



Universal Credit

Universal Credit is a payment from the Government to help with your living costs. It is for people who are not working, or who receive low income.

Universal Credit payments are split into six parts:

1. A standard allowance of between £265.31 and £525.72 per month.
2. Money for children under 16 or, if they are at school or college, under 20.
3. Money for housing.
4. Money for disabilities or health conditions which limit your ability to work.
5. Money for caring for a severely disabled person.
6. Money to cover the cost of childcare whilst you are working.

Requirements

To qualify for Universal Credit, you must:

1. Be at least 18 years old (in some cases, you can qualify if you are 16 or 17)
2. Be under state pension age (which is between 60 and 68 depending on your date of birth and gender – it can be checked here: <https://www.gov.uk/state-pension-age>),
3. Be habitually resident in the UK or Ireland. See our separate information sheet on access to benefits for further information: <https://citizensrightsproject.org/wp-content/uploads/2022/07/Access-to-benefits.pdf>
4. Not be studying full time (although there are [exceptions](#))
5. Accept a claimant commitment, and
6. Not have over £16,000 in savings

You can claim Universal Credit as a couple even if one person in the couple is over State pension age or is studying. If your partner is under 18, is not habitually resident in the UK, is in prison, or is excluded from receiving benefits due to their immigration status, then you can claim as a single person. You will not be treated as a couple if your partner is not living with you and their absence is expected to last, or has lasted, over 6 months.

Claimant commitment

A claimant commitment sets 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 tailored to your particular circumstances. It is created following a conversation with you. It will be reviewed and revised on a regular basis, to ensure it continues to be appropriate for your individual circumstances and the local job market. Failing to comply with a work-related requirement in your claimant commitment can lead to your payment being reduced.

A work-related requirement will not be imposed if, for instance:

- You have a disability or health condition which limits your ability to work,
- You care for a severely disabled person,
- You are caring for a child under the age of 1,
- You are pregnant, and it is 11 weeks or less before the due date,
- Your earnings are already high enough.



Financial requirements

If you have savings over £16,000 you are not eligible for Universal Credit. For each £250 above £6,000, your Universal Credit is reduced by £4.35 a month.

There is no earning threshold for Universal Credit. However, 55% of your income will be deducted from your claim. This means that, if you have a high income, the amount of Universal Credit you can receive is likely to be zero.

It is your income after deduction of income tax, national insurance, and pension contributions which is relevant (your net income).

If you have responsibility for one or more children, you are given a 'work allowance' of £573 per month (this is reduced to £344 per month if you are receiving money towards your housing costs). The amount of Universal Credit you receive will be reduced by 55% of the income which exceeds your work allowance.

Other income you receive – for instance from your pension, other benefits, alimony, student loan, or a trust fund – is also deducted. 100% of this type of income is deducted.

Children

You can receive payments for children who normally live with you. You will receive £290 or £244.58 per month for your first child, and £244.58 per month for every subsequent child.

If your child is temporarily absent from your home, they will still 'normally live' with you as long as the absence is expected to, or does, last under 6 months. If the child goes abroad, the period they are away must be under 1 month.

A child can normally live with more than one person. The focus is on the normal pattern of living, rather than the amount of time spent with a particular person, or in a particular place. Where a child normally lives in two or more places, the person with 'main responsibility' for the child receives the payment. Even if your child only lives with you at weekends, you can still receive payment of the child element of universal credit, as long as you have 'main responsibility' for the child.

A person is likely to have 'main responsibility' for a child if they:

- Make day to day decisions about the child's life,
- Provide the child with clothing, shoes, toiletries, and other items needed for daily use,
- Are noted as the main contact for the child's school, doctor, dentist, and/or
- care for the child when they are ill.

Only one person can have main responsibility for the child.

If your child is over the age of 16, they must meet additional requirements. You can continue to receive money for caring for them up until the 1st September following their 19th birthday. They must be at school or college. Their course must not lead to the award of a degree, a diploma of higher education, a higher national diploma (HND), or any other qualification above advanced higher level. Their course must involve an average of 12 hours of tuition, practical work, or supervised study per week. If your child is 19, they must have been accepted on to



their course before they turned 19.

