



# Universal Credit & You

**UC** Universal  
Credit  
Northern Ireland



# Universal Credit & You



Universal Credit has been introduced to give you the support you need to find and progress in work. We want you to be able to benefit from all the positives that work brings. This guide will help you do that and covers the following areas:



For more information on all the topics covered in this guide and more please visit:  
[www.nidirect.gov.uk/UniversalCredit](http://www.nidirect.gov.uk/UniversalCredit)

# Your responsibilities

Universal Credit is being introduced in stages across Northern Ireland by local Jobs & Benefits/Social Security Office. Full details of when Universal Credit will be introduced in your area can be found at [www.nidirect.gov.uk/UniversalCredit](http://www.nidirect.gov.uk/UniversalCredit). You will have an online Universal Credit account to manage your claim. You can use your online account

to report changes, send messages to your Work Coach and get support. When you claim Universal Credit there are a number of activities you become responsible for in order to receive your payment. You can get more information about Universal Credit online at [www.nidirect.gov.uk/UniversalCredit](http://www.nidirect.gov.uk/UniversalCredit).



Complete work search activities for up to 35 hours per week



Complete a tailored Commitment with your Work Coach



Report all changes in circumstances through your online account, to the Service Centre or speak to your Work Coach



Manage your budget of twice a month payments



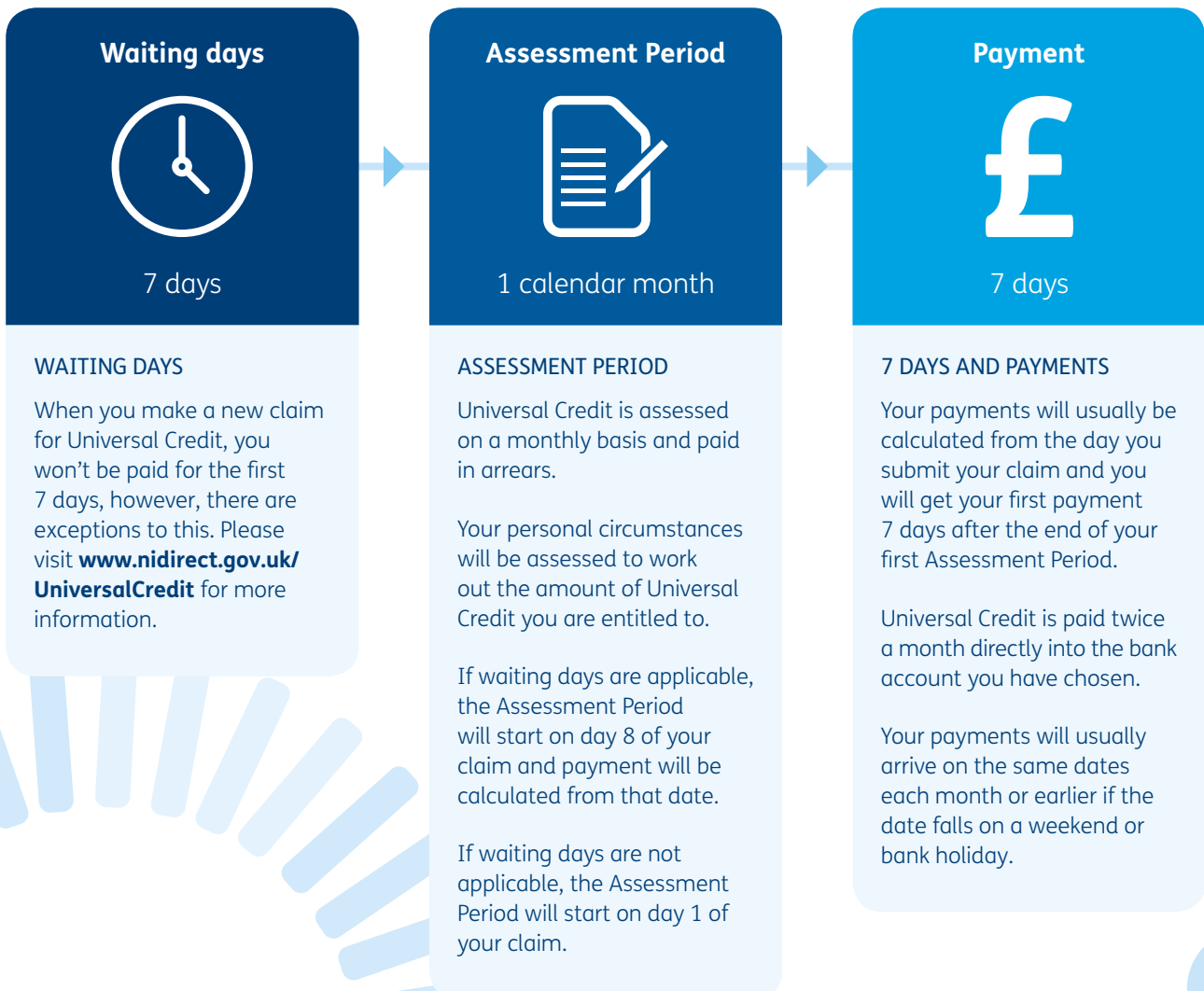
Working part-time & able to earn more? You're required to seek additional work and increase your earnings


