

# Universal Credit: Claims and Payments

Information Guide 2: For Residents and Advisers

2<sup>nd</sup> May 2024

[www.wolverhampton.gov.uk](http://www.wolverhampton.gov.uk)

## 1. Introduction

Universal Credit is a relatively new benefit administered by the Department for Work and Pensions (DWP). It is designed to provide financial support to people of 'working age' who have no income or a limited income. Please see page 2 for further details.



Anyone who wants to apply for Universal Credit will normally have to do so online. This Information Guide is designed to explain what is involved in making an application. It also sets out to explain the options available to those who would need help to make an application for Universal Credit, for example, because they do not have a computer or are unable to use one. It also sets out information about how people may be paid Universal Credit.

Universal Credit has been introduced to simplify part of the existing benefit system by replacing the following so called 'legacy benefits':

- Income-based JSA
- Income-related ESA
- Income Support
- Housing Benefit
- Child Tax Credit
- Working Tax Credit

If someone has historically been getting a 'legacy benefit' then they will be expected to apply for Universal Credit under 'natural migration' if they have a relevant change in their circumstances or under 'managed migration' if the DWP instructs them to do so.



Universal Credit will not be replacing Council Tax Support (formerly Council Tax Benefit) which can provide financial assistance towards the amount people need to pay in council tax.

Anyone who is claiming Universal Credit and liable for the council tax should make enquiries about their eligibility to Council Tax Support by going to this [LINK](#) or contacting the City of Wolverhampton Council.

Please see our [Information Guide 1: Universal Credit](#) for more information about Universal Credit, who can apply for Universal Credit and how Universal Credit entitlement is assessed.

**Working Age:** A person will be of 'working age' if they are aged 16 or over and under the age of 66 which is the 'qualifying age for Pension Credit'. In couple situations only one member need be of 'working age' for them to be eligible to apply for Universal Credit. Do seek further information and advice as necessary.

## 2. Who can Apply for Universal Credit...

Universal Credit may be claimed by a wide group of people. For example, it can be claimed by those who are:

- in part-time or full-time employment
- unemployed / without paid employment
- unable to work due to ill-health
- a carer of a disabled adult or child.

Normally a person needs to be aged 18 or over and under the 'qualifying age for Pension Credit' to be able to apply. However, 16/17-year-olds may apply albeit in limited circumstances. Please see our [Fact Sheet 3: Benefits and Young People](#) for more information.

How much Universal Credit (if any) may be payable will depend upon the circumstances of the claimant (and their partner) and the level of their existing income, earnings and savings. A greater amount of Universal Credit is awarded to couples and those with dependent children.



## 3. What if Someone is Already Getting a Legacy Benefit?

If a person is already getting a 'legacy benefit(s)' then they will normally be expected to apply for Universal Credit under a system known as '**natural migration**' should they encounter a relevant change of circumstances. For example, they:

- become a member of a couple
- separate from their partner
- get a job
- become too sick to work
- stop working
- move home from one local authority area to another.

Those people who remain on a 'legacy benefit(s)' will eventually be contacted by the DWP and invited to apply for Universal Credit under a system known as '**managed migration**'. Universal Credit will then replace any 'legacy benefit(s)' formerly in payment.



If someone does not respond to a request to apply for Universal Credit, then payment of any existing 'legacy benefit(s)' will stop and the person will not be entitled to Universal Credit until they actually apply.

Of course, in addition a person who is presently getting a 'legacy benefit(s)' is able to make the switch to Universal Credit voluntarily should they wish to do so. This might be in the case where it is clear that they will be 'better off' under Universal Credit.

## 4. Universal Credit Online...

A person can apply for Universal Credit online.

[www.gov.uk/apply-universal-credit](http://www.gov.uk/apply-universal-credit)

If a person needs help with applying for Universal Credit online, then they can contact the Help to Claim Service run by Citizens Advice on:



**Help to Claim**  
**0800 144 8 444**

**Citizens Advice - Freephone**

Citizens Advice also provide a webchat service through which a person can obtain advice about their ability to apply for Universal Credit and making a claim for Universal Credit.

### [Citizens Advice: Help to Claim](#)



The Help to Claim service exists to help people with their understanding of Universal Credit and with making a claim for Universal Credit. Under this service Citizens Advice can support someone through the early stages of the claim process.

