WHAT YOU NEED TO KNOW ABOUT

Universal Credit

STOP Universal Credit

unite Community Scotland

www.unitetheunion.org
How to survive Universal Credit

Universal Credit is the controversial new payments system replacing six means tested social security payments. It is being introduced across the UK in stages, so if your area hasn’t changed over it will do soon. Whether you are new to claiming benefits or you are switching over from the old payments to Universal Credit (UC), there are significant differences you need to be aware of.

This guide highlights what these differences are and how to best navigate the often confusing process of claiming UC, and how to survive the significant waiting times from claiming UC to receiving the 'monthly' payments. Once claiming UC there is a possibility that your money will be stopped, also known as, sanctioned, if you make even minor infringements on the conditions applied to your claim.

We explain how to avoid this happening and how to overturn a wrong decision to sanction, which many turn out to be. Working people previously claiming Tax Credits, will now also have to claim Universal Credit and will be subject to sanctions, just like those without work.

How to Claim

One of the controversies surrounding UC is that the majority of claims are expected to be made online, although you can apply over the phone or in person, if you can’t use a computer or have problems with reading or writing.

Phone the Universal Credit Helpline (0345 600 0723) if you need to apply this way.

To check whether you are eligible to claim UC in your postcode area you can use the Citizen’s Advice Website at: www.citizensadvice.org.uk/benefits/universal-credit/before-you-apply/Check-if-youre-eligible-for-Universal-Credit/

Applying Online

For UC you need to go to the GOV.UK website here: www.gov.uk/apply-universal-credit

If you don’t have access to a computer at home, you can try your local library, jobcentre, Citizen’s Advice Office or your council. Some of these centres may be able to provide assistance in filling out the online forms.

Important:
• You need to access your online account every 5 days or your Universal Credit payments could be stopped.
• You will receive information and communications from your work coach and DWP via your online account.
• You will receive text messages about appointments.
Useful contacts

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<thead>
<tr>
<th>Service Line</th>
<th>Freephone</th>
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<tr>
<td>UC Live Service</td>
<td>0800 328 9344</td>
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<tr>
<td>UC Full Service</td>
<td>0800 328 5644</td>
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<td>UC Housing Line</td>
<td>0800 328 3844</td>
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<td>UC Sanctions Line</td>
<td>0800 328 9744</td>
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<td>UC Live to Full Service Transfers</td>
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<td>UC Text phone</td>
<td>0800 328 1344</td>
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<td>Performance Measurement</td>
<td>0800 328 2144</td>
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<td>Payment Services – Customer contact</td>
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Citizens Advice Bureau – For independent advice on benefits and tribunal representation: www.cas.org.uk

You can also contact your council – they will have a Welfare Fund Team to help with crisis loans etc.

UC Interview

Once you have applied online YOU will need to call your local jobcentre to arrange your UC interview. The DWP will cancel your claim if you don’t call within 7 days of filling in the online application.

You can find the number of your local jobcentre using your postcode here: https://find-your-nearest-jobcentre.dwp.gov.uk/

To help avoid delays in your claim try to make sure you have all of the information you need before you start. (Tick each one when you have it to hand)

Evidence required

Your postcode
How much you earn from work, e.g. recent payslips
Details of your bank, building society, credit union or Post Office card account
The tenure of your accommodation, e.g. council tenant, private rent or housing association tenant
How much rent you pay
Your landlord’s name, address and phone number
Details of any other benefits you’re getting

National Insurance Number
Your email address
Child benefit reference numbers, if you get child benefit
Details of savings you have and any other shares you own or property that you don’t live in
How much you pay for childcare
How much income you earn that’s not from work, e.g. pension or insurance plan
If you are in a couple you will need information and evidence about your partner’s circumstances

Your UC claim will not be granted until you have provided the DWP with all the evidence they require.
Waiting for a Payment

Officially, to receive your first payment takes 5 weeks, but many people have had to wait much longer than the official time to receive a payment. If you don’t have enough money to last that long you can ask for a loan, which you will have to payback, called an Advance Payment.

