



Universal Credit

What you need to know



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All information is correct at the time of print.
The most up-to-date information can be found at
www.nidirect.gov.uk/UniversalCredit

What is Universal Credit?

Universal Credit is a new payment that will support you if you are on a low income or out of work. It will give you the help you need to prepare for work, start work, or earn more money.

Universal Credit is for people over 18 and under State Pension age. It includes support for the cost of housing, children and childcare, as well as support for disabled people, carers and people who are too ill to work.

Universal Credit replaces:

- Jobseeker's Allowance (income-based)
- Employment and Support Allowance (income-related)
- Income Support
- Working Tax Credit
- Child Tax Credit
- Housing Benefit (Rental)



Getting ready for Universal Credit

If you are currently receiving benefits or credits that are due to be replaced by Universal Credit, we will be in touch to guide and assist you through the steps you need to take. In the meantime, getting online and sorting out the best way to manage your money will help you get the most from Universal Credit.

IF YOU ARE WORRIED ABOUT PREPARING FOR UNIVERSAL CREDIT YOU CAN:

- find out more about Universal Credit at www.nidirect.gov.uk/UniversalCredit
- contact the Independent Welfare Changes helpline on 0808 802 0020. The helpline is available from 9am to 5pm Monday to Friday and is free from a mobile or landline within the United Kingdom

YOU CAN ALSO TAKE THESE STEPS TO HELP YOU PREPARE:

- open a bank account if you don't already have one
- set-up an email account
- find out where you can access the Internet, for example your local library
- improve your digital skills

MOVING ON TO UNIVERSAL CREDIT

If your circumstances do not change and you continue to claim one of the benefits that Universal Credit is replacing, then you will be moved to Universal Credit between 2019 and 2022. When this happens there is a commitment that no one will experience a reduction in the benefit paid as long as their circumstances remain the same.

You do not have to do anything unless your circumstances change. We will contact you when it is time for you to move on to Universal Credit.



Claiming Universal Credit

Universal Credit will be claimed online at www.nidirect.gov.uk/UniversalCredit so you will be able to claim at a time that suits you.

YOU WILL NEED THE FOLLOWING INFORMATION AT HAND BEFORE YOU START YOUR CLAIM:

- your postcode
- an email account
- details of the bank or building society you want Universal Credit paid into
- details of your housing costs (rent)
- your landlord's details
- details of your savings or other capital
- details of any income that's not from work, for example, from an insurance plan
- details of any other benefits you're getting

YOU WILL ALSO NEED THE DETAILS OF PEOPLE WHO LIVE IN YOUR HOME, FOR EXAMPLE, YOUR PARTNER AND CHILDREN.

When you submit your claim you may be asked to provide more information, for example, evidence that confirms your information such as bank statements. This evidence should be provided within one calendar month. If the information doesn't match, your claim will be reviewed using the new information you have provided.



Universal Credit Payments

Universal Credit will be paid twice a month to a household. However, you may request a monthly payment. A household could be a single person, a couple or a family.

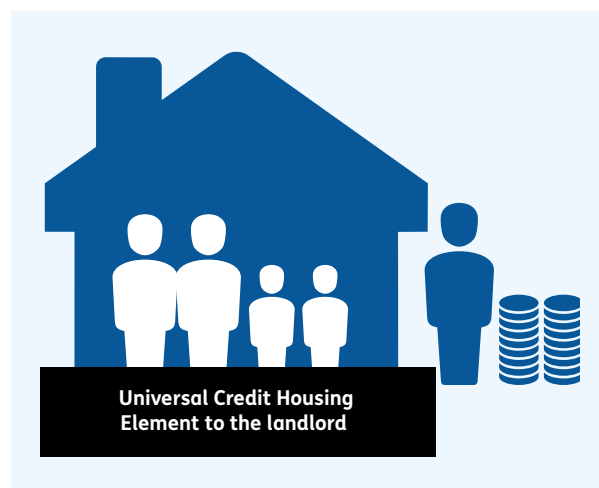
If your Universal Credit claim is successful, you will get your first payment **between five and six weeks** after you submit your claim.

If waiting for your first Universal Credit payment will put you into financial difficulties, there is support available to you including:

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

For more information visit www.nidirect.gov.uk/articles/finance-support or ask your Work Coach.

If you are entitled to the Housing Element of Universal Credit it will be paid directly to your landlord. You can request for your Housing Element to be paid directly to you, allowing you to pay your own rent.





Universal Credit payments are worked out in three stages.