If a person needs help to apply for Universal Credit and they are unable to or do not wish to use the Help to Claim service, then they can contact the Universal Credit Service Centre on:



**FREEPHONE**  
**0800 328 5644**

**Department for Work and Pensions**

Depending on the nature of the difficulty, the Service Centre may complete the online claim with them over the telephone or in some cases (e.g. where a person is housebound and is not digitally connected) the Service Centre may arrange for a DWP Visiting Officer to call upon them to complete the online claim in their own home.

## 5. Preparing to Make an Online Application...

It is understood that in the case of a single person a claim may take 20 to 30 minutes to complete. In the case of a couple the process could take much longer. In any situation, it is advisable to allow plenty of time.



When making the claim, the person will need to have their mobile phone with them and also will need to be able to access their preferred email account, as both of these will be verified as part of the claim process.

Before going online, a person should know that when applying for Universal Credit, then depending on their situation, they will be asked to provide the following information:

- their postcode
- their (and their partner's) bank, building society or credit union account details - account number and sort code
- whether they live in rented accommodation or live in accommodation that they own (with or without a mortgage)
- the day, month and year they moved into the accommodation they are living in
- the amount of their (and/or their partner's) overall rent including the frequency of payments e.g. weekly / monthly
- their (and/or their partner's) landlord (or landlord's agent) details including a contact phone number for them
- whether they are responsible for paying council tax and whether they have or will be applying for Council Tax Support
- details of their (and their partner's) savings, investments or other capital
- details of any income they (or their partner) get including their wages if they (or their partner) are working
- details of any other benefits they (or their partner) are getting
- details of any education or training courses they (or their partner) attend
- the names and dates of birth of their (and their partner's) children, including, if they get Child Benefit for them, the relevant Child Benefit number
- confirmation of any Disability Living Allowance or Personal Independence Payment that may be in payment for the children included in the claim
- details of other people who live with them (and their partner) e.g. grown up children or relatives
- details of any other income they (or their partner) may have other than earnings or benefits e.g. sick pay from an employer, maternity pay from an employer, maintenance, student finance, work pension
- whether they (or their partner) are pregnant and, if so, how near are they to the expected date of childbirth

- details of ill-health or disability that may impact on their ability to work or look for work
- details of any caring responsibilities they may have for a sick or disabled adult or child
- details of any medical treatment they are receiving or recovering from or expected to receive in the future
- details of any current or recent stays in hospital.

**Unable to work due to ill-health / disability:**

If a person has health problems or disability which would impact on their ability to work to work then they should seek to obtain a Fit Note (Med3 sick note) from their doctor or another approved healthcare professional. When applying for Universal Credit online they should enter the details of the Fit Note (including start and end dates).



**Carers:** If a person is caring for someone who is disabled then they need to confirm this including whether or not the person they are caring for is getting (or has applied for) Disability Living Allowance (middle or higher rate care component), Personal Independence Payment or Attendance Allowance. They will also be asked to confirm whether or not they spend 35 hours or more providing this care.

**Nationality:** A person will be asked for details of their nationality and whether or not they have lived in the United Kingdom during the last two years. This is because to be entitled to any amount of Universal Credit a person must have a 'right to reside' in the United Kingdom and they must normally have been living in the United Kingdom for an 'appreciable period' of time (3 months or longer) at the date of application. Do seek further information and advice as necessary.

A person will **NOT** need their National Insurance Number (NI Number) when applying for Universal Credit under Full Service.

## 6. Completing the Online Application...

When making the online application, it is important to be aware that there are a number of different stages involved.

These are explained below. Videos of the different parts of the process are available to watch here.

### [How to Claim Universal Credit](#)

#### **Stage 1: Creating an Account**

Before a person can apply for Universal Credit, they will need to set up a Universal Credit account. This is done by creating a unique 'username' and 'password'. They will then be asked to set up TWO 'security questions' (e.g. 'Where were you born?' or 'What was your first job?') which they will need to use when accessing the Universal Credit account at any time in the future.

It is important that the person makes a note of their login details and keeps these somewhere safe, as these will be required every time they need to access or update their claim.



From this point the person will be asked to provide their name, date of birth and email address.

An email six-digit code will then be sent to the email address (validating the email address) provided above.

They will have to use this to proceed with their online Universal Credit claim. The six-digit code only remains valid for one hour. If they do not use the code to action the next stage of their claim, then they will have to create a new 'account' and start from the beginning should they wish to apply in future.



They will then be asked for a mobile phone number (if they have one) and a similar process will be carried out, with a verification code being sent to their phone. They will need to use this to proceed with their claim. The code will expire after 5 minutes.

