

# WHAT IS UNIVERSAL CREDIT?



Universal Credit replaces a number of benefits, including Housing Benefit with one single monthly payment for some households. It is a change to the benefit system which is being introduced in stages throughout the UK and is due to be fully introduced across all the UK by 2022.

It will eventually replace six existing benefits which are:

- Income Support (IS)
- Income based Jobseekers Allowance (JSA)
- Income Based Employment & Support Allowance (ESA)
- Working Tax Credit (WTC)
- Child Tax Credit (CTC)
- Housing Benefit (HB)

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## WHO DOES IT APPLY TO?

Universal Credit is for people who are out of work or on a low income and aged between 18 years and under state pension age. The state pension age is changing and therefore you can calculate when you will reach the qualifying age by visiting the [gov.uk](https://www.gov.uk) website.

You will not be affected if you are of Pension Credit age when the change comes in (unless or until there is a break in your Pension Credit claim for some reason). If you already claim Pension Credit you should continue to claim this and Housing Benefit instead. If you reach Pension Credit age and your partner is under Pension Credit age, you might not be able to make a new claim for Pension Credit and you might have to make a claim for Universal Credit instead. The exact date for this has not yet been announced.

You can find out more about who is eligible by clicking on the [GOV.UK](https://www.gov.uk) website.

# HOW OFTEN IS IT PAID?



It is paid in a single monthly payment directly into your bank account. If you were previously used to receiving benefits more regularly or having your rent paid directly to Pickering and Ferens Homes every month, you need to make adjustments to your budgeting in order to ensure you can make the money last the month.

From February 2018 new claims will be paid approximately 5 weeks after applying so you will need to make sure that you have money in place to manage the transition period or arrange extra support during this time. From April 2018 if you are in receipt of HB you will still receive the HB for 2 weeks following your initial claim for UC.

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## WHAT IS DIFFERENT ABOUT U.C. TO THE BENEFITS I RECEIVE NOW?

The biggest changes that Universal Credit will bring are:

- It is one single benefit payment, administered by the Department for Work & Pensions (DWP)
- Most people will have to claim online
- Most people will be paid monthly, in arrears, into a bank account
- You cannot at presently choose to have the part of Universal Credit that replaces HB paid to us, your landlord. Instead, you will be responsible for paying all your rent to Pickering and Ferens Homes (PFH). **This means you will need to make arrangements to pay the rent to us, once it has been paid to you.** (Please note that from April 2018 the Government is looking at making it easier for claimants to have the housing element of UC paid directly to landlords).

You can find out more about who is eligible by clicking on the **GOV.UK** website.

# WHAT DOES IT MEAN **FOR ME?**



PFH residents are not currently affected by the introduction of Universal Credit, because it is still mostly only claimed by newly unemployed single people. If you already get one of the six benefits that will be replaced by Universal Credit, you will carry on receiving these benefits until:

- You need to make a new claim for Job Seekers Allowance (JSA)
- Universal Credit is extended to other groups (Full Universal Credit Service). When this happens, the Department of Work and Pensions (DWP) will notify those who will be affected.

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## IS U.C. JUST FOR PEOPLE WHO ARE **UNEMPLOYED?**

No. It is a benefit for individuals and families who are also on a low income. It does not matter whether you work, are out of work, or how many hours you work. It can also apply if you are a carer, have child care costs or if you are too ill to work.

# WHAT DO I NEED TO DO TO GET READY FOR UNIVERSAL CREDIT?



It could be some time before you need to claim Universal Credit but people still need to make sure that they are prepared:

- You will need an e-mail address before you can make a claim. If you don't already use e-mail, it's easy to set up an account online
  - Make sure you have access to the internet: (claims for Universal Credit will be made online). You will also need to be able to access and use an online Universal Credit account. This might be at your local library or Job Centre plus. We can help you get online if you need support.
  - Set up a bank account if you don't already have one as Universal Credit will be paid into this. You should open an account that enables you to set up Direct Debit payments, if you don't already have one.
  - Make arrangements to manage your money monthly. We can help you with this. Please contact us if you need further support
  - If you need budgeting support you can also get further information from the government's budgeting support web page
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# WHERE CAN I GET MORE INFORMATION ABOUT **UNIVERSAL CREDIT?**



- If you need an overview of Universal Credit, the government website GOV.UK has lots more information.
  - The Department of Work and Pensions also has a comprehensive guide to Universal Credit.
  - Universal Credit will be paid into your bank account monthly. You will then need to arrange to pay the rent to PFH.
  - Contact us – we can offer advice on benefit payments, managing your money, ways to pay your rent, setting up a bank account and more matters related to Universal Credit.
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