- 1 **FIRSTLY, THE BASIC UNIVERSAL CREDIT IS CALLED THE STANDARD ALLOWANCE – THIS IS AN AMOUNT FOR YOU / YOU AND A PARTNER.**

There are four Standard Allowance rates. The amount you get will depend on your age and if you are part of a couple. Based on twice a month payments these are:

UNDER 25 YEARS

 single rate	£125.88
 couple rate	£197.60

25 YEARS AND OVER

 single rate	£158.91
 couple rate	£249.45



2 DEPENDING ON YOUR CIRCUMSTANCES YOU MAY BE ELIGIBLE FOR AN ADDITIONAL AMOUNT OF UNIVERSAL CREDIT. THESE ARE CALLED ELEMENTS:

- **Child Element** - payment will be made for up to two children. There are exceptions when payment may be made for more than two children if certain conditions are met. You may also receive an additional amount if any child has a disability (this is called the Disabled Child Element and is paid at a lower or higher rate)
- **Childcare Element** - payment to help cover some childcare costs if you use a registered childminder
- **Limited Capability for Work & Work-Related Activity Element** - payment when you cannot be expected to look for work because of a disability or health condition
- **Carer Element** - a payment to support you if you are providing a significant amount of care to someone with a disability
- **Housing Element** - a payment to help cover relevant housing costs. If you are renting a property, then the Housing Element will be paid directly to your property landlord

A new Rate Rebate Scheme, run by the Department of Finance, will provide rates support for tenants or home owners who are entitled to Universal Credit. Find out more information about the Rate Rebate Scheme on www.nidirect.gov.uk/articles/rate-rebate-scheme

3 YOUR UNIVERSAL CREDIT PAYMENT WILL BE DEPENDENT ON YOUR OTHER INCOME SUCH AS:

- earnings
- other benefits you receive
- savings and/or capital above £6,000
- any other income (for example a pension)
- any advances, sanctions, overpayments or third party deductions you and/or your partner have

Once your Universal Credit payment has been calculated, you will be told of the decision. If you are not entitled to Universal Credit you can ask for the decision to be looked at again. You can also make a new claim in the future if your circumstances change.

Making work pay

Universal Credit aims to introduce greater fairness to the welfare system by ensuring it is better to work.

Universal Credit is about increasing your earnings and there is no limit to the hours you can work.

Starting work is easier under Universal Credit because unlike the current system, benefits will not suddenly be removed.

This feature of Universal Credit allows you to take temporary or seasonal jobs without worrying about making a brand new claim or any gaps between paydays as you move in and out of work.

If you have a disability or health condition or have children, a certain amount can be earned before your Universal Credit payment is reduced. This is known as your Work Allowance.

YOUR COMMITMENT

When you claim Universal Credit you will need to accept your Commitment. Your Commitment outlines what is expected of you in return for receiving Universal Credit, and the consequences of not meeting these responsibilities.

You will create and agree your Commitment with your Work Coach.

Your Commitment 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 ongoing basis.

Your Universal Credit payment may be reduced or stopped if you do not meet your responsibilities outlined in your Commitment and you cannot give a good reason to explain why. This is known as a sanction. With a sanction, we will always tell you how much you will lose and for how long.



Support from your Work Coach

Your Work Coach will focus on mentoring and coaching you, to help you meet the requirements recorded in your Commitment. They will support and challenge you to fulfil your potential and help you to raise your expectations of what you can achieve.

The responsibilities in your Commitment will include things like regular work search activities, or any work preparation actions that you must complete to receive Universal Credit.

Work search activity could involve registering with job search websites or recruitment agencies, or applying for jobs. Work preparation activity could include preparing a CV or attending and completing a training course. You could also be expected to attend regular interviews with your Work Coach to discuss your progress.

Your other benefits and tax credits

Once you have claimed Universal Credit, any benefits that it replaces will stop and you will get Universal Credit instead. If you are in a relationship with someone who is allowed to claim Universal Credit, then your Housing Benefit will stop and you will move on to Universal Credit as a couple. These benefits may end before you get your first Universal Credit payment. If this happens, you can ask for an advance to help you manage until you get your first payment.