They will then need to select how they 'want to be contacted' in the future - by 'email' or 'text'.

The claimant will then be prompted to provide their address, either by adding their postcode and using the search function or typing it in manually. If they have moved house in the past 6 months, they will also need to provide details of their previous address.

**Note:** Two people cannot share the same email address. In couple situations each member will need a separate email address.

It is only after these stages are completed, that their online Universal Credit account will be created. They now have 28 days to make their claim. Payment will usually start only once the whole claim has been completed, though, so it is important not to delay finishing the claim process.

#### **Stage 2: Starting the Online Claim**

Once a person has set up their 'account' they will have 28 days to make (using their 'username' and 'password' and security question) their claim for Universal Credit.

If they fail to do this, then they will need to create a new 'account' and start again.

Whenever they want to access their account, they will need their mobile phone. This is because verification codes will be sent to their registered mobile phone number as part of security checks to enter the account.

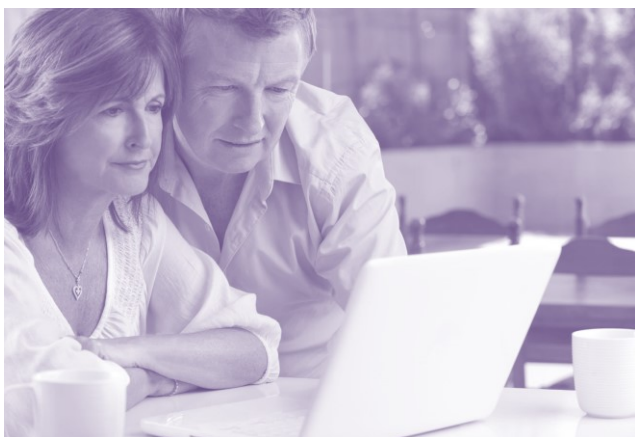
The first question the claimant will be asked is whether they live with a partner. If they live with a partner, they will need to claim together. This applies whether they are married, in a civil partnership or simply cohabiting.

To make a joint claim, the first member of the couple will complete the form and will be given a linking code to give to their partner. This code must be used as part of the partner's claim to link the two claims together.

When a claimant indicates they have a partner in response to the first question, they will be asked if they require a linking code or whether they have been given one by their partner which they need to enter.

### Stage 3: Completing the online Claim

The claimant will then be taken to a 'to do list' which shows the different types of information that need to be entered to complete their claim.



If the person completing the claim is the second member of the couple, then they may find this part is relatively short, since their partner will have covered much of the required information.

The 'to do list' does not need to be done in any particular order, but the claim cannot be processed until all the 'to do list' items are completed.



The claimant (and their partner) should work through each item in the 'to do list'.

When all sections have been completed, the claimant will be asked to check that all the information provided is correct. If it is not, they can make any changes.

### Stage 4: Declaration

If everything is correct, the claimant will be asked to confirm that they understand their responsibility to report any changes in circumstances promptly to the DWP. They will also be asked to read and confirm their understanding of a declaration about their benefit.

Some monitoring information about whether they received or needed help with their claim will also be asked at this stage. Once these sections are complete, the claim is submitted.



### Stage 5: Verifying Identity

This stage involves a person verifying their identity. This is done online using the Government Gateway system.

The claimant (and their partner) will need to use two pieces of the following information to verify their identity:

- pay slips from the last 3 months
- their most recent P60
- a valid UK passport
- a recent Self-Assessment tax return
- details of any Tax Credits award

Information from the files held by credit reference agencies (such as details of credit cards or phone bills) may also be used.

If a person is unable to do this (e.g. because they do not have the above documents) then they will be asked to either arrange an 'evidence interview' with a Work Coach at their local Job Centre or will be invited to a telephone biographical interview.

## 7. Work Coach Meeting

Once a person has completed their online Universal Credit application, they will either be notified of their first Work Coach meeting in their online account or be expected to contact the Universal Credit Service Centre (Telephone: 0800 328 5644) to arrange to meet with a Job Centre Work Coach. They must arrange the meeting **within 7 days** of completing their online application.

Under Universal Credit everyone will be assigned a Work Coach whose role it will be to support them and, if they are able to work, to help them to find paid employment. In couple cases, both members of a couple will have a Work Coach and will need to be interviewed.