Advance Payment

You should be asked if you need an advance payment at your UC interview, which will take place at your local jobcentre. This is an interest free loan that will be automatically deducted from your UC payments over several months. You will need to provide a breakdown of what you need the money for, e.g. rent, bills and food. Once the DWP have agreed on the amount of the advance payment you should get the money in 3 working days; or the same day if urgently needed. It will be paid into the same account your UC claim goes to. For more information: www.citizensadvice.org.uk/benefits/universal-credit/claiming/get-advance-payment/

If you have children

If you are a single parent or the lead carer in a couple, your responsibilities will change as your youngest child gets older and will be tailored to your personal circumstances.

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<thead>
<tr>
<th>Age of your youngest child</th>
<th>Your responsibilities</th>
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<tr>
<td>Under 1</td>
<td>You don’t need to look for work</td>
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<tr>
<td>Aged 1 - 2</td>
<td>Have regular interviews with your work coach and do work preparation activities (for example, writing your CV)</td>
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<tr>
<td>Aged 3 - 4</td>
<td>Work a maximum of 16 hours a week (or spend 16 hours a week looking for work)</td>
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<tr>
<td>Aged 5 - 12</td>
<td>Work a maximum of 25 hours a week (or spend 25 hours a week looking for work)</td>
</tr>
<tr>
<td>13 or older</td>
<td>Work a maximum of 35 hours a week (or spend 35 hours a week looking for work)</td>
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If you get support with childcare costs:

You need to report your childcare costs each month by the last day of your assessment period. If you report your childcare costs late, there might be a delay in paying them or you might not get paid.

Claimant Commitment

Your Commitment should be drawn up during a conversation with your work coach. It will set out what you have agreed to do to prepare for and look for work, or to increase your earnings if you are already working.
It should be based on your personal circumstances and any limitations you have. It should/will be reviewed and updated on an on-going basis. Each time it is updated, you will need to accept a new Commitment to keep receiving UC. If you claim Universal Credit as a couple, both of you will need to accept an individual Commitment. Your Commitment may be affected if your partner starts work or their circumstances change.

Not meeting your responsibilities

Your Commitment will clearly state what will happen if you fail to meet one or more of your responsibilities. You will receive reduced payments, known as a sanction, if you fail to meet one or more of your responsibilities and can’t give a good reason to explain why.

Understanding your Claimant commitment

Your claimant commitment should always be tailored to suit your individual circumstances and specific needs.

You should detail any limitations you have:
- Lack of internet access, having to use libraries etc.
- If you have reading/writing issues
- Not being able to use a computer
- Any physical or mental health issues that will have an impact on your ability to carry out certain types of work
- Child care issues that will limit the hours you can do

Job seeking activities are not just restricted to online searches and applications. They can be:
- Online applications - remember to claim time for updating your CV and cover letter for each job application
- Doing CV drops, including the time to travel there and back
- Writing and sending spec letters.
- Taking part in training
- Going to Job Clubs
- Volunteering
- Work placements/work trials
- Doing a course for numeracy or literacy
- Doing CSCS, Forklift or similar courses
- Computer courses
- Applying for a PVG

The above are the main examples of work searching activities, and you should detail everything you do on your personal Universal Credit portal. Log everything you do that has anything to do with improving your employability skills.
Benefit Sanctions

If you “fail to comply” with your Claimant Commitment the DWP can stop (sanction), your benefit payments. Sanctions can range from 1 week up to 3 years depending on the level of the alleged misdemeanour. Sanctions are very nasty and under Universal Credit evidence shows that the rate of sanctions is much higher than they were under Jobseekers Allowance.

You can get sanctioned for a whole range of things including:

• losing or leaving your work voluntarily, or
• losing pay at work without a ‘good reason’
• Failing to be available for work
• Failing to comply with your Claimant Commitment agreement. This could involve failing to complete your work search or work-related activity
• Missing or being late for a Job Centre interview

How to avoid sanctions

You need to be extra careful to avoid sanctions on UC, and that means meeting all the conditions in your Claimant Commitment. Make sure that your Claimant Commitment is realistic and achievable, and takes account of any problems you may have.