FOR SOME BENEFITS, £1 WILL BE DEDUCTED FROM YOUR JOINT UNIVERSAL CREDIT AWARD FOR EACH £1 YOU OR YOUR PARTNER RECEIVES, THESE INCLUDE:

- Carer's Allowance
- Employment and Support Allowance (contribution-based)

- Industrial Injuries Disablement Benefit (There may be elements of Constant Attendance Allowance and Exceptionally Severe Disablement Allowance which may be disregarded)
- Jobseeker's Allowance (contribution-based)
- Maternity Allowance
- State Pension
- Widowed Mother's Allowance
- Widowed Parent's Allowance
- Widow's Pension

Any benefit, allowance or payment from a country outside the United Kingdom that is similar to the benefits listed above will also be taken into account.



What you need to know about housing

Information about Universal Credit and housing costs. If you are not aware of Universal Credit you can get more information at www.nidirect.gov.uk/UniversalCredit



Your Universal Credit payment may include a Housing Element if you are renting a property, or help with your mortgage if you own your own home. These payments will be paid directly to your landlord or mortgage lender. Your Universal Credit Housing Element may not cover all of your rent and you will be responsible for covering any shortfall yourself.

Your Universal Credit payment will not include money for rates. 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

IF YOU ALREADY GET HOUSING BENEFIT

If you are already receiving Housing Benefit, you do not need to do anything, unless your circumstances change. You should report any change in your circumstances that could affect your claim as soon as possible by contacting the Northern Ireland Housing Executive if you rent your home or Land & Property Services if you are a homeowner.

The Northern Ireland Housing Executive and the Department for Communities will contact you to let you know what you need to do when it's time for you to move onto Universal Credit.

LIVING WITH OTHERS

If you are part of a couple living together you must make a joint claim. If your partner moves in with you after you have claimed Universal Credit, you must report this change in your circumstances through your online account at www.nidirect.gov.uk/UniversalCredit

You must also report details about anyone living with you who is not dependent on you, for example a grown-up son or daughter. If any of these people are under 21 years of age, you must also tell Universal Credit if they are:

- receiving certain disability benefits, for example Disability Living Allowance or Personal Independence Payment
- receiving Carer's Allowance
- the primary carer for a child under five years of age

Help with rates

A new Rate Rebate Scheme run by the Department of Finance will provide rate support for tenants or homeowners who are entitled to Universal Credit.

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

Paying your mortgage

Some people are entitled to help to pay their mortgage. This is called Support for Mortgage Interest. The rules around Support for Mortgage Interest are now changing. Payments will be made as a loan and must be paid back.

This support will be based on a set rate of interest applied to your outstanding qualifying mortgage and paid direct to your mortgage lender. However, once you or your partner begin to receive any earned income, then the Support for Mortgage Interest will stop.





What you need to know if you have a disability or health condition

Information about Universal Credit for people with a disability or health condition. If you are not aware of Universal Credit you can get more information at www.nidirect.gov.uk/UniversalCredit

PROVIDING SUPPORT

If you have a disability or health condition, Universal Credit provides you with a simple system of financial and work support.

We understand that having a disability or health condition may bring about extra challenges in your life which can cost money. Universal Credit is designed to help ensure that money goes to those who need it most.

If your circumstances stay the same, you will receive the same amount of benefit under Universal Credit as you do now, and may even receive more support.

CLAIMING UNIVERSAL CREDIT

You can make a claim for Universal Credit by applying online at www.nidirect.gov.uk/UniversalCredit.

When you claim Universal Credit you will be asked to attend a Work Capability

Assessment. This is a test used to see if your health condition or disability affects your ability to work.

YOU WILL BE ASSESSED TO FIND OUT IF YOU:

- are fit for work
- are able to do some work or able to prepare for work
- have significant limits on your ability to prepare for work

OTHER BENEFITS THAT ARE CHANGING

There are other changes to benefits that may affect you. For example, Personal Independence Payment (PIP) is replacing Disability Living Allowance for people aged 16 to 64 years. PIP helps with the extra cost of a long term health condition or disability and can be claimed whether you are in or out of work.

You can find out more about PIP by visiting www.nidirect.gov.uk/PIP

What you need to know about tax credits

Information about Universal Credit and tax credits. If you are not aware of Universal Credit you can get more information at www.nidirect.gov.uk/UniversalCredit

If you are already receiving tax credits, you do not need to do anything, unless your circumstances change. You should report any change in your circumstances that could affect your tax credit claim as soon as possible by calling the **Tax Credits Helpline on 0345 300 3900** or in writing to Change of Circumstances HMRC - Tax Credit Office BX9 1ER

MOVING ONTO UNIVERSAL CREDIT:

If your circumstances do not change and you continue to claim tax credits then you will eventually be moved over to Universal Credit. When this happens there is a

commitment that no one will experience a reduction in the benefit paid as long as their circumstances remain the same.