# Payments – how, when and where?

Universal Credit is paid twice a month and you are required to budget for this.

If waiting for your first Universal Credit payment will put you into financial difficulties, there is support available to you. Contact your Work Coach if you need further information on:

- budgeting support (money advice)
- an advance payment
- a Discretionary Support payment





When you make a new claim to Universal Credit you will receive your first payment, together with a Claimant Statement telling you how much you will be paid, about 6 weeks after you submit your claim. We can't confirm how much you'll get before then, because the amount depends upon your circumstances, for example if you're caring for someone else and/or if you have received any income or earnings that month.

**If you feel you may experience financial difficulties during the time between making your claim and receiving your first payment, please talk to your Work Coach. In some cases you may be able to get an advance of your first Universal Credit payment if you've recently been receiving another benefit or you're in urgent financial need.**

If you are employed, Her Majesty's Revenue and Customs (HMRC) will tell us about any money you've earned. Universal Credit is paid twice a month directly into the account you tell us about when you make your claim. The amount you get is calculated each month, and depends on your circumstances and earnings during that time. This is known as an Assessment Period.

Your first Assessment Period usually starts 7 days after you submit your claim. This 7 day waiting period may apply if you are out of work and claim Universal Credit.

If you were previously in receipt of tax credits it is important to note that your tax credits will stop as soon as you make a claim to Universal Credit. You can find out more at: [www.nidirect.gov.uk/UniversalCredit](http://www.nidirect.gov.uk/UniversalCredit)

#### EXTRA HELP WITH ELIGIBLE CHILDCARE COSTS

You may be worried about paying for childcare while you work. We want to help, so through Universal Credit you can claim back up to 85% of eligible childcare costs. We add this to your monthly payment. Speak to your Work Coach if you wish to find out more. You can find more information on help with eligible childcare costs on



# Your Commitment

## When you claim Universal Credit you will need to agree and accept a tailored Commitment.

In most cases your Commitment will be drawn up during a conversation with your Work Coach at your local Jobs & Benefits office or JobCentre. 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 will be based on your personal circumstances and 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 Universal Credit. You will be able to view your latest Commitment and update your progress on your goals through your online account.

If you claim Universal Credit as a couple, both of you will need to accept a Commitment. You will each have your own Commitment, and yours may be affected if your partner starts work or their circumstances change.

### TAILORED TO YOUR SITUATION

If you are earning as much as can be expected depending on your current circumstances	You will receive financial support without any other conditions to increase your earnings.
If you are able and available to work	You will need to do everything you reasonably can to give yourself the best chance of finding work. Preparing for and getting a job must be your full time focus.
If you currently have limited capability for work, related to a disability or health condition, but this is expected to change over time	You will be supported until your circumstances improve and you can work. You will be expected to prepare for work so far as you are able.
If you have a disability or health condition that prevents you from working	You will not be required to work and will be supported through Universal Credit.
If you care for a severely disabled person for at least 35 hours a week	You will not be required to work and will be supported through Universal Credit.
If you are the lead carer for a child	You will be supported in your current circumstances. What is expected of you as a lead carer in return for getting Universal Credit will be based on the age of the youngest child in your household.

