

Introduction to Universal Credits and accompanying benefits

Universal Credit

Introduction

Universal Credit is a social welfare benefit for people out of work or working and on a low income. It brings together several previously separate benefits in one monthly payment paid in arrears (you can find out more about the system Universal Credit replaces in our [guide to Legacy Benefits](#)). There is no limit of how many hours someone can work if they are claiming Universal Credit. Instead the amount a family receives will gradually reduce as they earn more. There are still some benefits which are not included in Universal Credit and you will need to help the family you support to apply for them separately. You can find an outline of those benefits at the end of this resource.

Application process

Usually applications need to be made online, however, claims for newly arrived refugee families can be more complex than others. Therefore, the Home Office requires your Group to make an appointment at the local Jobcentre within 3 working days of family's arrival to complete the Universal Credit application. The first payment will only be made 5 weeks after the initial application, so that's one of the main reasons to do this as soon as possible.

You may choose to bring an interpreter to this initial meeting to make sure it goes smoothly and the refugee family is able to understand everything. After that the Jobcentre can and should provide interpreters for any ongoing meetings. You can read more on building positive relationship with Jobcentre in our [guide to working with Jobcentres](#).

You can help the family prepare for the appointment with the Jobcentre. They will need the following:

- **Email addresses for each adult.** Not every refugee arriving in the UK will have their own email address. Check whether this is the case and support those who need it to set this up. Refugees may need to access a verification email as their Universal Credit account is created, so make sure they will be able to do that during the appointment.

- **A UK phone number for each adult.**
- **Information about housing and rent.** Make sure the family brings their tenancy agreement to the initial meeting. Additionally, if any of those claiming are not named on the tenancy you will need to know:
 - Exact amount of the rent
 - Exact amount of any service charge (if applicable)
 - Frequency of the rent and service charge payments e.g. weekly
 - Landlord's name
 - Landlord's full address
 - Landlord's e-mail address
 - Landlord's contact phone number
 - Number of bedrooms in the property
- **Proof of ID.** If you already received Biometric residency permits (BRP) for the family then they will be a sufficient proof of identification. Otherwise the family will need to bring their Entry Clearance Visas to the initial appointment and present the BRPs to the Jobcentre when those arrive.

There is other information that would usually be needed, but which may be difficult to access initially:

- **National Insurance Number** – each adult arriving in the UK through the resettlement scheme is automatically allocated a National Insurance Number. The number is on the back of the Biometric residency permit. The family you support may not receive their BRPs before the initial Jobcentre appointment. If that's the case you will can input a dummy national insurance number (e.g. AB123456A) and update it to the correct one as soon as the family receives their BRPs.
- **Bank account details** - It would be ideal for the claimants to have their bank account details at the initial Jobcentre appointment, but, again, it is possible your Group will not be able to open a bank account and have the details within 3 working days (and that's not a cause for concern!). In this case you can also input a dummy account number (e.g. sort code: 00-00-00, account number: 12345678) update it as soon as you get the correct details. It's crucial that you remember this must be changed prior to the first payment being processed.

If you want to know more about the application process and see the online application form – [the understanding Universal Credit web pages](#) provide a step-by-step guide.

Initial interview

After the application has been made, the Jobcentre will invite the family you support to an initial interview. The main purpose of this is to sign the claimant commitment – a contract outlining what a person needs to do to continue receiving benefits. It may be best for someone from your Group to accompany the family to this initial interview to advocate for the family and ensure they understand what they are agreeing to. It is important that the commitment is realistic and does not include conditions that a newly arrived refugee will not be able to meet. Many families are simply asked to attend regular ESOL classes in the first months following their arrival; as learning English will lead to a greater chance of employment.

The DWP staff member the family will work with is a Work Coach. Work Coaches have a lot of discretion, for example when it comes to expectations of what a refugee should be doing to find employment. It is best for your Group and the family to build a positive relationship with their Work Coach. Work Coaches can change over time, so ensure that you build a relationship with each one when they change, don't rely on a handover taking place.

Payments

Advance payment

As Universal Credit is paid monthly and in arrears (this is so that it resembles the way a salary is paid) the first payment will be made no earlier than 5 weeks after the application is submitted. It is possible to request an advance payment.

An advance payment works like an interest free loan and will be deducted directly from future monthly payments. The family you support will be able to decide whether they want to request an advance payment, how much they want to request and how they want to repay it. It is possible to spread the repayments over a maximum of 12 months.

Two-child limit

There is a two-child limit for families claiming Universal Credit, which applies to children born after 06 April 2017. For example, if a family already has 2 children and a third child is born they will not receive any additional benefit for that new child. The limit does not

apply to children born before 06 April 2017, this means that refugee families arriving in the UK now, with three or more children born before 06 April 2017 can still receive Universal Credit payments for all their children.

Rent payments

Universal Credit is aimed to cover housing costs, however, there is a maximum that can be paid towards family's housing – it is called Local Housing Allowance. Local Housing Allowance differs from one area to another, but it is very easy to check how much it is where you are using [this LHA calculator](#).

If the family's rent exceeds the Local Housing Allowance then they will have to cover the difference from their non-housing part of their Universal Credit or your Group may have to do this for them at least to start with. You can find out more about paying a housing top-up in [our resource](#).