You do not have to do anything; Her Majesty's Revenue & Customs (HMRC) and the Department for Communities will contact you to let you know what you need to do as you move onto Universal Credit.



Adding a partner to your Universal Credit claim

As a couple you must make a joint claim to Universal Credit. If you need to add a partner to your Universal Credit claim you must report this change in your circumstances through your online account at www.nidirect.gov.uk/UniversalCredit

If you are in a relationship with someone who is claiming Universal Credit, then your tax credit payments will stop and you will move onto Universal Credit.

Making a joint claim for Universal Credit will help you manage your money together and unlike tax credits, you can receive Universal Credit payments even if you are only working a few hours a week.



What you need to know about work and skills

Information about Universal Credit and work and skills. If you are not aware of Universal Credit you can get more information at www.nidirect.gov.uk/UniversalCredit

UNIVERSAL CREDIT WORK ACTIVITIES

If you claim Universal Credit, and are able to work, there are four basic types of activities that you may have to do. What you are asked to do will be based on your personal circumstances. These activities will be set out in your Commitment which you will create and agree with your Work Coach. The consequences of not completing these activities will be set out clearly in your Commitment.

1. WORK-FOCUSED INTERVIEWS

Attend regular interviews to discuss plans and opportunities for returning to work, whether now or in the future or how you could increase the hours you already work.

2. WORK PREPARATION

Actions to get ready for work, such as attending training courses, preparing a CV or taking part in an employment programme.

3. WORK SEARCH

Take all reasonable actions to find work, such as applying for suitable vacancies or registering with a recruitment agency.

4. WORK AVAILABILITY

Be available and willing to take up a job immediately or within a specified timeframe.



YOUR COMMITMENT

Your Commitment is a record of what you need to do to find work or to increase the number of hours you work. This will be based on your personal circumstances such as your health, your responsibilities at home and how much help you need to get work or increase your income.

Your Commitment will also set out what may happen if you fail to meet your responsibilities.

STARTING WORK

If you receive Universal Credit and start work you will need to tell us who your employer is.

If your employer is on the Pay As You Earn (PAYE) in Real Time Information (RTI) system, they will provide Her Majesty's Revenue & Customs (HMRC) with up to date information about your earnings.

If your employer is not on the PAYE in RTI system you must let us know your take home pay each month. For more information visit www.nidirect.gov.uk/UniversalCredit

This will ensure you receive the correct amount of Universal Credit, because as your pay changes, the amount of Universal Credit you receive changes too.

You will not need to close your claim just because you have started work.





ALREADY IN WORK

If you are already working and earning as much as can be expected, and are still eligible for Universal Credit, you will receive financial support without any other conditions to increase your earnings.

If you are already working but could earn more, you will be supported while you look for additional or better paid work.

NOT ABLE TO WORK

You may be in a situation where you are not expected to carry out any work related activity due to:

- a disability or health condition
- being in receipt of a carer element
- caring responsibilities of at least 35 hours a week for a severely disabled child
- being the parent who is the lead carer of a child under one year old

If this is the case, your Commitment will make your responsibilities clear and will be adjusted as things change in your life.

BECOMING FINANCIALLY INDEPENDENT

Once you are earning enough money through work and have become financially independent, you will no longer need Universal Credit, and your claim will close. We will automatically notify you if your earnings mean you will no longer receive Universal Credit.

If your circumstances change and you need to come back onto Universal Credit within six months of your previous claim ending, it is easy to do so through the reclaim function in your online account.

SKILLS

Learning new skills can help boost your confidence and lead to new opportunities in all parts of life. The more skills you have, the more jobs you can do, giving you the chance to earn more and improve your opportunities.

Today's job market is always changing. As new technology, services and products are introduced, it is important that you learn and develop skills which will ultimately get you into work.

There are some standard skills which are vital to all jobs, such as English and maths, as well as good timekeeping and technical skills, for example, using online services.

YOUR WORK COACH

Your Universal Credit Work Coach will help you identify your skills, refer you to training courses, and set a clear job search plan to help you get back to work.

If it is decided that you need to improve your skills, and your Work Coach refers you to a training course, you will need to start and complete this course. You will risk having a reduction or stop in your benefit, known as a sanction if you fail to meet your responsibilities and cannot give a good reason to explain why.