To receive money for childcare costs - such as nursery, child-minding, or day-care - you must be working. You must tell the Department for Work and Pensions how much you have spent on childcare. This can be done via your online Universal Credit account. You will be paid 85% of the amount you paid for childcare, up to a maximum of £646.35 per month (for one child) or £1,108.04 per month (for two or more children).

Housing

You can receive payments towards your housing if you pay rent or [service charge payments](#) for your home. The maximum amount of rent you can receive depends on the 'Local Housing Allowance' in your area. These can be viewed [here](#).

There are different allowances for different sizes of house. The actual size of your house is not considered. Instead, consideration will be given to the number of bedrooms you are entitled to under the benefits legislation. This can result in you receiving less than your actual rent. Each of the following are allowed one bedroom:

- You (or you and your partner if you are in a couple),
- Two children who are under 10 years old,
- Two children of the same sex,
- Any other child (e.g., if you have 3 children, and two already share), and
- Another adult who lives with you.

Children under 16, who are the same gender, are expected to share a room. As are children under 10, regardless of gender.

If you rent from a Council or Housing Association, your actual rent will be paid (rather than the Local Housing Allowance). However, your payment will be reduced if you have more bedrooms than you are entitled to. If you have one extra bedroom, your housing payment will be reduced by 14%. If you have two or more extra bedrooms, your housing payment will be reduced by 25%. This is commonly referred to as the 'bedroom tax'. In Scotland you can apply for a Discretionary Housing Payment from the Scottish Government to mitigate the effect of the 'bedroom tax'. More information can be found here –

<https://www.gov.scot/policies/social-security/support-with-housing-costs/>

The housing element of your Universal Credit can be paid to you or paid directly to your landlord, whichever you prefer.

Disabilities

The Department for Work and Pension will assess whether you are [capable of working](#). You will need to complete an assessment form and provide medical evidence. If, following this

assessment, it is decided that you are not capable of working, you will receive an additional payment as part of your Universal Credit.

You can also receive money as a carer if you have regular and substantial caring responsibilities for a severely disabled person. The requirements for this element are the same as the requirements for carer's allowance. More information about carer's allowance can be found



here - <https://www.gov.uk/carers-allowance>

If your child is disabled, you will receive an additional payment of £414.88 per month on top of the payments for children mentioned above. A lower amount is usually payable if the child is entitled to disability living allowance, child disability payment, or personal independence payment.

The Benefit Cap

Deductions are also made where the 'benefit cap' is exceeded. This 'benefit cap' is £1,116.67 per month for single applicants without children. This increases to £1,666.67 where the single person has children, or where a couple is applying jointly. This cap is generally the maximum amount of welfare benefits a person can be paid (this includes all benefits, not just Universal Credit).

Universal Credit is usually paid monthly, however if you live in Scotland, you can choose to receive your Universal Credit every fortnight.

What if my claim is refused?

If your claim is refused you can request reconsideration by the Department for Work and Pensions. This usually needs to be done within 1 month. If your reconsideration request is refused you may be able to appeal to the independent First-tier Tribunal. This must be done within 1 month.

Where can I get more help or advice?

- Citizens Advice Scotland - <https://www.cas.org.uk/helptoclaim>
- Turn2Us - <https://www.turn2us.org.uk/Get-Support>
- Shelter - https://scotland.shelter.org.uk/about_us/contact_us/call_our_free_helpline (for housing related advice)
- Child Poverty Action Group - <https://askcpag.org.uk/home>
- You can apply for Universal Credit here - <https://www.gov.uk/apply-universal-credit>

PLEASE NOTE: This factsheet only gives a summary of the rights you might be entitled to. It does not give a full description of your legal rights and should not be regarded as legal advice. If you want more detailed information on your legal rights, and how they might affect your personal circumstances, you should take advice from a qualified lawyer or another advisor.

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