

STEWARTS
THE LEGAL SERVICE

UNIVERSAL CREDIT



Universal Credit

Universal Credit is a means tested welfare benefit that was introduced to replace six existing benefits with a simpler, single monthly payment for individuals who are out of work or on a low income.

Introduction

Universal Credit has replaced the following welfare benefits for people under state pension age:

- Income-based Jobseeker's Allowance;
- Income-related Employment and Support Allowance;
- Income Support;
- Working Tax Credit;
- Child Tax Credit; and
- Housing Benefit.

Social Fund Crisis Loans and Community Care Grants have also been abolished and have been replaced by discretionary local authority schemes.

Pension Credit, the other types of social fund payments and non-means tested benefits remain in place.

Criteria

To qualify for Universal Credit you must:

- Be 18 or over and under state pension age (although if you are over 16 years old and certain criteria apply you may also be eligible);
- Be habitually resident and have a right to reside in

the UK;

- Have pre-settled status from the EU settlement scheme and a right to reside in the UK;
- Have indefinite leave to remain or settled status from the EU settlement scheme; and
- Not be in full-time education.

In any event, you are only able to claim Universal Credit if your capital (and your partner's capital if you are making a joint claim) is less than £16,000.

If you have limited capability for work due to ill health or disability your Universal Credit may also include an additional amount.

How Universal Credit is calculated

1. Firstly, the maximum Universal Credit award available is calculated by adding any applicable extra elements to the standard award. This includes:

- Child element
- Childcare element
- Disability element
- Carer element
- Housing element



2. Secondly, Universal Credit will take into account any:
 - Earned income
 - Savings and capital between £6,000 and £16,000
 - Other benefits received
 - Any other income (e.g. pension)

3. Finally, Universal Credit takes into account any special rules which might affect your award, for example the benefits cap. This is a limit on the total amount of income from benefits that a household can receive depending on circumstances.

There are exemptions to the cap, for example;

- Households where someone is in receipt of a disability benefit
- Households where one member receives (or is entitled to) Carers' Allowance
- Households where someone is in receipt of Working Tax Credit

You are also exempt from the cap if you are over state pension age. However, if you are part of a couple and one of you is under state pension age, the

cap may apply.

How Universal Credit is paid

Universal Credit will be administered by Jobcentre Plus and is paid differently to current benefits. It will be paid once per month into your bank or building society.

How to claim

To make a claim, apply online at:
www.gov.uk/apply-universal-credit

For help, contact the Universal Credit helpline:

Telephone: 0800 328 5644

Textphone: 0800 328 1344

“If you had an injured family member, you’d want to take them to Stewarts every time.”

Chambers

“The phenomenal Stewarts remains the standout firm for claimant personal injury.”

The Legal 500

“They are unbeatable in terms of results and client care.”

Chambers

with it, the support of the Legal Service team was very reassuring and supportive. The personal touch and the information given when so many life changing decisions needed to be made was comforting!

Steve and Elaine Wright

STEWARTS
THE LEGAL SERVICE

stewartslaw.com

Stewarts, 5 New St Square,
London EC4A 3B Telephone: +44 (0)207822
8000
Fax +44 (0)207822 8080