If you find your Claimant Commitment is too hard to follow, you can ask for it to be reduced or rewritten to take into account any difficulties you are experiencing.

Keep a diary of work searches carried out or activities attended and take a note of any problems you have faced, such as: medical, personal, lack of access to phone or computer, lack of money for travelling, etc.

You have a right to take someone into the Jobcentre with you. This could give you extra support in coming to an agreement that you can manage with your job coach.

If you are unable to attend an interview at the Job Centre, or any work related activity, let them know as soon as possible. You could telephone them and keep a note of the date, time and the name of the person you spoke to. It might also be advisable to send a dated written explanation, as this could be used in evidence if needed.

What to do if you are sanctioned

Always challenge the decision if you think it is wrong! Many sanctions are given out in error so it is always worth challenging a decision. Statistics vary, depending on where you live, but in many areas over 50% of appeals are successful.

You can telephone 0843 4550035, or write a letter to the DWP asking for a Mandatory Reconsideration. Explain to them why you think their decision is wrong. You can send the letter through your online UC account or to the address on your decision letter. You must ask for a Mandatory Reconsideration within one calendar month of receiving the decision.

Keep all paperwork you receive from the DWP, and copies of any letters or forms you complete, in case you need to go to an appeal against the DWP decision. If you need help writing a letter or making a phone call ask a friend, get in touch with one of your local advice centres or a Unite Community Branch – see back page for contact details.
Apply for a hardship payment

You can ask for the DWP to rethink their decision. This is called a ‘mandatory reconsideration’ - the contact details will be on the letter sent to you regarding your sanction.

You will need to tell them why you think the sanction is wrong. You can prepare by visiting the CAB website:

Read the arguments for challenging a sanction here: www.citizensadvice.org.uk/benefits/universal-credit/sanctions/challenging-a-sanction/

To check if you were given the right sanction visit: www.citizensadvice.org.uk/benefits/universal-credit/sanctions/check-sanction/

The Scottish Welfare Fund

If you are left with no income or a reduced income due to a sanction The Scottish Welfare Fund can give you help with things like food or heating costs. More information on this can be found on the Scottish Welfare Fund Community Care Grants and Crisis Grants web site.

www.mygov.scot/scottish-welfare-fund

If you are in Crisis and are applying for money to buy; food, electricity, gas, living expenses, etc. until your next income is due - you should contact the Welfare Fund Team at your local council.

You can apply online with most councils and they will pick up your Crisis application the next working day. You can also go into your local Council Customer Service Centre and request they help you fill out the application

Problems with your rent - if you are having problems keeping up with your rent payments you can also apply to your Council for a Discretionary Housing Payment (DHP). This a short term payment awarded to people who need help paying their rent. To qualify you must receive a housing cost element as part of your Universal Credit payment.

An award is payable for a period of 6 or 12 months, depending on your circumstances.

Short term help - there are many foodbanks and community organisations throughout Scotland, who provide emergency food packages or hot meals. You can find a full listing on your local council website, or contact the local Citizens Advice for details.

There are many organisations out there who can help, please don’t be afraid to use them.

How to keep going

You can apply for a short term Advance Payment (see page 4) at the Job Centre, or call the UC Helpline on 0800 328 5644. If claiming benefits for 26 consecutive weeks you can ask the Job Centre for the SF500 form to apply for a Budgeting loan. Try to avoid going to a payday lender and always avoid loan sharks! Interest rates are huge and repayments are sky high. There are other ways to borrow. For advice on long term budgeting, e.g. saving and applying for loans that are not crippling, contact a local Credit Union - please note loans are only available after saving for a set period of time. These are not-for-profit organisations which are run by members, for members.

