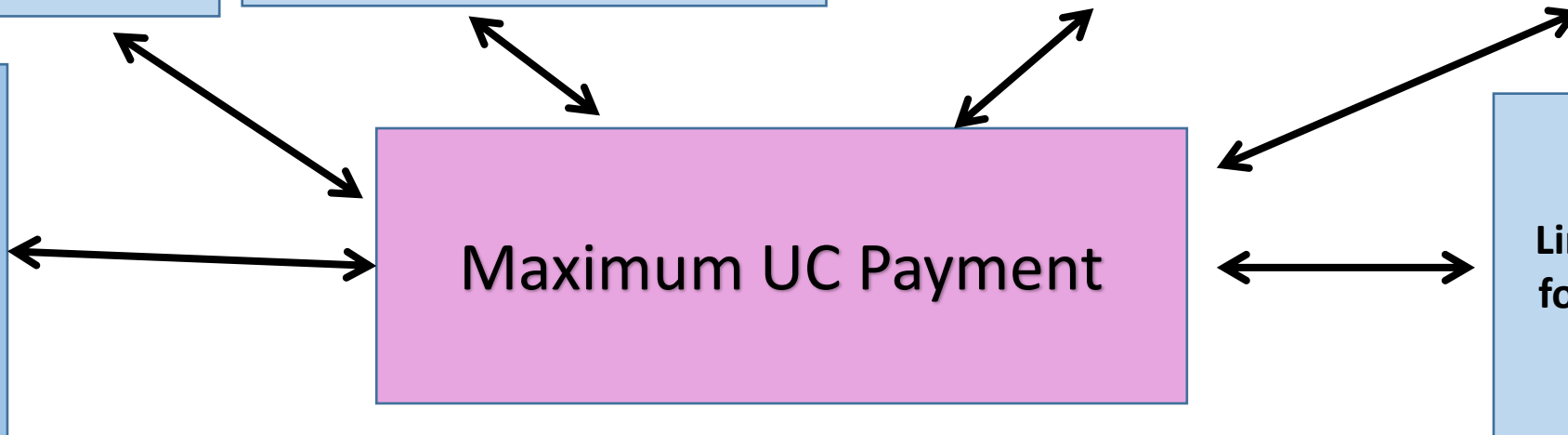
Payment on 2 homes is also possible – 12 months for DV and 1 month for disability adaptations , 1 month if moving to new home and liable for both –must have been getting housing costs before moving

Carer's element- don't need to get Cares allowance to get this but need to be looking after someone that is disabled at 35 hrs per week

Standard allowance – single or couple, under 25 or over 25

Maximum UC Payment

Limited capability for work element



UC Calculation Example

Couple (Sheldon and Amy) both over 25 with one child born in January 2018. They live in a 2 bedroom council property. They pay 450 each month for their rent.

The child is getting low rate care of DLA.

Sheldon has limited capability for work for and work related activity, he gets contributory employment and support allowance £475.12 each month.

Amy earns £700 net each month. They get child benefit and PIP (not treated as income).

They don't have child care costs

1. Calculate UC maximum amount:

Personal allowance: £498.89

Child care element: £277.08

Disabled child premium: £126.11

Housing cost: £450

Limited capability for work related activity : £328.32

Total = 1680.40

2. Income not from earnings – Sheldon’s Contribution based ESA **£475.15**

3. Income from earnings and what can be ignored if work allowance applies –
Amy Net monthly earnings £700 - Work allowance £198 = £502

£502 x 0.63 = **£316.26.**

4. Work out total income :

Sheldon ESA £475.15 and Amy earnings £316.26 = **£791.41**

5. Total UC maximum – Total income = £1680.40 - 791.41 = **£888.99**



Rent arrears, vulnerable residents or complex needs

Alternative Payment Arrangement (APA's) :

- Can be request at any time during the claim.
- Can be requested by claimants, representatives , caseworker, jobcentre work coach and landlords (UC47 or landlord portal)
- APA's is discretionary so no appeal rights - you can request a review with supporting evidence

3 Types APA'S:

- Managed payment to landlord (housing costs paid directly to landlord instead of the claimant) mandatory when 2 months worth of rent arrears.
- Fortnightly instead of monthly UC payments
- Split UC payments between couples

APA's what will the DWP look at?

Tier 1 highly likely DWP will grant APA

Addicts – drugs, gambling and alcohol

Learning disability/ literacy or numeracy

Severe debt/ in rent arrears / threat of eviction/ repossession

In temporary or supported accommodation

Homeless

Domestic violence/ abuse

Care leaver or 16 or 17 years old

Families with complex needs

Tier 2 possible need for APA

Claimant has history of rent arrears

3rd party deduction in place (fines , utility arrears)

Refugee or asylum seeker

Previously homeless

Has a disability

Just left prison or hospital

Limited language skills

Recently bereaved

Not in education , employment or training

Ex service personnel

Apply over the phone : Universal Credit live service: 0800 328 9344

Universal Credit full service: 0800 328 5644

They are on Universal Credit so what will they be expected to do in order to continue receiving their Universal Credit ?

