



**Your guide to
Universal
Credit**



This guide gives you the key information you need about Universal Credit. It doesn't cover everything, so it is always best to get independent advice to help you decide if Universal Credit is the best option for you and when to claim.

At Homes in Sedgemoor, we understand that moving to Universal Credit is a big change, but we are committed to helping you sustain your tenancy.

If you require independent advice your Income Officer would be happy to help refer you to a qualified advisor, as well as discuss managing your rent account when you move onto Universal Credit.



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¹ What is Universal Credit?

Universal Credit is replacing
six benefits / tax credits
– by combining them into a
single monthly payment.

*“Universal Credit is a
working age benefit. If you are
are a mixed age couple* then seek
advice about Universal Credit and what
it means for you.”*

*A mixed age couple is where one member of a couple
is under age 66, and the other is age 66 or over.

Universal Credit is a benefit for people of working age. You can claim UC to top up earnings from work, if you are looking for work, a carer or unwell and cannot work.

Universal Credit is replacing...

- Income-based Jobseeker's Allowance
- Income-related Employment & Support Allowance
- Income Support
- Child Tax Credit / Working Tax Credit
- Housing Benefit.

These are sometimes referred to as the 'legacy benefits'. Other benefits remain to be paid and claimed as normal.

Introduced in stages.....

At the moment you will only need to claim UC if you have a change in your circumstances that would normally mean you would be looking to make a new claim for one of the benefits UC is replacing (or have been sent a 'migration notice' - see page 31).

The payment...

UC is a means tested benefit. This means that if you have income above a certain level, or savings above £16,000, you will not receive a payment. It

- is calculated and paid monthly in arrears, and
- can include help with your rent.

TIP... you can get ready for UC by setting up an email address and opening a bank account - get help if you will find this difficult.

How do I make a claim?

Universal Credit is usually claimed online.

*“You’ll need
an email address to claim UC.
If you need help setting one up
- talk to Citizens Advice.”*

*“To get help paying
your Council Tax bill, you will
need to make a separate claim
for Council Tax Support.”*

Claiming UC...

Go to www.gov.uk/apply-universal-credit.

What will I need to make a claim?

- An **email address**
- Your **postcode**
- **Details of the bank, post office or credit union account** you would like any UC award paid into
- **Tenancy agreement** and **current rent figure**
- Details of any **income, savings** or **capital**
- **Details of children** including a **child benefit number**
- This isn't essential but speeds up the process - **photo ID**, such as a **passport** or **photo driving licence**.
Don't worry if you don't have these as there are other ways of verifying your identity.

Claiming as a couple?

If you are claiming as a couple you will both need to claim separately. One of you will be given a code to give to the other to input, so that the claims can be joined.

Your claim will not start until both of you have input all the necessary information and submitted the claim.

You will only receive one payment between you that takes into account both of your circumstances.

TIP ...If you don't have a bank account don't delay making your UC claim as you could lose out. You should call the helpline when you reach the section asking about bank accounts.

Need help?

There's lots of help
available....

"Your UC award will not start until you have completed all the details on your online claim AND pressed 'submit claim'."

"Any delay could mean you miss out on UC. So get help if you are struggling to complete your claim."

What if I can't get online?

You will be able to access a computer at your local Job Centre Plus or Library.

Can I get help making my claim?

If you need help completing your claim you can:

- Contact your local **Job Centre** and ask for a list of places where you can get help, or
- Call the **Universal Credit helpline: 0800 328 5644**.
If the DWP accept that you need help from them to make your claim, the date of the phone call could be accepted as your date of claim.
- Getting help from the Citizens Advice **'Help to Claim'** service? Note: your claim is not made until it is actually submitted rather than the date you asked them to help.
- The DWP may agree a **home visit** in certain situations.

I'm going to struggle what can I do?

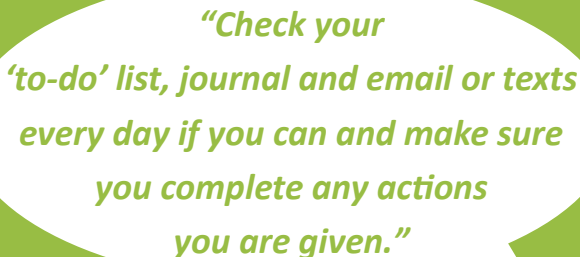
If you have complex needs, a severe disability or other exceptional circumstances that will make it impossible to make and manage your claim online, then ask the DWP to allow you to have a non-digital claim.