What you need to know as a lone parent

Information about Universal Credit if you are a lone parent. If you are not aware of Universal Credit you can get more information at www.nidirect.gov.uk/UniversalCredit

Universal Credit classes a lone parent as one person who is responsible for one or more children or qualifying young person (someone aged 16–19 years and in full-time education or training up to A-Level or equivalent).

CLAIMING UNIVERSAL CREDIT

If you claim Universal Credit as a lone parent, you will receive a payment that covers you and the child/children twice a month.

If you are entitled to the Housing Element of Universal Credit or Support for Mortgage Interest it will be paid direct to your landlord or mortgage lender.

Other adults living in the same household who are claiming Universal Credit will be paid separately.

To check if you're eligible or to make a claim for Universal Credit apply online at www.nidirect.gov.uk/UniversalCredit



CHILD ELEMENT

If you have children living with you who you are responsible for, your Universal Credit payment will include financial support for them. This is called the Child Element.

The Child Element will be paid for up to two children only. There are exceptions where the Child Element can be paid for more than two children if certain conditions are met.

Your Universal Credit payment will not be affected by any child maintenance payments you receive and if you are entitled to Child Benefit, you will continue to get it separately.

DISABLED CHILD ADDITION

The Disabled Child Addition of Universal Credit helps with the extra cost of bringing

up a disabled child. It will be paid at either a lower or higher rate.

Lower rate

The lower rate is paid for a child who receives any rate of the mobility or care component of Disability Living Allowance, **except** the highest rate of the care component; or a Personal Independence Payment.

Higher rate

The higher rate is paid for a child who receives the highest rate of the care component of Disability Living Allowance; the enhanced rate of Personal Independence Payment daily living component; or a child who is blind or severely sight impaired.



Universal Credit and the lead carer

The Commitment for the lead carer will be based on the age of the youngest child in the household. As a lone parent, you will automatically be the lead carer.

IF YOUR YOUNGEST CHILD IS:	WHAT'S EXPECTED OF THE LEAD CARER
Aged under one year	You are not required to look for work in order to receive Universal Credit.
Aged one	If you are not already working, you will be asked to attend interviews to discuss plans for a future move into work.
Aged two years	You will be expected to take active steps to prepare for work. What this involves will be agreed between you and your Work Coach and will depend on your circumstances, but might include some training and work-focused interviews.
Aged three to twelve years	You will be expected to look for work in line with your caring responsibilities, for example during your child's school hours.
Aged 13 years and above	You will normally be expected to look for full time work.



How Universal Credit helps lone parents

AS A LONE PARENT, UNIVERSAL CREDIT WILL HELP YOU COMBINE WORK WITH BEING A PARENT:

NO LIMIT TO THE HOURS YOU CAN WORK

Your Universal Credit payment is based on your earnings, not how many hours you work – this means greater flexibility for you. You can apply for part-time, flexible or temporary jobs and get back into work sooner as Universal Credit tops up your earnings if you're on a low income.

You should tell us straightaway when you have a firm job offer as you will be able to claim childcare costs for a short time before the job starts, to help with getting a routine in place. Childcare costs can also be claimed for at least one month after your employment ends, which can help you to maintain childcare as you move between jobs.

PROVIDING MORE HELP TOWARDS CHILDCARE COSTS

If you use a registered childminder, you can claim back 85% of your childcare costs through Universal Credit, up to a monthly limit of £646 for one child or £1,108 for two or more children.

You can claim back 85% of your childcare costs through Universal Credit, up to a monthly limit of £646 for one child or £1,108 for two or more children.



What you need to know as a couple

Information about Universal Credit if you are part of a couple.
If you are not aware of Universal Credit you can get more information at www.nidirect.gov.uk/UniversalCredit

COUPLE ELIGIBILITY

Universal Credit considers two people to be a couple if they live in the same household and are:

- married to each other,
- civil partners of each other, or
- living together as if they were married.

You may still be able to claim Universal Credit if you and/or your partner are employed.

CLAIMING UNIVERSAL CREDIT

If you are part of a couple, you and your partner will make a joint claim for Universal Credit and the amount you get will be based on the information that you provide.

If you are unsure about your eligibility or how to make a claim for Universal Credit apply online at www.nidirect.gov.uk/UniversalCredit

YOUR COMMITMENT

Your Commitment outlines what is expected of you in return for receiving Universal Credit and the consequences of not meeting them. This will be based on your personal circumstances such as your health, your responsibilities at home and how much help you need to get work.