Find one near you at: www.creditunions.co.uk

If you are deeply in debt you can also contact the Citizen’s Advice Bureau for debt
management advice. If you need to contact UC Helpline use a computer for free at your local library or community centre.

Citizen’s Advice Bureau may be able to call on your behalf, for details of local CAB drop-ins, telephone: **0300 330 1153**, or see CAB debt advice website: [www.citizensadvice.org.uk/debt-and-money/](http://www.citizensadvice.org.uk/debt-and-money/)

If you are struggling to feed yourself and your family, use your nearest Foodbank. Most have a referral system and you need to ask for a voucher from: the Job Centre, a GP, Health Visitor or Children’s Centre. In many areas there are community centres that offer support in a variety of ways: breakfast/lunch clubs, charity shops, etc.

## Housing costs

You could get money to help pay your housing costs. How much you get depends on your age and circumstances.

The payment can cover:

- rent
- mortgage interest
- some service charges
- interest on a loan secured against your home
- Support for Mortgage Interest (SMI). You can get help paying the interest on up to £200,000 of your loan or mortgage. You must have been receiving UC for 39 consecutive weeks. It will be paid as a loan if your claim was after 7 July 2017. SMI will end as soon as you take up any paid work.

The Benefit Cap, sets a limit on the amount of benefit you can be awarded:

- Couple or a single parent - £1666.67 per UC assessment period.
- Single person without children - £1116.67 per UC assessment period.
- If you are on DLA, PIP or Industrial Injuries, these are exempt.
- If you were working for at least 12 months prior to being unemployed you are exempt from the cap for 9 months.

If you are struggling to pay your rent, contact your local authority or council and request a Discretionary Housing Payment (DHP). These are given to people who have a shortfall between their rent and the amount they receive in benefits for their rent (including the housing component of Universal Credit) in certain circumstances.

You may be familiar with DHP payments if you are affected by the ‘bedroom tax’. We can see no reason why these payments should not be available to those who are having rent problems due to the transition to Universal Credit.

Because payments are discretionary there is no right of appeal if you don’t get it but you are entitled to a review. Please let us know if you need help applying for a DHP or if you have applied let us know whether or not you were successful.

If you live in a Housing Association home, speak to your landlord for money advice and support. Jobcentre Plus should help you to avoid rent arrears which could lead to you losing your home. Ask someone at the Job Centre how to get a UC47 form to ask for direct payment of your rent to your landlord, and how to budget to pay off any rent arrears.

For free debt advice/budget planning call Money Advice Service on **0800 138 7777**.
Universal Credit and Self Employment

If you are self-employed and on a low income, you may be eligible for Universal Credit. Your eligibility depends whether you are in either a ‘full’ or a ‘live’ service area. You can find out what kind of service area covers your postcode on the Citizen’s Advice website: www.citizensadvice.org.uk/benefits/universal-credit/before-you-apply/Check-if-youre-eligible-for-Universal-Credit/

If you do not live in a full service area, you may be able to claim other benefits such as Housing Benefit or Working Tax Credit. You can use the Turn2Us online benefits calculator to find out what you are entitled to: www.benefits-calculator.turn2us.org.uk

‘Gainful self-employment’

You will be asked to show that you are ‘gainfully self-employed’, which exempts you from having to seek other work. This means that self-employment is your main job that it provides regular work and you expect to make a profit. You will also need to provide evidence that your work is organised, this will include providing tax returns, accounts, business plan, your unique taxpayer reference, customer and supplier lists, receipts, invoices and marketing materials. If you are not deemed “gainfully self-employed”, you must continue seeking work and must declare all income from your work. You can request a review of your self-employment status in the future.

How Universal Credit is calculated for the self-employed

Universal Credit for the self-employed is worked out based on the amount an employed person, on minimum wage, would earn in similar circumstances; this is called the Minimum Income Floor. If you earn less than the Minimum Income Floor, you will be expected to look for other work. If you earn more than the Minimum Income Floor, Universal Credit is worked out based on your actual earnings. If you and your partner are both in employment and self-employed, your Universal Credit payment will be worked out using either your total earnings or the Minimum Income Floor, whichever is higher.