In Scotland and Northern Ireland the rent payment is usually automatically transferred directly to the landlord, in England and Wales it normally goes to the family who then needs to pay their landlord. It is possible to make a request for the payments to be made directly to the landlord, especially if the family feels they will find it difficult to budget or transfer the payments themselves. This is called an Alternative Payment Arrangements and has to be specifically requested at the Jobcentre.

One of the major benefits of Universal Credit is that a detailed breakdown of the payment is available online right after DWP makes the payment. We recommend that you spend some time with the family after they receive the first payment to help them understand what they get money for and confirm that amounts they receive are correct (for example that the rent was sent to the landlord as requested!).

Finally, Universal Credit payments may be reduced because of the benefit cap. You can find out more about benefit cap and the ways to prevent the family you support from losing out financially [in this resource](#).

It is best to use one of online benefit calculators to find out exactly how much Universal Credit the family you are supporting are going to receive per month. We recommend the one developed by [Turn2Us](#).

Managing the claim

Each person claiming Universal Credit has their own account which can be accessed online; this is referred to as the Online Journal. The Online Journal will give the refugee an opportunity to send a message directly to their Work Coach, view their Jobcentre to do list and allow them to see when their next appointment will be and their forthcoming payment schedule.

Think about how you will support the family to access and use the journal as independently as possible. This will be difficult at first and they may need your help to understand and respond to messages. Help the family to decide whether they would like this assistance if you are happy to offer it and make sure that you are assisting them to use the journal, rather than doing this for them. However, further down the line it may be easier for the refugees to understand (for example with help of Google translate or a dictionary) written messages than phone calls or face to face conversations.

After making an application each adult family member will be allocated to one of several categories. Those with health problems will be assessed whether they are fit for work according to DWP criteria. Others will be requested to take part in activities that will lead towards employment. For most newly arrived families this can be through attending English classes. Over time the Jobcentre will put more emphasis on job searching and activities that directly impact the securing of employment e.g. volunteering. Most refugees will be asked to come to the Jobcentre regularly to report to their Work Coach what progress they have made towards finding a job. Remember that the Jobcentre has a statutory duty to provide interpreters for those meetings for anyone who does not speak English well enough to communicate easily. Some Jobcentres may have less experience of working with people who do not speak English so you may have to advocate on behalf of the family you support to make sure this happens.

Some Groups advocate on behalf of the families they support for those visits not to take place at all, for example during the first six months and for the group to be the main point of contact in that time. If your Group decides to do that then make sure the family gives consent to this so that having to attend Jobcentre regularly in the future won't come as a surprise.

We recommend that you should work toward the refugees attending appointments unaccompanied as soon as possible. Rather than attending appointments you can think about scheduling a preparation and debrief meeting after them, at least initially. Some of the points to discuss could be:

- Did the Work Coach provide an interpreter (if required)?
- Did you understand the questions Work Coach asked you?
- When are your future appointments? Do you know what are these for?
- Were you asked to do anything before the next appointment?
- Were there any other issues?

This will allow you to follow up on potential issues, but will also ensure that refugees build a relationship with their work coach independently of your Group.

We recommend that in case of any difficulties with the Universal Credit claim your Group seeks support of the benefit experts, for example [Citizens Advice](#).

Reporting changes

Refugees will need to report any changes to their personal circumstances, such as starting employment as soon as possible. With Universal Credit it is possible to report changes through the Online Journal.

Other benefits

There are a number of benefits that are not included in Universal Credit. Your group will have to assist the refugee family to apply for those separately. Below is a list of most common benefits not included in Universal Credit.

Council Tax support

Council Tax support helps individuals and families cover their council tax bill. This benefit is processed by your Local Authority. You should be able to find information on how to apply on your Local Authority's website. Any discount will be deducted directly from the family's council tax bill. In most cases Council Tax support will not cover the entire bill, so the family will need to budget to pay the balance from their Universal Credit allowance.

Child benefit

Parents and guardians of children or young people (aged 16-19) in full time education can receive Child Benefit. Any parent with an income of less than £50,000 is eligible for Child Benefit. To apply you can just [download an application form](#) and post it to the HMRC address, which you can find on the form. It is likely that HMRC will ask to see original copies of ID, and in our experience, it is not advisable to post the BRPs of the family, instead, ask your Job Centre to make a verified copy for the family which can be sent to HMRC.

Pension Credit

Anyone above the qualifying pension age will need to apply for Pension Credit rather than Universal Credit. You can find out more about the process and eligibility [here](#).

Personal Independence Payment (PIP)

Anyone between 16 and 65 years old diagnosed with a long term illness, mental health condition or with a disability can apply for the Personal Independence Payment. To start the application process call DWP and give them some initial information – you can find out more about this process [here](#). You can request that DWP provides interpreters for the initial phone call as well as any future assessments. We recommend that you get help from benefit specialist for any part of the application process beyond the initial phone call.

Disability Living Allowance (DLA) for children

This is an equivalent of Personal Independence Payment for children. In this case, a child is defined as being under 16. To apply your group will need to support the refugee family to either request a full application form by phone or download it [here](#). We recommend that you get help from benefit specialist to fill out the application form.

Attendance Allowance

Attendance allowance is a benefit for people over 65 who find it difficult to care for themselves because of a disability or illness. You can find out more about the application process and eligibility criteria [here](#).

Carer's allowance

Carer's allowance is a benefit for people giving regular care to a person in their household who cannot care for themselves. You can find out more about the eligibility criteria and application process [here](#).