The purpose of the first meeting with a Work Coach will be to enable the claimant (and their partner) to validate their claim details (i.e. their rent and address). They will also be able to validate their identity if this could not be done via the Government Gateway. See 8. Validating Identity.

It is also expected that at this meeting (or in a future meeting) the Work Coach will draw up an individually tailored 'claimant commitment' that the person (and their partner) must agree to.

The 'claimant commitment' will outline what, if any, steps will be expected of the claimant (and their partner) in terms of finding work and/or improving their prospects of finding work.

See Information Guide 3: The Claimant Commitment for more information on what may be expected of people in terms of the work search and work availability requirements.

A person should be prepared to take the following information along with them when they meet the Work Coach:

- their passport, photo driving licence or EEA national identity card. If the person does not have any photo ID, then the Job Centre will ask them security questions about themselves and/or write to someone who knows them to verify their identity which could delay their claim. See 8. Validating Identity below.
- proof of address - a bank statement / letters to them from an official source e.g. the DWP, water company or an energy company
- their NI number (If a person does not have this then they can ring the HMRC Helpline on 0300 200 3500)
- their bank, building society or credit union account details - account number and sort code
- details of how much rent they pay - this can be in the form of an up-to-date rent agreement, rent book or letter from their landlord or landlord letting agent
- details of their landlord / landlord agent - address and telephone number
- bank, building society or credit union statements to show the level of any savings
- any documentation to verify shares, investments or property
- wage slips to highlight earnings from employment and P45 if recently left work
- details / proof of any benefits received

- details / proof of any other income e.g. works pension.

**Children:** If a person has children for whom they receive Child Benefit, then they should take birth certificates for these children, proof of any childcare payments and their Child Benefit reference number to the appointment. Although there is a cost, if a birth certificate has been lost or destroyed then a fresh one may be obtained online. Go to:

[www.gov.uk/order-copy-birth-death-marriage-certificate](http://www.gov.uk/order-copy-birth-death-marriage-certificate)

**Companion:** It is possible for a person to have a companion present when they meet with the Work Coach. A companion could play an important role where a person is not confident or they have a mental, cognitive or intellectual impairment. It is most important for the purposes of the 'Claimant Commitment' that the Work Coach has an accurate account of a person's circumstances, physical and mental health. Without this, unrealistic work search and work availability requirements could be set which, if not met, could lead to sanctions and reduced Universal Credit payments in the future.

The DWP has a duty to make reasonable adjustments to meet the needs of claimants with disabilities or health problems.



This could include things like receiving documents in an accessible format (like large print or braille), communicating with the claimant in a certain way or adjusting appointments so that they happen at particular times (such as if a claimant cannot attend in the mornings due to the effects of medication).

If the person feels that they need such adjustments, they should explain these to their work coach during the meeting.

## 8. Validating Identity

If a person did not use the Government Gateway to validate their identity when they made their online claim for Universal Credit, then they will need to do this when they meet with their Work Coach. See 5. Work Coach Meeting.

There are two ways this is done:

1. A **Biographical Test** which involves the person being asked up to FIVE questions about themselves. These will be questions based upon information the DWP knows about them. A person will need to answer at least THREE of the five questions correctly.
2. A **Biographical Check** which will take place should a person fail the Biographical Test. This involves the DWP verifying the information the person has provided about themselves with a third party who knows them well e.g. Probation Officer / Social Worker or some other responsible person. The DWP will then write to this person to for them to confirm the person's identity. All this could take time and delay the claim.

It is important that a person validates their identity and other particulars of their claim as quickly as possible.



This is because until they do, they will not be treated as though they have made a claim for Universal Credit. In which case, if they have no money, an Advanced Payment will not be available to them.



## 9. Payment and Advance Payments

Once a person has applied for Universal Credit, they will receive details of how much Universal Credit will be paid to them and the date on which their first payment will be made.

Any Universal Credit entitlement will normally be paid by way of a single monthly payment, paid in arrears. Because of the way the system works the applicant will most likely have to wait five weeks (one month plus a week) before they receive their first payment.

Payment will normally be paid into the applicant's bank, building society or credit union account (or similar account).



A person can apply for an '**Advanced Payment**' of Universal Credit if they are in 'financial need' whilst waiting for their first payment of Universal Credit. A person can apply for an Advanced Payment through their local Job Centre Work Coach or by contacting the Universal Credit Service Centre on 0800 328 5644. Strictly, an Advanced Payment should only be awarded when a person is in 'financial need' and an award would be the only means of preventing a 'serious risk' of damage to the claimant's health or safety (or the health or safety of a member of their family).