This is where you make and manage the claim on the phone and can receive written notifications. Call the UC Helpline: 0800 328 5644 and explain your difficulties to them.

TIP ... get ready for UC by finding out where you can get online, and if you've never been online before, look for training sessions available locally.

⁷ Completing the claim process

There is a lot to do to ensure your claim is successful and you get paid.



“Check your ‘to-do’ list, journal and email or texts every day if you can and make sure you complete any actions you are given.”

What happens next?

Once you've made your claim, you'll need to:

- Book an appointment with your work coach for a new claim **interview**
- Agree and sign your '**claimant commitment**'
- Provide certain **documents**
- Discuss whether you'll need help with budgeting
- Book an **ID interview** - if you haven't been able to get your ID verified online
- Regularly **check your 'to-do' list** and journal to see if you have any outstanding actions or messages from your work coach
- Start looking for work - unless you are not required to do so.

If you are claiming as a couple you will both need to do the above separately.

NOTE: If you fail to do any of these, your claim may be cancelled.

If your claim is cancelled contact a benefits adviser to check that you were given the correct time limits for actioning the request.

NOTE: If you change your mobile phone number or email address - ensure your UC account is updated.

TIP... make sure you attend all your appointments - otherwise your claim may be closed.

⁹ When will I get paid?

Universal Credit is usually paid on the same day every month.

“If you’re going to struggle with monthly payments ask the DWP to consider paying your Universal Credit twice a month.”



When will I be paid?

When you make a **new claim** for Universal Credit, you will have

- ...a **calendar month** before your entitlement is assessed, then...
- ...up to **7 days** for your payment to be processed.

You'll then be paid calendar monthly

Universal Credit is paid monthly - based on the date you claimed - and is paid in arrears.

If you're used to working out your budget weekly or fortnightly you'll need to think about how you'll manage your money for a whole month.

You may need to change the date you pay certain bills - let the billing company know what you are doing.

A system of Alternative Payment Arrangements exists that allows some claimants to receive their UC twice monthly - speak to your work coach if you think this would work better for you.

**Make sure you prioritise your rent
- otherwise you could risk losing your home.**

**TIP... you can ask for an Advance Payment if
you're going to find it hard to manage until you
receive your first payment.**

What is an Advance Payment

An Advance Payment can help if you can't manage until your first (or next) UC payment.

"If you ask for an Advance Payment on a new claim, make sure you know how much you need. You may only get one payment at the start of a claim. Get advice if you're not sure"



You can get an Advance Payment:

- When you make a **new claim** for UC and are going to find it difficult to wait for your first payment.
Paid back over 24 months. Called a New Claim Advance or Benefit Transfer Advance.
- When you are on UC and have a **change in your circumstances** and you are going to find it difficult to manage until you receive your next UC payment.
Paid back over 6 months. Called a Change in Circumstances Advance.
- When you need help with **one off expenses**.
Paid back over 12 months. Called a Budgeting Advance.

You'll have to pay it back

An Advance Payment is an interest free 'advance' of your future UC payments and will need to be paid back. Rather than having to pay it back in one lump sum, your UC payments will be reduced over a set period of time.

How do I request one?

You should be able to request one online via your UC account.

If not ring the UC helpline on: 0800 328 5644 and ask for an Advance Payment.

TIP... think carefully about how much you need as an Advance Payment - because your future UC payments will be reduced to pay it back.

What about my rent?

Universal Credit can include help to pay your rent - called a Housing Costs Element.

"Some people can ask Sedgemoor District Council for a Discretionary Housing Payment if they are struggling to afford to pay their rent. Speak to an Income Officer for help."



Will the money to cover my rent be sent straight to Homes in Sedgemoor?

On Universal Credit you are responsible for ensuring that your full rent is paid.

Your Universal Credit payment will include any help with your rent that you are entitled to. It may not cover your full rent.

If you have been getting Housing Benefit and are used to your rent being paid directly to Homes in Sedgemoor, this will change - **so make sure you contact us when you make a claim.**

What if I go into arrears?

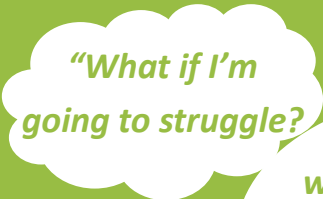
A system of **Alternative Payment Arrangements** means that if you are two months or more behind with your rent, we can apply for something called an **APA Managed Payment**.

This means that some of your UC payment is paid directly to us. But it may not cover your full rent - you may still have a payment to make yourself.