### NOT MEETING YOUR RESPONSIBILITIES

Your Commitment will clearly state what will happen if you fail to meet each of your responsibilities. Your Universal Credit payment may be reduced or stopped if you do not

meet the responsibilities outlined in your Commitment. This is known as a sanction. With a sanction we will always tell you how much you will lose and for how long.

# Full time work search

In most cases, you will need to complete up to 35 hours work search activity per week in order to receive Universal Credit. Here are some suggestions to get you started.



Prepare your CV



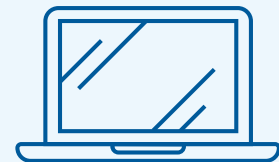
Tailor it to each job



Research employers and transport links

**Apply Now**

Apply for suitable jobs



Prepare your CV cover note



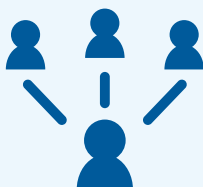
Follow up applications



Make it easy to be found online



Job search and set up job alerts online



Network with friends, family and social media



Prepare for your interview

**my  
plan**

Record your activities to track your progress

This list is not exhaustive. For more tips and ideas visit JobCentre Online at [www.jobcentreonline.com](http://www.jobcentreonline.com)



# Conditionality



Conditionality means work-related things an eligible adult will have to do in order to get full entitlement to Universal Credit. Each eligible adult will fall into one of four conditionality groups based on their capability and circumstances; these are:

1. All Work-Related Requirements

2. Work-Focused-Interview and Work Preparation Requirements only
3. Work-Focused Interview Requirements only
4. No Work-Related Activity Requirements

Speak to your Work Coach to find out which conditionality group applies to you.

# It's all about work



Universal Credit is 'all about work' and allowing access to a wider range of jobs by:

- helping make sure you're always better off in work than on benefits
- allowing part-time and short-term work to act as a stepping stone into work
- providing you with support from a Work Coach to help you every step of the way

- removing barriers, allowing you to work more than 16 hours a week and still claim Universal Credit

You can find out more at:

[www.nidirect.gov.uk/UniversalCredit](http://www.nidirect.gov.uk/UniversalCredit)

# Taper



Universal Credit is designed to make sure that you're better off in work, by topping up your wages.

Your Universal Credit payment reduces gradually as you earn more, this is known as the taper, and will increase again if your job ends or your earnings go down.

You can earn a certain amount, which is based on your individual circumstances, before your Universal Credit payment is reduced. The more you earn, the higher your total income will be, which helps ensure that you will be better off in work than on benefits.

Once you are earning enough money through work you will no longer receive Universal Credit.

We will automatically notify you if this is the case and your claim will close.

Use a **benefits calculator** to see how starting a job or increasing your working hours affects your benefits.



# Self-employment

Once you have an established Universal Credit claim, if you decide to become self-employed, Universal Credit will provide support to help you grow your business. Thousands of people take the decision to start their own business each year.

If you are thinking about this to improve your future, you can find out more at [www.nidirect.gov.uk/starting-your-own-business](http://www.nidirect.gov.uk/starting-your-own-business)

People who are self-employed and expected to look for and be available for work while in receipt of Universal Credit, will be asked to attend a gateway interview.

Self-employed work may be declared either at the start of the claim, or through a change in your current circumstances and reported


through your Journal or via the Service Centre. Ask your Work Coach.

The 'Universal Credit - An Introduction' guide explains self-employment and Universal Credit. It tells you what to expect from your gateway interview and sets out how to report self-employed earnings.

## WHAT DOES IT MEAN TO BE 'GAINFULLY SELF-EMPLOYED'?

When you tell us you are self-employed, we need to decide whether self-employment is the most appropriate way for you to become financially independent. The first step towards making this decision is to assess whether you are 'gainfully self-employed'.





This means that self-employment in a trade, profession or vocation should be your main occupation. It must also be organised, developed, regular, and carried out in expectation of profit. If you are found not to be gainfully self-employed, the Minimum Income Floor is not applied, and you are required to meet work-search conditions.

### MINIMUM INCOME FLOOR

The Minimum Income Floor is an assumed level of earnings for a self-employed claimant, and is based on the earnings we expect a claimant with similar circumstances to achieve. It is designed to encourage and incentivise you to increase your earnings through developing your business and is applied if you are found to be gainfully self-employed and are not in a start-up period.