As a couple, each of you will have to create and agree your own individual Commitment. Your Commitment will also set out what may happen if you fail to meet your responsibilities.

Failure to meet responsibilities by either you or your partner could affect your overall entitlement to Universal Credit where there is a single household payment.

YOUR UNIVERSAL CREDIT PAYMENT

Twice a month you will receive a payment that covers both of you. You will be notified of the date you should get your first payment. Other adults living in the same household who are claiming Universal Credit will be paid separately.



HELP WITH HOUSING COSTS

If you are entitled to the Housing Element of Universal Credit or Support for Mortgage Interest, it will be paid directly to your landlord or your mortgage lender.

Making a joint claim for Universal Credit will help you manage your budget together and you can receive Universal Credit payments even if you are only working a few hours a week or not working at all.

ADDING A PARTNER TO YOUR CLAIM

As a couple you must make a joint claim to Universal Credit. If you need to add a partner to your Universal Credit claim you must report this change in your circumstances online at www.nidirect.gov.uk/UniversalCredit



What you need to know as a family

Information about Universal Credit for families.

If you are not aware of Universal Credit you can get more information at www.nidirect.gov.uk/UniversalCredit

FAMILY ELIGIBILITY

Universal Credit classes a family as one person or a couple who is responsible for one or more children or qualifying young person (someone aged 16–19 years and in full-time education or training up to A-Level or equivalent).

CLAIMING UNIVERSAL CREDIT

If you claim Universal Credit as a family, you will receive a payment that covers all the family twice a month.

If you are entitled to the Housing Element of Universal Credit or Support for Mortgage Interest it will be paid directly to your landlord or mortgage lender.

Other adults living in the same household who are claiming Universal Credit will be paid separately.

You can make a claim for Universal Credit by applying online at www.nidirect.gov.uk/UniversalCredit

CHILD ELEMENT

If you have child(ren) living with you who you are responsible for, your Universal Credit payment will include financial support for them. This is called the Child Element.



The Child Element will be paid for up to two children only. There are exceptions where the Child Element can be paid for more than two children if certain conditions are met.

Your Universal Credit payment will not be affected by any child maintenance payments you receive and if you are entitled to Child Benefit, you will continue to get it separately.

DISABLED CHILD ADDITION

The Disabled Child Addition of Universal Credit helps with the extra cost of bringing up a disabled child. It will be paid at either a lower or higher rate.

Lower Rate:

The lower rate is paid for a child who receives any rate of the mobility or care component of Disability Living Allowance, except the highest rate of the care component; or a Personal Independence Payment.

Higher Rate:

The higher rate is paid for a child who receives the highest rate of the care component of Disability Living Allowance; the enhanced rate of the Personal Independence Payment daily living component; or a child who is blind or severely sight impaired.

YOUR COMMITMENT

Your Commitment is a record of what you need to do to find work or to increase your hours of work. This will be based on your personal circumstances such as your health, your responsibilities at home and how

much help you need to get work or increase your income.

If you are part of a couple, each of you will have to accept your own individual Commitment. Your Commitment will also set out what may happen if either of you fail to meet your responsibilities.

UNIVERSAL CREDIT AND THE LEAD CARER

When you make a Universal Credit claim as a couple with children, you will need to nominate a lead carer.

The Commitment for the lead carer will be based on the age of the youngest child in the household. If you are a lone parent, you will automatically be the lead carer.



IF YOUR YOUNGEST CHILD IS:	WHAT'S EXPECTED OF THE LEAD CARER
Under One	You are not required to look for work in order to receive Universal Credit.
Aged one	If you are not already working, you will be asked to attend interviews to discuss plans for a future move into work.
Aged two years	You will be expected to take active steps to prepare for work. What this involves will be agreed between you and your Work Coach and will depend on your circumstances, but might include some training and work-focused interviews.
Aged three to twelve years	You will be expected to look for work in line with your caring responsibilities, for example during your child's school hours.
Aged 13 or above	You will normally be expected to look for full time work.

How Universal Credit benefits families

AS A FAMILY, UNIVERSAL CREDIT WILL HELP YOU COMBINE WORK WITH BEING A PARENT

NO LIMIT ON THE HOURS YOU CAN WORK

Your Universal Credit payment is based on your earnings, not how many hours you work – this means greater flexibility for you. You can apply for part-time, flexible or temporary jobs and get back to work sooner because Universal Credit tops up your earnings if you're on a low income.

