

FAMILY GUIDES

Universal Credit



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Understanding Universal Credit



Universal Credit is a scheme set up by the Government to support you if you are on low income or out of work.

The scheme includes a monthly payment which is designed to support you with the cost of living. It may also be paid twice monthly to you [if you live in Scotland](#). [Universal Credit](#) is currently being rolled out to replace a number of other benefits or credits schemes paid out by the Government. These include:

- [Child Tax Credit](#)
- [Housing Benefit](#)
- [Income Support](#)
- [Income-based Jobseeker's Allowance \(JSA\)](#)
- [Income-related Employment and Support Allowance \(ESA\)](#)
- [Working Tax Credit](#)

However, if you're currently getting any of the above benefits or tax credits, you shouldn't need to do anything unless [your circumstances have changed meaning you need to report them](#) or you receive a letter known as a '[Migration Notice](#)' which informs you should start to claim Universal Credit.

It is also important to note that once you or your partner claims Universal Credit, any of the benefits you receive in the list above will stop, this also applies if you or your partner receive pension credit. Although, this would not effect you receiving [Personal Independence Payment](#) or [Carers Allowance](#).

The Government addresses how Universal Credit effects Tax Credits and other benefits in more detail [here](#).

Eligibility

You may be eligible to claim Universal Credit if you are on low income or in need of support in living costs, your circumstances could include:

- Being out of work
- Working (this includes being self-employed or part time)
- Unable to work e.g due to health

In order to claim you must meet the following [criteria](#):

- You live in the UK
- Be over the age of 18 (although there are some exceptions for those who are 16 & 17)
- Be under [state pension age](#)
- You must also not have any more than £16,000 in money, savings or investments

The Government has also created a [calculator](#) to help you understand which benefits you may be entitled to.

Living in the EU

You may also be able to apply if you are a citizen living in the EU, EEA or Switzerland. However, you will be required to have a settled or pre-settled status under the EU settlement scheme to receive Universal Credit. You may be able to apply for the EU settlement scheme [here](#).

Living with a partner

If you are applying for Universal credit and you live with your partner, you will need to make a joint claim. You will be required to do this even if your partner is not eligible. How much you can receive under these circumstances will be dependant on your partner's income and savings as well as your own.

If only one of you or your partner has reached state pension age, you can still make a claim for Universal Credit. Yet, your claim will stop when you both have reached the state pension age. It is important to bear in mind that if you currently receive pension credit and make a claim for Universal Credit, your Pension Credit claim will stop.

If you are **studying or training**

If you are currently in full-time education, you may be eligible for Universal Credit if you meet the following criteria:

- You currently live with your partner, and they are eligible for Universal Credit
- You have responsibility for a child either as a single parent or a couple
- You have reached state pension age but live with a partner that is under state pension age

You may also be able to claim Universal Credit if you are studying any qualification up to A level or equivalent and you do not have parental support. You may also be able to claim if you are studying a course which is part-time and there is no student loan or finance available. The Government has created a guide for students applying for Universal Credit [here](#).



Students with **disabilities or health conditions**

You could be able to make a claim for Universal Credit, if you are in full-time education and have been assessed to have a limited capability for work by a work capability assessment prior to you starting the course. To be eligible to make a claim you must also be entitled to one of the following:

- [Personal Independence Payment \(PIP\)](#)
- [Disability Living Allowance \(DLA\)](#)
- [Child Disability Payment \(CDP\) in Scotland](#)
- [Attendance Allowance](#)
- [Armed Forces Independence Payment](#)
- [Adult Disability Payment \(ADP\) in Scotland](#)

Making a claim aged 16 or 17

You may be able to make a claim for Universal Credit if any of the following apply:

- You have a health condition or disability and have medical evidence for it
- You're caring for someone who receives a disability-related benefit
- You have responsibility for a child
- You live with your partner, have responsibility for a child and your partner is eligible for Universal Credit
- You're pregnant and expecting your baby in the next 11 weeks
- You have had a baby in the last 15 weeks
- You do not have parental support, for example you do not live with your parents and are not under local authority care



Living with a disability or health condition

If you have a disability or health condition that affects your ability to work, you may be able to claim extra money for Universal Credit, you can find out more [here](#).

What Support You Could Receive

The amount of money you receive as part of your Universal Credit claim depends on the following criteria:

- Your Standard Allowance
- Extra amount that you apply for
- Money taken off your payment

You can use the [Government's benefits calculator](#) to determine how much you may receive.



Monthly assessment periods

Universal Credit is paid on a monthly basis and the amount you receive depends upon your circumstances each month. This means that you may receive a different amount of Universal Credit from one month to the next.

Your circumstances are assessed each month which is named your 'assessment period' and these begin from the day you make your claim.

To ensure you receive the correct amount of Universal Credit each month you should report all [changes in circumstances](#).