However, it is understood that the DWP are offering these payments to people who have little or no money to manage financially up until they are due to get their first payment of Universal Credit. How much will be awarded by way of an Advanced Payment depend on a number of factors. A person may now be awarded up to 100% of the amount of their underlying entitlement including any 'housing cost' element meant for their rent.

However, the actual amount awarded could be less if a person asks for less or it is considered that they can only afford to repay a lesser amount.

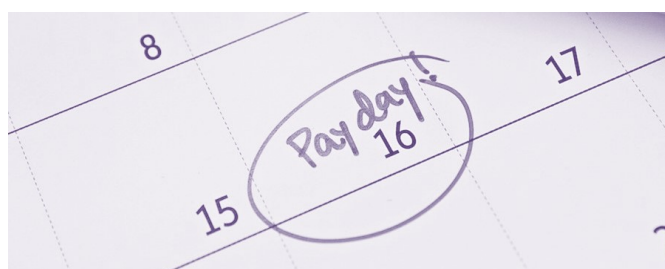
**Important:** A person may ask for an 'Advanced Payment' at any time up to **three working days** before the end of their monthly assessment period. It is therefore crucial that a person applies for an Advanced Payment in good time. If they do not, then because of the way Universal Credit is administered the person could be without any money for up to 10 days or 12 days where a weekend falls between the 3-working day period.

Any award of an Advanced Payment will be recovered by deductions from subsequent payments of Universal Credit. The normal repayment period will be 24 months (formerly it was only 12 months).

There is no right of appeal against a decision to refuse an Advanced Payment. However, a person can ask for a decision to be reviewed. This would be important where the original decision was made in ignorance of the full facts or was based upon a mistake of the full facts.

## 10. Legacy Benefit 'Run on' Payments

If the person making the Universal Credit claim is in receipt of Housing Benefit, Income-Related Employment and Support Allowance, Income-Based Jobseekers Allowance or Income Support at the time they make their Universal Credit claim, they can continue to receive payment of these benefits for two weeks after they submit their claim for Universal Credit.



This effectively reduces the five-week waiting time for the first payment of Universal Credit to three weeks for these claimants.

The claimant must still be eligible for one of these benefits at the time of the Universal Credit claim, so if they are claiming because their entitlement to the legacy benefit has ended, they would not receive the payment.

There is currently no comparable run-on for people moving from Child Tax Credit or Working Tax Credit to Universal Credit.

## 11. Alternative Payment Arrangements

Universal Credit is paid monthly in arrears. If a person's award includes a 'housing cost' element for their rent, then this amount will be included in any payments. One of the aims of Universal Credit is to make people more responsible for paying their bills, including their rent. Under 'Alternative Payment Arrangements' (APAs) those who need support in managing their money can ask for:

- **Managed Payments:** If a person lives in rented accommodation any 'housing element' amount of Universal Credit will be paid direct to the landlord. Managed Payments can be requested by either the tenant or their landlord.

A tenant may ask for Managed Payments through their Work Coach or through the Universal Credit Service Centre (Telephone: 0800 328 5644).



A landlord can request a managed payment of rent (plus a payment towards any rent arrears) online (see this [LINK](#) - this replaced the former UC47 form process) or through the Universal Credit Service Centre on 0800 328 5644.

Managed Payments can be applied for when a tenant either has a history of continually underpaying his/her rent and they are in rent arrears equal to (or more than) one month's rent; or they are in rent arrears equal to (or more than) two month's rent.

A Managed Payment can also be requested if the tenant would struggle to pay their rent due to e.g. alcohol or drug dependency or because they cannot manage their finances due to e.g. a learning disability or mental health condition. A Managed Payment may also be requested if the person's tenancy would otherwise be at risk due to their poor money management.



A Managed Payment can also be requested to pay back / recover rent arrears.

If it is the tenant making the request, then they will have to show proof of their rent arrears and provide details of the period over which the arrears arose. The proof can be in the form of a rent book, rent statement or letter from their landlord. If the request is being made by a landlord, then they need only supply the details requested on the online application form. No additional evidence or information should be needed.



- **More Frequent Payments:** Where it is understood that a person finds it 'difficult to budget monthly' they can apply for their Universal Credit payments to be paid to them twice a month or four times within a month.