PROVIDING MORE HELP TOWARDS CHILDCARE COSTS IF YOU AND YOUR PARTNER ARE BOTH WORKING

You can claim back 85% of your registered childcare costs through Universal Credit, up to a monthly limit of £646 for one child or £1,108 for two or more children.

If you are claiming with a partner, both of you will normally need to be in work to receive help with childcare costs from a registered childcare provider.

You should tell us straightaway when you have a firm job offer as you will be able to claim childcare costs for a short time before the job starts, to help with getting a routine in place. Childcare costs can also be claimed for at least one month after your employment ends, which can help you to maintain childcare as you move between jobs.

You can claim back 85% of your childcare costs through Universal Credit, up to a monthly limit of £646 for one child or £1,108 for two or more children.

What you need to know about self-employment

Information about Universal Credit and self-employment. If you are not aware of Universal Credit you can get more information at www.nidirect.gov.uk/UniversalCredit

MOVING ON TO UNIVERSAL CREDIT

If you are self-employed and claiming tax credits or Housing Benefit, you will be moved onto Universal Credit when it is introduced in your area.

You can find out more about the introduction of Universal Credit at www.nidirect.gov.uk/UniversalCredit

If you are self-employed but also employed, we will make a decision about which activity is your main occupation as part of the 'gainful self-employment test'.

GAINFUL SELF-EMPLOYMENT

To count as gainful, your self-employment must be organised, developed and regular and you must expect to make a profit. It should also be your main job.

At the gateway interview, you'll need to provide evidence of your self-employed activity, for example your business plan, copies of invoices and receipts, or trading accounts from the previous year.



If we decide that you are not gainfully self-employed you'll need to look for and be available for other work. You will still need to report any earnings from your self-employment so they can be taken into account when calculating your award of Universal Credit.

You can ask to be reassessed in the future, and we will look at your evidence, including your earnings and hours of work.

MINIMUM INCOME FLOOR

When we work out your Universal Credit payments, we will normally assume you're earning at least the 'Minimum Income Floor'. This is an assumed level of earnings that is used to calculate your Universal Credit when your actual earnings fall below it.

YOUR MINIMUM INCOME FLOOR LEVEL IS CALCULATED AS FOLLOWS:

1. The number of hours you would be expected to work each week, depending on your personal circumstances. For example, you'd be expected to work fewer hours if you have caring responsibilities
2. This figure is then multiplied by the national minimum wage rate for your age group
3. Which is then multiplied by 52 and divided by 12 to reach a monthly figure
4. An amount for Income Tax and Class 2 and Class 4 National Insurance contributions is then deducted to get your monthly minimum income floor



Your Universal Credit is paid twice a month in arrears directly into your chosen bank account. The amount you get each time is linked to how much you earn.

If you earn more than the Minimum Income Floor you will receive less Universal Credit.

If you earn less than the Minimum Income Floor we will use the Minimum Income Floor to work out your Universal Credit award instead of your actual earnings.



EXEMPTIONS FROM THE MINIMUM INCOME FLOOR

START-UPS

If your business is less than 12 months old, the Minimum Income Floor won't apply to you for one year. During this time your actual earnings will be taken into account to work out your Universal Credit award.

DISABLED PEOPLE AND LONE PARENTS

If you're a self-employed disabled person or lone parent and in any of the groups listed below, the Minimum Income Floor won't apply:

- no work-related requirements group
- work-focused interview group
- work preparation group

If you are exempt from the Minimum Income Floor, then your Universal Credit payments will be calculated according to your actual income rather than your assumed income.

REPORTING YOUR INCOME

You must report your earnings from self-employment to the Universal Credit Service Centre every month in order to continue getting Universal Credit. You will need to do this by telephone giving details of your actual receipts minus permitted expenses, Income Tax, National Insurance contributions (Class 2 and Class 4) and any pension contributions that qualify for tax relief.

Find out more about how to calculate your income for Universal Credit at www.revenuebenefits.org.uk



EXPENSES

If your expenses for a particular month are unusually high, you can't offset them against your income in future months. This applies even if your expenses for the month are higher than your receipts.

BUSINESS START-UPS

If you're classed as gainfully self-employed and your business is less than 12 months old you'll be eligible for the start-up period. During this period, you will not have to look for other paid work. However, you will have to attend an interview every three months to prove that you are still gainfully self-employed and taking steps to increase your earnings.

What you need to know if you're an employer

Information about Universal Credit for employers. If you are not aware of Universal Credit you can get more information at www.nidirect.gov.uk/UniversalCredit

HOW UNIVERSAL CREDIT HELPS MY BUSINESS

Universal Credit will increase the financial benefits of work and provide your business with a more flexible workforce.