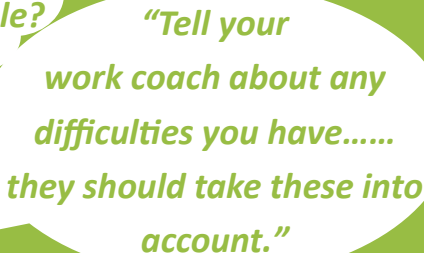
TIP... if you are worried you might struggle to pay your rent, explain this on your UC journal as sometimes it is possible to request a rent payment direct to us or contact your Income Officer who can apply for a managed payment.

What is the 'Claimant Commitment'?

Your claimant commitment will outline what you need to do in exchange for receiving Universal Credit.



*"What if I'm
going to struggle?"*



*"Tell your
work coach about any
difficulties you have.....
they should take these into
account."*

What's in a claimant commitment?¹⁶

Depending on your circumstances you may have some work related requirements. These could include...

- Attending **work-focused interviews**
- Undertaking **work preparation**
- And if you are fit for work - **work search**.

What about couples?

Each member of a couple has their own 'claimant commitment' depending on their circumstances.

What about workers?

Working people may still have to look for more work as part of their claimant commitment - or a non-working partner may have to. It all depends on your/their earnings.

What happens if I don't stick to it?

Failing to keep to your claimant commitment will mean losing some of your Universal Credit for a period - this is called a **sanction**.

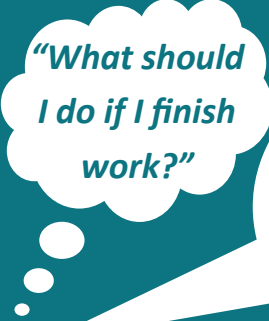
You can challenge a sanction decision, and there is no time limit to do so - contact a benefits adviser for help.

If you are sanctioned consider applying for hardship payments - note, these have to be repaid.

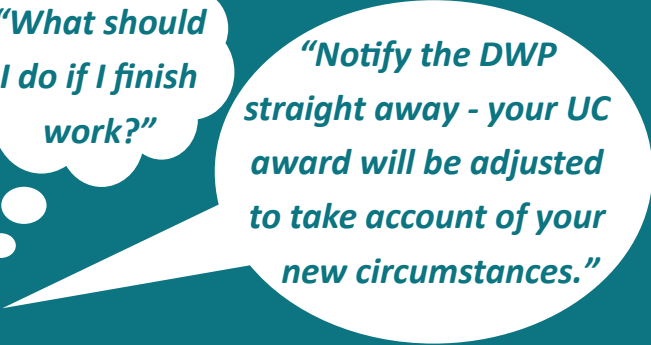
TIP... if you have any problems with looking for work, let your work coach know - they should take these into consideration.

What if I'm working?

Universal Credit can support workers - how much you get each month will depend on your income and circumstances.



"What should I do if I finish work?"



"Notify the DWP straight away - your UC award will be adjusted to take account of your new circumstances."

How does UC work for workers?

Each month the DWP will work out your award based on your circumstances at the end of your 'Monthly Assessment Period' (MAP) and the wages you (and any partner) received in that period.

So if your earnings change, so will your UC award.

My earnings never change but my UC award does - why is this?

You may have more earnings taken into account in a particular MAP than you were expecting, because:

- **Paid weekly?** You can receive 5 wages in a MAP
- **Paid fortnightly?** You can receive 3 wages in a MAP
- **Paid every 4 weeks or monthly?** There will be the odd MAP when you are paid twice
- **Tax refunds / holiday pay** - count as wages.


IMPORTANT:

If your UC stops and you think that you will become entitled again, you may have to make a reclaim (if it stopped less than 6 months ago) or a new claim.

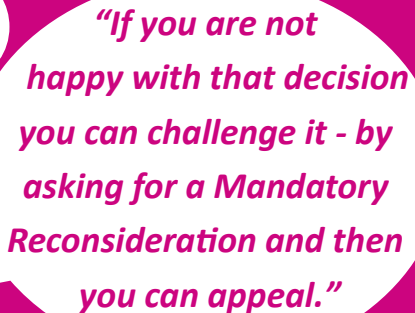
TIP ...look on your journal to find out what your Monthly Assessment Period is - it's the period for which each payment is made.

What if I become unwell?

Universal Credit can continue to be paid - but you must notify your work coach immediately.



"What if I'm found fit for work?"



"If you are not happy with that decision you can challenge it - by asking for a Mandatory Reconsideration and then you can appeal."

If you are too ill to work search...