If you are subject to the Minimum Income Floor, you will not be subject to work search or availability requirements, allowing you to concentrate on making a success of your business and maximising your returns up to and beyond the level of the Minimum Income Floor.

### START-UP PERIOD

If we decide you are gainfully self-employed, are within one year of starting self-employment and you are taking active steps to increase your earnings, you will be eligible for a 'start-up period.' This is a period of up to 12 months where the Minimum Income Floor will not be applied, and you won't be required to look for or take up alternative employment.

Your actual earnings will be taken into account to work out your Universal Credit award. You will be expected to take steps to build your business and increase your earnings, and we will ask you to provide evidence of this during your quarterly interviews.

### IF YOU HAVE A PARTNER WHO IS WORKING

Your partner's earnings may affect the level of the Minimum Income Floor applied to your claim in certain circumstances.

Household income is used to calculate the amount of Universal Credit you receive, so your partner's earnings may affect your payment.

### IF YOU HAVE A PARTNER WHO IS ALSO SELF-EMPLOYED

You would each have your own Minimum Income Floor, calculated depending on your circumstances, and these are combined to calculate your household award.

### CHANGES TO YOUR SELF-EMPLOYMENT

You'll need to report any change in circumstances through your Journal, or via the Service Centre, as soon as possible.

Depending on the change, we may need to carry out a new gainful self-employment test to decide whether your start up period needs to be ended.

# Help with eligible childcare costs

Universal Credit helps working parents by providing financial help with eligible childcare costs, no matter how many hours you work. If you are claiming with a partner both of you normally need to be in work to receive this help. It is also available if you are claiming Universal Credit and in receipt of:

- Statutory Sick Pay
- Statutory Maternity Pay
- Ordinary Statutory Paternity Pay
- Additional Statutory Paternity Pay
- Shared Paternity Pay
- Statutory Adoption Pay
- Maternity Allowance

**You will be able to claim back up to 85% of your actual paid out childcare costs if you meet the qualifying conditions and your childcare costs are eligible.**

Claimants with a firm and accepted job offer can claim for eligible childcare costs a month prior to starting work. Talking to your Work Coach as soon as possible about your job offer and the support options available to you will help with getting a routine in place for when you start work. Universal Credit for eligible childcare costs is paid in arrears, so if you think you need help with up-front costs, you should discuss this with your Work Coach. Additional help to meet an initial payment for eligible childcare costs may be available subject to certain conditions.

Universal Credit for eligible childcare costs can also be claimed for at least a month after your employment ends, which can help you to maintain childcare as you move between jobs.

Help paying for eligible childcare costs in Universal Credit is in respect of payments to registered childcare providers. This means the childcare provider is registered with the relevant Health and Social Care Trust.

To make a claim you will need to provide evidence of your childcare placement(s) and the actual cost of childcare with receipts.



**You will be able to claim back up to 85% of your actual paid out childcare costs if you meet the qualifying conditions and your childcare costs are eligible**

# Other help with childcare costs



If you are working and responsible for a child, your employer may be able to help you with childcare costs through Employer Supported Childcare in the form of childcare vouchers. Employer Supported Childcare will close to new entrants from April 2018.

For further information on registered providers, free childcare and other childcare support visit [www.nidirect.gov.uk/information-and-services/parents/childcare](http://www.nidirect.gov.uk/information-and-services/parents/childcare)

You can find out more at [www.familysupportni.gov.uk](http://www.familysupportni.gov.uk)

## Housing

If you and/or your partner are responsible for paying rent (including any eligible service charges) for the home you live in, or if you have a mortgage, Universal Credit may provide help towards the cost. We call this Universal Credit Housing Element.

If you are applying for help towards housing costs under Universal Credit it is your responsibility to bring evidence with you to the Jobs & Benefits office/JobCentre, for example a:

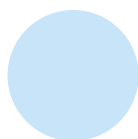
- current tenancy agreement
- current rent statement

- current rent book
- signed letter from your landlord

We will check and validate your evidence before paying Universal Credit Housing Element. We will also check the local rent levels in your area. If you do not provide this evidence there may be a delay in paying your landlord your Universal Credit Housing Element.