Claimant commitment

- Sets out what the claimant needs to do to prepare for/ look for work or to increase their earnings
- Tailored to a persons circumstances.
- Both members of a couple need to sign claim commitment
- Work coach can review the claimant commitment if a persons circumstances change or if it does not reflect the claimants circumstances.
- **No appeal rights for work related requirements**
- To avoid sanctions claimants must comply with work related requirements even when they are waiting for the DWP to review their claimant commitment.

No work related requirement	Take part in work focused interviews	Look for work and be available for work
Carer for disabled person	Lone parent or main carer of child aged 1	Jobseeker – normally required to do 35 hours of looking for work.
Have limited capability for work and work related activity (support group)	You are responsible foster parent of a child under 16 or a young person with substantial care needs.	You are doing some work but have low earnings .
Recently experienced domestic violence (13 week period)	Started caring for friends or family members child within the past year	
Young person without parental support in non advance education or claimant in advanced education with student income which is taken into account for UC calculation	Take part in work focused interviews and must prepare for work (skills assessment, training, business plan, work placement)	
You are of pension credit age	Lone parent or main carer for a child aged two	
You are main carer for a child you adopted within the past year	Have limited capability for work	
Lone parent or main carer of child under 1. Or you are heavily pregnant or recently gave birth		
Working and average monthly earnings meet income threshold or self employed and have minimum income floor		

Universal Credit Sanctions

Sanction	Applicable to:	1 st failure	2 nd failure	3 rd failure
Higher Level e.g. leaving employment voluntarily	Claimants subject to all work-related requirements	3 months	6 months	3 years
Medium Level e.g. failure to undertake all reasonable action to obtain work	Claimants subject to all work-related requirements	4 weeks	3 months	
Lower Level e.g. failure to undertake particular, specified work preparation action, failure to participate in a work-focused interview	Claimants subject to all work-related requirements Claimants subject to work preparation and work-focused interview requirements	Open ended until re-engagement followed by 1 week	2 week	4 weeks
Lowest Level Failure to participate in a work-focused interview	Claimants subject to work-focused interview requirements only	Open ended until re-engagement		

Claimants that fail to meet work related requirement will be sanctioned.

The Sanction is applied to the standard allowance so UC amount is reduced.

If a member of a couple is sanctioned the sanction is 50% of the couple standard allowance.

Length and of the sanction depends on the level of the sanction and if you have been sanctioned before.

Sanctions what can you do?

Challenge the decision : Get advice and request a mandatory reconsideration. If refused then appeal.

- “ *Good reason should be considered taking into account individual circumstances and reasonableness.*”
- Most UC sanctions have been successfully challenged at appeal stage. Benefit statistics October 2017 -**four out of five appeals are successful (81 per cent)**.

Apply for Hardship payments – universal credit help line

- Need to show that they cannot pay for essential items.
- They need to meet their work related requirements before applying
- Hardship payments will be recovered from on going UC payments.
- Usually covers 60% of the amount that was sanctioned.
- Usually paid until next UC payment is due, if still in need they will need to reapply for hardship payment.

How can residents prepare for Universal Credit

Have the right IT skills – refer clients to Camden Adult Community Learning

- Do they have an email and can they check their emails?
- Do they feel confident going online ?

Sign up to an IT course – Camden Adult Community Learning offer a range of courses at all levels for Camden residents.

Have an account ready to receive payments that meets the individuals needs

- Bank, building society and credit union accounts are suitable
- Some people might want a separate account just for UC payments
- If it's a couple do they want to open a joint account?
- Do they want to set up a direct debit or standing orders to pay bills automatically, does their current account allow this?

Are they getting all the right benefits

- Some people are missing out on benefit they are entitled to, if in doubt get advice.



Prepare for monthly payments – get budgeting advice

- Track spending to work out how much income is needed during the month
- In debt seek advice
- Are they employed on zero hours or fluctuating earnings – can they get a job with fixed level of income .



www.camden.gov.uk/ccm/navigation/business/jobs-and-skills/



Budgeting and digital support

- Camden Citizens Advice UC SmartMoney (benefit, debt, budgeting advice)- support for residents on UC.
- Referrals can be made by jobcentre, self referrals and by other organisations on behalf of residents.
- Residents can self refer by calling 0300 303 0308

- Camden Adult Community Learning – digital training

For more information residents can call **020 7974 2148** or visit <https://www.camden.gov.uk/ccm/content/education/adult-community-learning/camden-adult-community-learning.en>

UC Things you can do to help

- Apply for DHP to help cover bedroom tax or benefit cap
- Have they applied for Council Tax Reduction Scheme
- Protect vulnerable residents apply for APA – rent payments to landlord help them inform Jobcentre of their vulnerability
- Refer those on UC for budgeting and digital support
- Check claimant commitment, do the work related requirements fit with the persons circumstances – if not request a review and challenge sanctions