You must let your work coach know otherwise you can be sanctioned for failing to do the work search / preparation required in your claimant commitment.

They can suspend all or some of these requirements for short spells of illness.

What if my illness is long term?

If you are found to have a 'limited capability for work', your claimant commitment can be altered to reflect this and you may also be entitled to more UC.

You must provide the DWP with a 'fit' (sick) note from your GP and ask for a Work Capability Assessment.

While the DWP are considering this make sure you:

- **Continue to meet your claimant commitment**
- but ask your work coach to have it altered
- **Complete a medical questionnaire**
- get help from a benefits adviser
- **Attend a work capability assessment**
- get advice from a benefits adviser before attending.

IMPORTANT... on ESA before moving on UC?

**Getting a Work Related Activity Component or
Support Component immediately
before moving onto UC?**

**If you've not been found fit, your UC should include
the equivalent LCW or LCWRA Element.**

Do I need to be online?

Yes - you will have an online Universal Credit account to manage your claim, so you will need to be able to go online on a regular basis.

"If you have never been online there is lots of help available - ask your Income Officer or go to the Job Centre."



You'll need to regularly login to your account...

When you login you will be able to:

- Check for 'to do's' that you are required to action
- Contact your work coach via an online journal
- Check details of payments
- Notify changes of circumstances
- Search for a job
- Record your work search / preparation activities
- Ask questions about your claim
- Challenge decisions - by asking for a 'Mandatory Reconsideration'.

You will be expected to report all changes online and check regularly for messages from your work coach.

Make sure you take any action you are asked to do - otherwise you could be sanctioned.

If you are sanctioned, seek advice immediately.

TIP... if you are going to struggle getting online - ask about an 'offline' claim. The DWP will allow these in exceptional circumstances.

You make and manage the claim over the phone and can receive written notifications.

Choosing the right account for your payments...

"I'd like to have a bank account, but what if I don't pass the credit check?"



"Most accounts without an overdraft facility don't require you to pass a credit check."

Universal Credit can be paid into a...

- Current Account
- Basic Bank Account
- Credit Union Account
- 'Jam Jar' Account
- Prepaid Card Account

(Ask if they have a 'Jam Jar' account - these can help you budget)

How do I decide which to use?

There's lots of information online.

Which account is best for you will depend on your circumstances but whatever account you choose it would be good if it ...

- Allows you to set up Direct Debits
- Has a 'buffer' zone (ie a small approved overdraft).

Claiming UC as a couple?

If you are claiming Universal Credit as a couple consider setting up a joint account because a joint claim for UC can normally only be paid into one account and you may both need access to the UC payment.

If having UC paid into one account is inappropriate talk to your work coach about splitting the payments.

TIP... for more information have a look online:
moneyadviceservice.org.uk/bankaccounts

²⁵ I'm already claiming benefits. When will I need to claim?

This will depend on whether you have had a change in your circumstances that triggers the need to claim*.

"If you are finishing work and you already get Housing Benefit, then New-Style Jobseekers may be for you rather than Universal Credit - get advice."

*A limited number of people who already claim benefits are being 'invited' to claim UC.
See page 31 for more information.

You may have to claim UC if...

...you are of working age and would normally be making a *new claim* for one of the benefits Universal Credit is replacing.

You may need to make a claim if you:

- Have lost your job and have no other source of income.
- Become unfit for work.
- Have a baby and need to claim benefits for the first time.
- Are separating from a partner.
- Are moving to a new Local Authority area and need help with your rent.

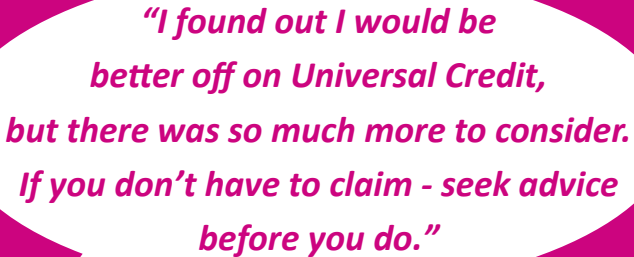
But you may not need to claim if you are:

- Moving within a Local Authority area, are on Housing Benefit, and have no other change in your circumstances.
- Getting some Tax Credits and have a change in your circumstances that would increase/decrease that award such as having a baby, or starting work.
- With a partner who is state pension age - and you are already getting Pension Credit or Housing Benefit under the State Pension Credit age Regulations.

TIP... If you are told you have to claim UC - seek advice immediately from a benefits adviser to make sure this is your best / only option.

