

Universal Credit

Universal Credit is a new benefit that is replacing 6 "legacy" benefits with one benefit for people in and out of work, those on low incomes, families, and those with disabilities. Universal Credit will be paid via one monthly payment.

Universal Credit replaces the following six benefits with a single monthly payment to a household:

- Jobseeker's Allowance
- Income Support
- Employment and Support Allowance
- Working Tax Credit
- Child Tax Credits
- Housing Benefit

People who would previously have made a claim for income-based Jobseeker's Allowance, Employment and Support Allowance, Income Support, working and child tax credits and Housing Benefit will now make a claim for Universal Credit.

The Department of Work and Pensions state that Universal Credit has been designed to simplify the system and is much more flexible. It enables claimants who may have been out of a job for a while to take on small amounts of work to build up their skills and confidence, making work pay and helping those who are in work to increase their hours and earnings.

Families on Universal Credit who move into work can claim back up to 85% of their eligible childcare costs, boosting their finances by over £13,000 a year.

Those on Universal Credit will now have 24 hour access to a simple online account that they can use to send and receive messages from their case manager and manage their Universal Credit claim, including reporting a change in circumstance, checking the details of their claim and the date of their next Universal Credit payment.

The Department of Work and Pensions state all Universal Credit claimants will now be able to benefit from the improved, personalised, one-to-one support that Universal Credit can offer them.

With the application process now completely online, Universal Credit streamlines the system, making it simpler to navigate and easier to understand.

Universal Credit Factsheet

When will these changes take place?

New claims for Universal Credit started in Shettleston in June 2015 and no new claims for the current “legacy” benefits were accepted from start of January 2019. The Department of Work and Pensions estimate that all existing claims for current “legacy” benefits will be fully “migrated” over to Universal Credit by the end of September 2024.

How and when will Universal Credit be paid?

Universal Credit will be paid as a single monthly payment rather than weekly or fortnightly and generally by electronic bank transfer. This means that you must have a suitable bank, building society or credit union account that will support the payment. If you are a couple, only one person will receive the single payment.

Scottish choices

What are the choices for people living in Scotland?

People claiming Universal Credit and living in Scotland can choose to:

Be paid either monthly or twice monthly; and

Have the housing costs in their award of Universal Credit paid direct to their landlord

How do I make the Universal Credit Scottish choices?

If you are a new claimant and are eligible, you will be offered the new Universal Credit Scottish choices through your Universal Credit online account. You will be offered them following your first payment. The offer will include further details about the choices you have and how you can take them up.

Existing claimants will have to request the change through their online journal and will be informed if eligible.

What is included in Universal Credit?

The elements which make up Universal Credit are:

- The standard allowance
- An amount for the responsibility of children and young people
- An amount for housing costs
- An amount for ‘other particular needs and circumstances’ e.g. you may have limited capability for work or you have regular and substantial caring responsibilities

Who can't claim Universal Credit?

You will not be able to claim Universal Credit if:

- you own your home or have a mortgage on it
- you live in supported accommodation or are homeless
- you're a company director or a member of a limited liability partnership
- you're in education or training, or intend to start education or training in the first month of your claim

If you are currently claiming or have applied for any of the following benefits you won't be included in the Universal Credit service:

- Employment and Support Allowance (contribution based)
- Jobseeker's Allowance (contribution based)
- Severe Disablement Allowance

Universal Credit helpline

Telephone: 0800 328 5644