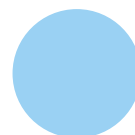
**Your Universal Credit Housing Element may not cover all of your rent and you will be responsible for covering any shortfall yourself.**

## Rates



A new Rate Rebate scheme, run by the Department of Finance's Land & Property Services, will replace Housing Benefit for rates for homeowners and tenants who are entitled to Universal Credit.

If you think you may be eligible to claim Rate Rebate, you can find more information at [www.nidirect.gov.uk/articles/rate-rebate-scheme](http://www.nidirect.gov.uk/articles/rate-rebate-scheme)



# Sanctions

If you fail to meet each of your responsibilities that you agreed in your Commitment without good reason, you will have a cut in your benefit; this is known as a sanction. This means your Universal Credit payments will be reduced for a set period, and the period of

reduction will increase the more times that you fail to meet similar requirements, up to a maximum of 18 months. There are four sanction levels: higher, medium, low and lowest.

## Higher Level

You will be sanctioned for 91 days for your first higher level sanction in any 364 day period, 182 days for your second, or 546 days for your third if you:

- have to meet the ‘work search requirement’, and you fail to apply for a particular job when told to do so,
- have to meet the ‘work availability requirement’, and you refuse a job offer, or
- leave work or reduce your hours of work, whether voluntarily or due to ‘misconduct’ (while claiming Universal Credit or just before you claim).

There are special rules for how long your sanction will last if it is for leaving work before you claimed Universal Credit.

## Medium Level

You will be sanctioned for 28 days for your first medium level sanction in any 364 day period, or 91 days for your second if you:

- have to meet the ‘work search requirement’, and you fail to take all reasonable actions to find paid work or increase your earnings from work, or
- have to meet the ‘work availability requirement’, and you are not available to start work or attend interviews.



## Low Level

Will last until you do whatever you were sanctioned for failing to do, plus 7 days for your first low level sanction in any 364 day period, 14 days for your second, or 28 days for your third if you:

- fail to attend or take part in a Work-Focused Interview, and a lowest level sanction does not apply,
- fail to attend or take part in a training course,
- fail to take a specific action to get paid work, or to increase your earnings from work.

## Lowest Level

These apply if you only have to meet the 'work-focused interview requirement', and you fail to attend or take part in a Work-Focused Interview; they last until you take part in one.

## COUPLES

If you are part of a couple, for each sanctioned person, the sanction rate is 50% of the appropriate standard allowance for the couple. For the lowest level sanction you will be sanctioned at an amount equivalent to 20% of your Standard Allowance (50% of 40%).

## REDUCTION OF SANCTIONS FROM UNIVERSAL CREDIT

You cannot have two sanctions at once, but, sanctions can run back-to-back. When you are sanctioned, it is usually your next payment, or series of future payments, of Universal Credit that is affected.

Sanction reductions are applied after taking earnings and unearned income into account. If there is insufficient Universal Credit remaining after this to take the full sanction amount, the sanction reduces the award to nil and is treated as having been made in full. You will remain entitled to Universal Credit, so retain access to 'passport' benefits such as free school meals.

## 16/17 YEAR OLDS

You can fall into any one of the four conditionality groups (All Work-Related Requirements, Work-Focused-Interview and Work Preparation Requirements only, Work-Focused Interview Requirements only and No Work-Related Activity Requirements). The sanctions regime for 16 and 17 year olds mirrors the adult regime but has lower sanction amounts, 40% of the Standard Allowance, and shorter durations.

## IF YOU DO NOT AGREE WITH A UNIVERSAL CREDIT SANCTION

You can ask for a Mandatory Reconsideration within a month of the date of a decision. You can do this:

- by putting a note in your online journal
- over the phone
- face to face
- in writing

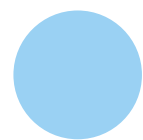
You should say why you think the decision is wrong and include any evidence you have to support this.

# Help and advice

Your Work Coach will be able to give you advice and support to reach your work goals and provide information if you need help with budgeting.

If you would like independent help and advice you can visit any independent advice office or contact:

- The Welfare Reform Helpline: **0808 802 0020**
- Housing Rights: **028 9024 5640**
- Debt Advice: **0800 028 1881**





# Further Information

There is information on all aspects of Welfare Changes and Universal Credit available at [www.nidirect.gov.uk/welfarechanges](http://www.nidirect.gov.uk/welfarechanges)



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