Can I claim now?

If you meet the key claiming rules then you can claim now - but seek advice before you do.



"I found out I would be better off on Universal Credit, but there was so much more to consider. If you don't have to claim - seek advice before you do."

What if I'd be better off on UC - can I claim it now?

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Some people will be better off on UC - or able to receive a financial top-up for the first time.

If you think this could be you, then get advice from a benefits adviser and check that, taking *all* your circumstances into account, you will be better off.

You'll need to think about:

- Whether you (or your partner) would have to look for work as a condition of receiving UC.
- What deductions might be taken - reducing the amount you'll receive.
- Paying your rent yourself (if your Housing Benefit is currently being paid directly to us).
- Do you have an email address, and mobile phone number?
- Will you need to open a bank account?
- Having regular access to the internet.
- Whether you'll manage budgeting your money monthly.
- If you work and need help with childcare costs you will need to pay for these first and then claim some money back through UC. How will you pay for these upfront?

TIP... if you are thinking of making a claim for UC contact a benefits adviser first.

Getting Disability Benefits

"I've been told I could be worse off on Universal Credit - is this true?"

"The way Universal Credit is worked out is different to the 'legacy benefit' system. It is true that a number of people will be worse off.....but protections have been put in place for some."

Special rules for some people who ³⁰ get the severe disability premium.....

Do I have to claim Universal Credit?

- When UC was first introduced some disabled people were worse off on UC when compared to their legacy benefit entitlement.
- However, a new element has been added to UC called the Transitional SDP Element. This is to help some people on certain disability benefits who would otherwise be worse off on UC.
- If you have made a new claim for UC on or after 27th January 2021 and you were getting the 'severe disability premium' in an award of Income-Related ESA, Income Support or Income-Based JSA before you made your UC claim then you may be entitled.
- Contact a benefits adviser for advice.

I made my UC before 27th January 2021 and am worse off - what can I do?

- You may be entitled to the 'Transitional SDP Element' if a previous IR-ESA / IS / IB-JSA award included the 'severe disability premium' although the rules are slightly different. Contact a benefits adviser for advice.

TIP...the severe disability premium is often 'missed' – if you are getting Personal Independence Payment or Disability Living Allowance, check with a benefits adviser to see if you are entitled.

What is managed migration?

"I've been told I'll have to claim Universal Credit - is this true?"

"The government wants all working age people getting 'legacy benefits' to move onto UC by the end of 2024. When it is your turn you will receive a letter explaining what you need to do."*

**'Legacy benefits' are: Income-Related ESA, Income Support, Income-Based Jobseekers Allowance, Tax Credits and Housing Benefit.*

Will I have to change from my legacy benefits onto UC?

The government wants everyone on legacy benefits* to move onto UC by the end of 2024.

Some people will have to claim UC due to a change in circumstances and some will chose to claim UC.

Others will be 'invited' to claim - the DWP call this managed migration.

Managed migration—what happens?

- You will receive a 'migration notice' - a letter 'inviting' you to claim UC. Seek advice immediately, as the timing of your claim could affect the amount of UC you are awarded.
- There will be a deadline on this letter. You **MUST** apply for UC by the deadline. If you do not apply for UC by the date on your migration notice and old benefits may stop.
- If you claim within the time limits given, you will swap straight from your old 'legacy benefits' on to UC and will may be entitled to 'transitional protection'.
- 'Transitional protection' will be given to those claimants whose UC award would be lower than the benefits it is replacing.
- If you delay, there may be a gap in your benefits, and you could lose any 'transitional protection' you would have been entitled to.

TIP...Do not ignore a migration notice. If you receive a letter telling you to claim UC, contact your Income Officer immediately.

Useful contacts:

Homes in Sedgemoor—Income Team

tel: 0800 585 360 or 01278 552 400

customer.services@homesinsedgemoor.org

Sedgemoor District Council

Council Tax Support or Discretionary Payments

email: benefits@sedgemoor.gov.uk

tel: 0300 303 7802

Department for Work and Pensions

www.gov.uk/universal-credit

tel: 0800 328 5644

Universal Credit Migration Notice Helpline

tel: 0800 169 0328

Citizens Advice Sedgemoor (CAB)

www.citizensadvice.org.uk

tel: 0808 278 7842

advice@citizensadvicesedgemoor.org.uk

Help to claim tel: 0800 144 8 444

Money Advice Service

www.moneyadviceservice.org.uk

tel: 0808 808 4000

Stepchange Debt Charity

www.stepchange.org

tel: 0800 138 1111

