



**national association of welfare
rights advisers**

Universal Credit

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&

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By the end of the session you should be able to:

- outline the implementation plan for UC
- advise on the gateway conditions and who is eligible to claim
- explain the UC claim and decision-making process and the assessment and payment schedule
- advise on the claimant commitment and related sanctions

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Introduction

UC began to be introduced in pathfinder areas in 2013 and is expected to be in place for all new claimants nationally in 2017. It will replace:

- Income Support
- Income-based JSA
- Income-related ESA
- Housing Benefit
- Working Tax Credit
- Child Tax Credit

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Phase	Timescale
UC pathfinder introduced (single unemployed only)	April 2013
UC pathfinders introduced in 10 areas	April 2014
New UC claims from couples permitted in some areas	Summer 2014
New UC claims from people with children permitted in some areas	Autumn 2014–April 2015
New UC claims from single people introduced across GB	2015–2016 (Sept 2015 in County Durham)
UC fully introduced for new claimants across GB	2017
'Most' current claimants of means-tested benefits and tax credits transferred to UC	2017–2019

<https://www.gov.uk/guidance/jobcentres-where-you-can-claim-universal-credit>

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UC is available in a number of JobCentres

The 'gateway' in most areas will initially be restricted to single people with no children. Additionally, the claimant must:

- be aged between 16 and 60 years and 6 months
- be a British Citizen was who has resided in GB for the past 2 years
- have a NINO and a bank, building society, post office or credit union account
- be fit for work
- have less than £6,000 in capital

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The claimant must not:

- have a child, be pregnant, or be adopting or fostering a child
- be entitled to IS, JSA, ESA, IB, SDA, DLA, PIP, WTC, CTC, or be awaiting the outcome of a claim or dispute to those benefits or Housing Benefit
- expect to earn more than £338 in the month after the claim
- be self-employed
- be, or plan to be, in education or training
- be liable for child support
- be a carer
- be homeless
- be an owner-occupier
- live in the same household as a member of the armed forces who is absent from home on account of that role

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Claims & payments

The vast majority of claimants (over 80%*?) will be expected to claim and manage their claim online.

In exceptional cases there will be 'face to face mediation' provided.

UC will be assessed and paid monthly into a nominated bank account using BACS. There might be 'exceptional' cases where benefit is paid at a different frequency.

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Universal Support

- Initially call the Local Support Services (LSS) Framework, the support framework followed Ministerial request to ensure that claimant with complex needs will not be prevented from accessing and using welfare services (as per legislation)
- Written by a task force including LA Association reps from England, Scotland and Wales; co-signed by Sir Merrick Cockell



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Budgeting support

What are the elements of Personal Budgeting Support?

1. Money advice to help claimants cope with managing their money on a monthly basis and paying their bills on time
 - Money advice will be offered online, by phone, or face to face
 - Money advice will be delivered by external organisations with the relevant expertise to do this
2. Alternative Payment Arrangements for those claimants who cannot manage the single monthly payment and there is a risk of financial harm to the claimant and/or their family

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Decisions & appeals

Most decisions will carry a right of mandatory reconsideration (MR), then appeal against an MR decision if necessary.

There is no right of appeal against a decision that overpaid benefit should be recovered (although recovery is discretionary).

Decisions will be notified through the claimant's online account and by letter. MRs and appeals must be made within a month of the date of notification.



<Title> <Initial> <Surname>
 <Address1>
 <Address1>
 <Address1>
 <Address1>
 Postcode

Building/Office location
 Office Type
 Street
 Town
 County
 Postcode

www.gov.uk/universalcredit

Telephone: 0845 6000 723
 Textphone: 0845 6000 743

If you contact us, use this
 reference:
 <NINO>
 <NSG date>

Dear <Title> <Surname>

Your Universal Credit monthly payment is £<xxx.xx>

This will be paid on <next payment date>. You'll receive this amount each month unless your circumstances change.

The amount may have changed since the last payment calculation we sent you. This can happen if:

- we've received new information about your circumstances or earnings
- sanctions or other deductions have been applied

The table below explains how we worked out your payment. If you need more information, contact us using the phone number or address at the top of this letter.

To keep receiving Universal Credit you must do all the things set out in your Claimant Commitment.

If your circumstances change, you must tell us straight away by phoning 0845 6000 723. If any changes affect your Universal Credit, we'll write and let you know.

