

In the Support Group for ESA

Mike gets income-related (means-tested) ESA and has been put in the Support Group. He gets PIP for mobility but not for daily living.

He gets **£131.30 ESA per week**.

If he swapped to Universal Credit Mike would get £755.14 per month (**£174.26 per week**) until the end of September 2021 and £668.47 per month (**£154.26 per week**) from October.

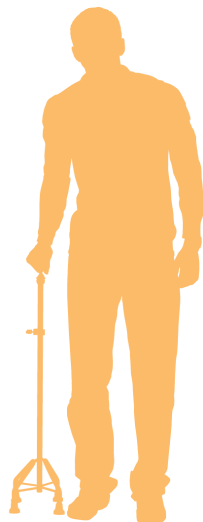
The Support Group is called the **Limited Capability for Work Related Activity Group** in UC. Mike should not be sent for a new medical just because he has swapped benefit.

The Severe Disability Premium

If Mike has asked for his PIP claim to be **looked at again**, or is **appealing a PIP decision**, he should get advice before making a claim for UC.

If Mike got PIP for *daily living*, lived alone and no-one claimed Carer's Allowance (or UC with a carer element) for looking after him, his ESA would include a **severe disability premium (SDP)**.

He would be worse off switching to UC in this case, as it has no SDP. Mike might get a **transitional payment** if he has to claim UC, to reduce the amount he loses. He should **get more advice**.



A Working Carer

Parveen is single, over 35 and has rent to pay of £70 per week. She is her aunt's carer for more than 35 hours per week.

She works part-time and is paid £160 per week but, because she earns more than £128, she cannot get Carer's Allowance or Income Support. Parveen gets only **£17.80 Housing Benefit per week** and is not classed as a carer for this claim.

If Parveen claims Universal Credit, she is treated as a carer and would get £208.44 UC per month (£48.10 per week) on top of her wages, making her **£30.30 per week better off**, at least until October.

However, Parveen should check whether claiming UC affects her aunt's benefits. If these have been worked out with a **severe disability premium**, Parveen's UC claim means her aunt loses money.

For more information go to www.citizensadvice.org.uk or contact our

Citizens Advice Helpline: 0800 144 8848



Potteries Gold is a **Citizens Advice Staffordshire North & Stoke-on-Trent** project to help people in Stoke-on-Trent cope with changes to the benefit system

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Are you Better Off on Universal Credit?

Means- tested Benefits No. 9



What is Universal Credit?

Universal Credit (UC) is replacing:

- Income Support
- Income-based Jobseekers Allowance (JSA)
- Income-related Employment and Support Allowance (ESA)
- Child Tax Credit
- Working Tax Credit
- Housing Benefit

The DWP call these **legacy benefits**. You cannot make new claims for these benefits.

You might have to claim UC if there is a **change in your circumstances** which means your old benefits are no longer the right ones for you. You can also **choose to claim UC** if you would be better off on this benefit.

Make sure you really will be better off as you cannot swap back!

Who will be better off on UC?

Many people getting Income Support, Jobseeker's Allowance and Employment and Support Allowance could be better off if they switch to Universal Credit.

This is because the **standard allowance** for a single person or a couple is **£20 per week higher for Universal Credit** than for Income Support, JSA or ESA. However, the Government have confirmed that UC will stay at this **higher rate** only **until October 2021**.

A couple on income-based JSA get **£117.40 a week** but, until the end of September, they would get **£596.58 per month (£137.67 per week)** on UC. Working out your benefits is usually more complicated than this, particularly if you have housing costs or children, so always **get a benefit check** before you decide to swap benefits.



'Zero-hours' contracts

Jane is single and over 25. She claims income-based Jobseeker's Allowance (JSA) of **£74.70 per week**. Jane has a zero-hours job for **£8.91 per hour**.

She can work up to 16 hours per week and still stay on JSA. However, if she earns more than **£5 per week**, her JSA is cut by the same amount. If she stays on JSA, Jane will never be more than **£5 per week** better off.

If Jane claims Universal Credit, she gets **£411.51 per calendar month (£94.96 per week)**, **£20 per week** more than JSA until October 2021. From then on, the rates are almost the same

If Jane works, for each **£1** she earns, her UC is cut by **63p**. If she only works one hour, she keeps less than she did on JSA but, if she works two or more hours, Jane keeps more of her wages than on JSA.

She is better off by **£3.30** for each extra hour she works.

Getting Tax Credits and Housing Benefit

Jaz and Fatima have two children, aged 4 and 7. They rent a house for **£100 per week**.

Fatima is working 20 hours per week for **£180**. They get **£119.90** Child Tax Credit and **£100** Housing Benefit. Fatima doesn't work enough hours to get Working Tax Credit and Jaz is out of work.

If they claimed Universal Credit instead, they would get **£1242.68 per month (£286.77 per week)**. This is **£66.87 more per week**. Even after October 2021, they are **£46 pw** better off.

Both Jaz and Fatima both need to make **claimant commitments** to get UC and could be sanctioned if they didn't keep to them.

As both children are school age, one parent would have to look for full-time work and the other for part-time.



Universal Credit can also be a better option if your hours vary, so that some weeks you work enough hours for Working Tax Credit but, at other times, you don't. This can cause large Tax Credit overpayments at the end of the year.

However, with Universal Credit, your benefit is assessed month by month, so you should not be underpaid or overpaid.