▪ **Split Payments:** Universal Credit payments can be split between both members of a couple. In cases involving a family with children, a larger percentage of the overall payment will go to the primary carer. Split Payments may be considered where there is 'financial mismanagement' or 'financial abuse' or domestic violence issues or the person to whom Universal Credit is paid cannot (or will not) budget for their own or their family's basic needs.

An 'Alternative Payment Arrangement' may be considered at any point during the life of a Universal Credit claim and will normally be 'claimant centric' - that is to say that the arrangement will be discussed and considered with the claimant and applications will be considered on an individual case-by-case basis.

A number of factors will be taken into account in any Alternative Payment Arrangement decision including whether the person has a problem with drug/alcohol dependency or a gambling addiction.

Issues involving mental health, a learning disability, age (i.e. 16/17 year-old), multiple debt problems (including rent arrears and risk of eviction), language skills will also be a key factor.

A decision to agree to an Alternative Payment Arrangement will be reviewed periodically. A review period will be set dependent upon the individual circumstance of the case. There is no right of appeal against a decision to refuse an Alternative Payment Arrangement.



Whilst there is no right of appeal, you should know that a person may ask for a decision to be reviewed - looked at again/reconsidered.

This would be important where the original decision was made in ignorance of the full facts or was based upon a mistake of the full facts.

See the DWP's Alternative Payment Arrangements guidance (see this [LINK](#)) for more details.

## 11. Information Guides and Fact Sheets

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The Welfare Rights Service produces the following Information Guides and Fact Sheets on Social Security benefits and welfare reform.

### Benefits Information Guides:

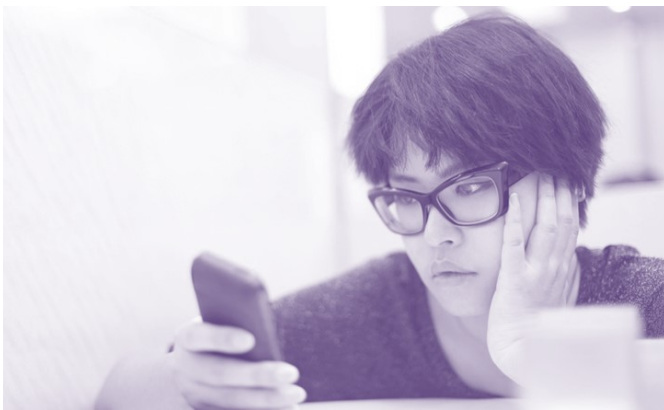
1. Universal Credit
2. Universal Credit - Claims and Payments
3. Universal Credit - The Claimant Commitment
4. Universal Credit - Sanctions and Hardship Payments
5. Universal Credit and Vulnerable People - Claims and Payments
6. Universal Credit - Manage Migration
7. Universal Credit and The Work Capability Assessment - Toolkit
8. Personal Independence Payment
9. Personal Independence Payment - Toolkit
10. Form Filling: PIP2
11. Form Filling: ESA50 / UC50
12. DWP Social Fund
13. The Spare Room Subsidy
14. The Benefit Cap
15. Disputes and Appeals
16. Going to Appeal: First-tier Tribunals

### Benefits Fact Sheets:

1. Benefits and Work
2. Benefits and Disabled Children
3. Benefits and Young People

4. Benefits and Older People
5. Benefits and People from Abroad
6. Private Tenants and Universal Credit
7. Volunteering and Benefits

The information in our guides and fact sheets is designed to provide details of the different benefits that may be available to people in a variety of situations including when they are in work, unable to work due to ill-health, unemployed or retired. It also seeks to inform people of the steps that may be taken should they wish to dispute a decision made surrounding their benefit entitlement.



A copy of the Information Guides and Fact Sheets may, together with other topical benefit information, be obtained from our [Social Security Benefits](#) page on the City of Wolverhampton Council website.

Please also watch out for our periodical **Benefits Bulletins** which provide news on the latest developments surrounding benefits and welfare reform. These are also available on the website.

☎ Telephone: (01902) 555351

✉ Email: [WRS@wolverhampton.gov.uk](mailto:WRS@wolverhampton.gov.uk)

Note: The details provided in this and our other Information Guides and Fact Sheets is meant to provide an overview on important and topical issues relating to Social Security benefits and welfare reform. The details should not be treated as an authoritative statement of the law. The details may be subject to change by new regulation and/or case law. Do seek further information and advice as necessary.

Welfare Rights Service  
Specialist Support Team  
City of Wolverhampton Council