Universal Credit is designed so that people aren't limited by the hours they can work, or discouraged from taking temporary or short term work. Payments will not necessarily end when earnings increase, rather they will gradually decrease until wages reach an amount that exceeds the Universal Credit threshold.

AS AN EMPLOYER, YOU WILL FIND THAT UNIVERSAL CREDIT WILL ALLOW YOUR EMPLOYEES WHO ARE CLAIMANTS TO:

- be flexible with the hours they can work
- take up the offer of overtime
- increase their hours of work

These changes will help you manage peaks and troughs in your business.

Universal Credit also provides employees with the opportunity to take temporary or seasonal jobs without worrying about making a brand new claim or any gaps between payday as they move in and out of work.



People will be notified by the Department for Communities if their higher earnings mean their Universal Credit stops, but if their hours reduce within six months it is easy for them to get Universal Credit again.

You can use Employers Online to place and manage vacancies on a 24-7 basis on www.jobcentreonline.com. Once you have registered you can:

- post jobs online
- receive a list of people automatically matched by CV and skills
- review the matched jobseekers and select those you want to consider for the job

You can find out more at www.EmployersOnlineNI.com

What do I need to do?

Universal Credit payments are linked to how much money a Universal Credit claimant has earned. This is captured through the Pay As You Earn (PAYE) information that you submit to Her Majesty's Revenue & Customs (HMRC) about your employees.

REPORT YOUR EMPLOYEES' PAYE INFORMATION

Report your employees' PAYE information on time; that is on or before the time you pay them, so we can make the correct Universal Credit payments.

If PAYE reporting requirements are met, there should be no additional work for your payroll staff.

If the PAYE information is submitted late this could mean that your employee may receive too much or too little Universal Credit, and a possible increase in contact for you.

BE AWARE OF EMPLOYEES' INCREASED FLEXIBILITY

Your current employees may be more flexible and willing to increase their hours, as they do not have to worry about losing their benefit or their claim being closed due to working more hours. They will also see a boost in their income when they work extra shifts.

BE AWARE OF EMPLOYEES' REGULAR MEETINGS WITH THEIR WORK COACH

Your employees will have regular meetings with their Work Coach who will encourage them to fulfil their potential. The Work Coach will focus on mentoring and coaching Universal Credit claimants to fulfil their potential by increasing their hours and earning more, depending on their individual circumstances.

BE AWARE OF THE IMPACT OF BONUSES

Employees will be able to accept bonuses, but they will be assessed alongside the employee's salary. A bonus could temporarily reduce or stop their monthly Universal Credit payment for a period, but it is easy for them to get Universal Credit again.

You can find more information about how to report PAYE in real time at www.gov.uk/topic/business-tax/payee

HELP WITH CHILDCARE

Universal Credit makes it easier for parents to start work, with increased help towards childcare costs, no matter how many hours they work. This will allow experienced workers to return to the labour market and work around their childcare commitments.

Parents can claim back up to 85% of costs paid to a registered childcare provider up to a monthly limit of £646 for one child or £1,108 for two or more children.

EMPLOYEE QUERIES

If your employee queries the amount of Universal Credit payment they have received, they will need to contact Universal Credit using their online account.



Support if you are impacted by the introduction of Universal Credit

The Northern Ireland Executive has committed that support will be available for people affected by the introduction of Universal Credit.

If you're receiving a Welfare Supplementary Payment, because you've already been impacted by a previous welfare change and then move or make a claim to Universal Credit, you will still receive your Welfare Supplementary Payment, provided your circumstances and eligibility haven't changed.

Welfare Supplementary Payments will also be available for Universal Credit claimants who may at a later date be affected by the Benefit Cap, Social Sector Size Criteria, loss of carer payment or loss of contribution-based Employment and Support Allowance as a result of Welfare Changes. If eligible, you will receive these payments automatically, without needing to make an application.

Welfare Supplementary Payments are available until 31 March 2020. Some Welfare Supplementary Payments are payable for up to one year until 31 March 2020. If you're awarded a payment, you will be advised how long you'll receive it for.

For more information visit
www.nidirect.gov.uk/UniversalCredit



Further Information

There is information on all aspects of Welfare Changes and Universal Credit available at www.nidirect.gov.uk/welfarechanges



Northern Ireland
Executive

www.northernireland.gov.uk