The amount you are entitled to will depend on your personal circumstances, whether you are single or in a couple, and whether you have children or other dependants. You will have to provide monthly information about your earnings, the Jobcentre should tell you how to do this.
If you've become self-employed in the last 12 months

Newly self-employed people may be entitled to a start-up period of up to 12 months. During this time, your Universal Credit will be worked out only on your actual earnings. You will have to attend quarterly meetings with your Work Coach and show evidence that you are building your business. You can only have one start up period, unless your last one was more than five years ago. You must be registered as self-employed before you begin a claim.

You can find information on how to do this here: www.gov.uk/working-for-yourself/what-you-need-to-do

You must report any change of circumstances

If you close your business, are unable to work, start another business or take a job, you must report this change as soon as you can. Changes of circumstance may mean that your status of “gainfully self-employed” is reviewed. Your claim may be stopped or reduced if you do not report a change of circumstances straight away.

Changes include:
• Changes in your income
• Changes in your household
• Finding or finishing a job
• A change to your address
• A change to your banking details
• Your rent increasing or decreasing
• Becoming too ill to work or to meet your Job Centre Work Coach

You should report all changes in your circumstances through your UC online account. Failing to do so could mean paying a penalty or court action if you give wrong information or do not report a change in your circumstances. Speak to your work coach if you have a query or need help.

Unite Community stance on Universal Credit

Universal Credit is causing serious problems for claimants who are descending into debt, relying on food banks, getting into rent arrears and in many cases getting evicted from their homes because of in-built problems with Universal Credit. Unite is calling on the government to:
• Abandon the long waits for claimants to receive money
• Allow people to apply for Universal Credit in a jobcentre, not just online
• Provide people with better help when the system fails them
• Pay landlords directly to stop people getting into rent arrears and losing their homes
• End benefit sanctions for in-work and out-of-work claimants
• Stop payments going to one named member of a household
• Make work pay – Universal Credit takes 63p in every £1 people earn
Additional Support
Life on UC will be difficult and may leave you with feelings of anxiety and despair, but be assured there is hope and there is help available.

If you need help or support to talk about how you are feeling you can contact NHS 24 on 08454 242424 or Breathing Space on 0800 83 85 87. They will be able to offer free counselling and advice. This could help to ease any anxiety you may have.

There is also a Facebook page devoted to surviving UC. Facebook – Universal Credit Survival

Unite Community
Unite Community actively campaigns to achieve the above aims. You can find details on how to join Unite Community at the back of this guide.

We want to hear about your experiences on UC so that we can use these to put pressure on the Government for change.
Send your stories to: liane.groves@unitetheunion.org

Useful Contacts – at a glance

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<tr>
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<tr>
<td>Benefit sanction: Mandatory Reconsideration</td>
<td>Tel: 0843 455 0035</td>
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<td>Citizen’s Advice</td>
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<td>Find your MP</td>
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<td>Find your local councillors</td>
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<td>Find your MSP</td>
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<td>Benefits &amp; Work: advice on claiming social security</td>
<td><a href="http://www.benefitsandwork.co.uk">www.benefitsandwork.co.uk</a></td>
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<tr>
<td>Find a foodbank</td>
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<td>Universal Credit &amp; Self-employment</td>
<td><a href="http://www.gov.uk/working-for-yourself/what-you-need-to-do">www.gov.uk/working-for-yourself/what-you-need-to-do</a></td>
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JOIN UNITE COMMUNITY!

• You may feel that you don’t have a voice, and that your elected representatives are ignoring your concerns.

• By working together in your local community you can find a voice through Unite and campaign for change.

• As a participating Unite community member, your voice can be heard and you can make a difference.

For more information or to join online:
www.unitetheunion.org/growing-our-union/communitymembership/

Or Email jamie.caldwell@unitetheunion.org

If you would like copies of this Guide Sent to you for your branch or Group please email – jamie.caldwell@unitetheunion.org