Standard Allowance

You will receive one standard allowance for your household.

Circumstance	Standard Monthly Allowance
You are single and under the age of 25	£265.21
You are single and over the age of 25	£334.91
You live with your partner and are both under the age of 25	£416.45 (for you both)
You live with your partner and are both over the age of 25	£525.72 (for you both)

Extra Amounts

There may be criteria that you meet that may entitle you to receive extra amounts of allowance on top of your standard allowance.

If you have children, you will receive extra on top of your standard allowance for your first and second child. If you have more than two children you will not receive any more for more children, unless they were born before 6th April 2017 or you were already claiming for more than two children prior to this date. There may also be other exceptions to this.

*Allowance is correct at the time of writing (Nov 2022)

Number of Children	Extra Allowance
One child	£290 (born before 6 th April 2017) £244.58 (born after 6 th April 2017)
Two or more children	£244.58 per child

You will also be entitled to an extra amount of allowance if any of your children are disabled, you are eligible for this amount no matter how many children you have. If your child has a disability, you could receive an extra £132.89 and if your child has a severe disability, you could receive an additional £414.88.

Childcare

CLAIM
UP TO
85%
CHILD
CARE
COSTS

If you are receiving Universal Credit you could claim up to 85% of your childcare costs if you are working. If you claim Universal Credit with your partner you will both need to be working to claim childcare costs, unless one of you is unable to work due to a disability or health condition.

To be able to claim childcare costs, the care must be provided by a registered care provider.

The most you can receive each month is £646.35 for one child and £1,108.04 for 2 or more children.

In order to claim cost of your childcare, you will need to make the payment upfront and claim for support as part of your payment. You can get support to help pay your childcare costs upfront. Talk to your work coach after you make your claim.

The Government provides further details on childcare and Universal Credit [here](#).



You have a disability or health condition

*Allowance is correct at the time of writing (Nov 2022)

Circumstance	Extra Allowance
You have limited capacity for work and work related activities	£354.38
You have limited capacity for work and you started your health-related Universal Credit or Employment and Support Allowance (ESA) claim before 3 April 2017	£132.89

Caring for a disabled person

If you provide care for someone who receives a disability related benefit for more than 35 hours a week, you could be entitled to £168.81 a month. This would be on top of any extra amount you already receive if you have a disabled child.

Housing costs

As part of Universal Credit, you could receive support for [housing costs](#) which may include rent and service charges. If you are a homeowner Universal Credit could also help you obtain a [loan to help with interest payments](#) on your mortgage.



Reasons money could be taken off your payment

There are a variety of reasons in which your monthly payment is reduced or you do not receive the full amount when you claim Universal Credit, these include:

- You need to pay back an advance on a Universal Credit payment
- You have more than £6,000 in money, savings and investments
- Receiving the full amount of Universal Credit would mean you get above the amount limited by the benefit cap
- You have received an overpayment of benefits in the past
- You owe money for Council Tax, court fines, electricity, gas, water or Child Maintenance
- You pay your gas or electricity bill directly from your Universal Credit payment
- You have a paid job
- You have other income - eg. money from pensions or certain other benefits

The Government provides further information on this [here](#).

Moving to Universal Credit from other benefits

If you are moving to Universal Credit from other benefits, you will receive your current benefit for 2 weeks after your claim if you are still eligible for them.

This only applies if you're getting:

- [Income-based Jobseeker's Allowance](#)
- [Income-related Employment and Support Allowance](#)
- [Income Support](#)
- [Housing Benefit](#)

It is also important to note you should not need to pay these extra payments back and they will also not affect your Universal Credit claim. If you are receiving Universal Credit you may also be entitled to further support, you can find out about further support [here](#).

How do earnings affect your payment

If you or your partner are employed, the amount of [Universal Credit will be affected](#), for every £1 your partner earns, your payments will decrease by 55p. There are different rules provided by the Government if you are [self-employed](#). Your Universal Credit does not stop if you work more than 16 hours a week.

The Government offers a work allowance, meaning you are able to earn a certain amount of money through work before your payments are reduced, although you must meet the following criteria:

- You or your partner are responsible for a child
- You or your partner are [living with a disability or health condition](#) that affects your ability to work

There are other circumstances that could affect your Universal Credit payments which are explained by the Government [here](#).

Your first payment

It can take up to 5 weeks for you to receive your [first payment](#), however if you require money during that time you can apply for an advance [here](#).

After your first payment, it is worth noting that future payments will be paid on the same date every month.

Your payments will be paid into your bank, building society or credit union account. Your payments can include money for rent and/or other housing costs, these should be paid to your landlord.



 [APPLY ONLINE HERE](#)

Universal Credit Application

You can make your application for Universal Credit online [here](#).

It is important that you understand your responsibilities [outlined by the Government](#) in order to claim Universal Credit when making your application.