Because you receive Universal Credit you may be eligible for other benefits. For more information about this, please go to www.gov.uk/universalcredit

Yours sincerely

Office Manager

Universal Credit is operated by the Department for Work and Pensions.

www.gov.uk/universalcredit

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How your Universal Credit payments are worked out

This is based on your circumstances between <start date of assessment period> and <end date of assessment period>

1. First, we bring together the basic parts of Universal Credit that apply to you.	
Standard allowance for you	£ xxx.xx
Housing element	£ xxx.xx
Child element <This is based on x children>	£ xxx.xx
Disabled child element	£ xxx.xx
Childcare element	£ xxx.xx
Carer element	£ xxx.xx
Limited Capability for Work element	£ xxx.xx
Amount	£ xxx.xx
2. Next, we take account of any non-work income and other benefits you receive, as well as your savings and capital.	
<type of income> £ xxx.xx Income from £ xxxx.xx savings and capital. We take £1.00 into account for every £250 you have over £6000	£ xxx.xx £ xxx.xx
The total we take off for these items is:	£ xxx.xx
3. We then take account of your take-home pay	
Take-home pay is what's left after tax. National Insurance and any pension contributions have been deducted. Your take-home pay for this period is £ xxx.xx The first £XX.XX of your take-home pay doesn't affect your Universal Credit monthly amount. Every £1.00 you earn in take-home pay over this £XX.XX reduces your Universal Credit by 65 pence.	£ xxx.xx
The total we take off for take-home pay is:	£ xxx.xx
4. Lastly, we take account of any loans, advances, sanctions, penalties, deductions, overpayments or third party payments you have.	
<reason for deduction>	£ xxx.xx
The total we take off for these items is:	£ xxx.xx
Total adjustments	£ xxx.xx
Your Universal Credit monthly payment for this period	£ xxx.xx



Universal Credit is operated by the Department for Work and Pensions.

www.gov.uk/universalcredit

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Payments

- Assessed and paid monthly and includes housing costs
- Not normally be paid for less than a period of a month
- The monthly assessment period means that a change of circumstance leading to increased or reduced entitlement will apply to the whole month in which the change takes place.
- No entitlement for first 7 days (see exceptions handout, DMG Memo) then a gap between end of period and payment of 7 days: so most people wait 1 month + 14 days for payment

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Qualifying conditions

UC is available to the:

- employed, unemployed, self-employed,
- lone parents
- carers
- ill or disabled.

It covers payments for adults and children, and housing costs and childcare costs

Claimant commitment

Four different conditionality groups:

- No work-related requirements
- Work-focused interview requirement
- Work preparation requirement
- All work-related requirements



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No work-related reqs

This group includes:

- Carers of severely disabled people
- People with Limited Capability for Work Related Activity (i.e. support group members)
- Lone parents/responsible carers with children under the age of one year
- People earning over the 'conditionality threshold'
- People under 21 in non-advanced education who are without parental support
- People experiencing DV in previous 13 weeks
- Various others

Conditionality threshold

The 'conditionality threshold' is:

- national min wage \times number of hours of weekly work in 'claimant commitment' (usually 35)
- couples must meet the condition jointly between them (i.e. their combined earnings must equate to the sum of their combined required hours of work \times the minimum wage)

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WFIs only

This group includes:

- Lone parents/responsible carers of children aged one or two years
- Single or nominated foster carers of children aged under 16 (or under 18 if child has proven care needs due to disability)

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Work preparation reqs

This group is basically the Work Related Activity Group (WRAG) of ESA: claimants have to do WFIs and undertake WRA such as training placements, Work Programme placements, etc. The group comprises:

- People with limited capability for work, but not for work-related activity

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All work-related reqs

Everyone who does not fit into one of the groups above. Includes:

- Typical 'jobseekers'
- People who are in work but do not earn enough (the 'conditionality threshold')
- All jobseekers with EEA 'worker status'

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Job search & availability

Particular job search and availability conditions can vary from person to person, but typically, job search and work availability mean looking for and being available for work of:

- at least 35 hours a week
- no more than 90 mins travel (one way) from the claimant's home
- paying at least the national minimum wage

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CC sanction periods

Sanction	Applicable to:	Duration		
		1st failure	2nd failure	3rd or subsequent failure
High Level e.g. failure to take up an offer of paid work	Claimants subject to all work-related requirements	91 days	182 days	1095 days
Medium Level e.g. failure to undertake all reasonable action to obtain work	Claimants subject to all work-related requirements	28 days	91 days	
Low Level e.g. failure to undertake particular, specified work preparation action	Claimants subject to all work-related requirements Claimants subject to work preparation and work-focused interview requirements	Open ended until re-engagement plus		
		7 days	14 days	28 days
Lowest Level Failure to participate in a work-focused interview	Claimants subject to work-focused interview requirements only	Open ended until re-engagement		

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Claimants can be sanctioned if they don't meet the conditions of their claimant commitment.

They can also be fined - a 'civil penalty' - as an alternative to prosecution where they give false information or make 'a serious error'.

The amount and type of the sanction varies depending on the nature of the failure: the maximum amount is £317.82 a month (the single person's allowance) and the maximum term is 3 years.

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- massive 38% rise in employment and support allowance (ESA) sanctions in the space of just one month
- The statistics show that ESA sanctions rose from 2,454 in February 2015 to 3,382 in March 2015. The March total is the highest since May 2014 and the fourth highest monthly total since a new sanctions regime was introduced in December 2012.
- No explanation is given for the rise of over a third in the number of sanctions in the course of just one month.