

Benefits Training

Bridging the Gap Mentoring



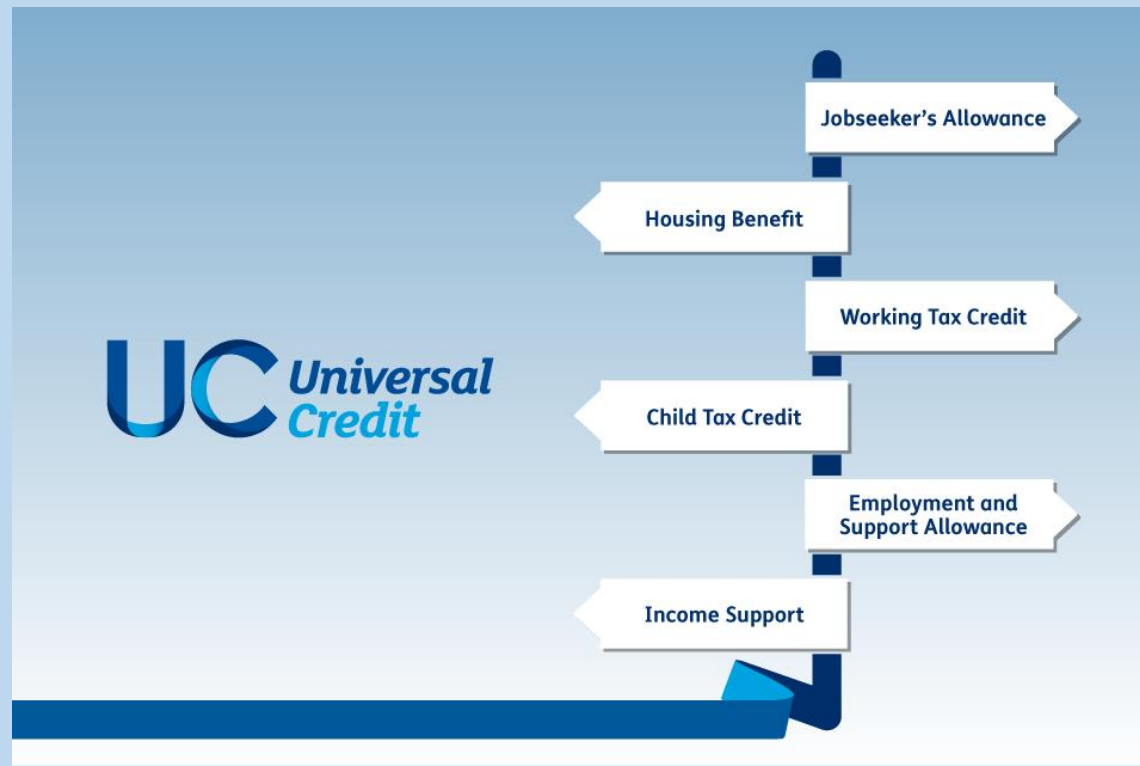
Aim

By the end of this session you will have an understanding of:

- Universal Credit including what it is, who can claim UC, how it is structured and how to claim.
- PIP including what it is, who can claim and how to claim.
- External organisations providing support around benefits.

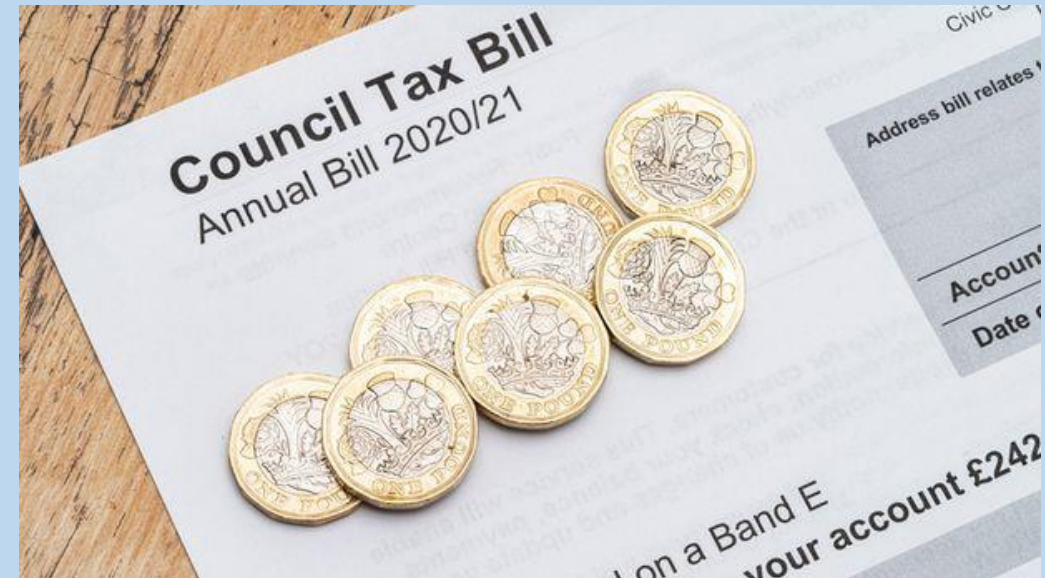
Universal Credit

Universal Credit has combined the six legacy benefits so they come under one umbrella of Universal Credit. It is means tested.



Benefits Excluded from Universal Credit

- Child Benefit
- Personal Independence Payment (PIP)
- Council Tax Support/Reduction
- Carer's Allowance

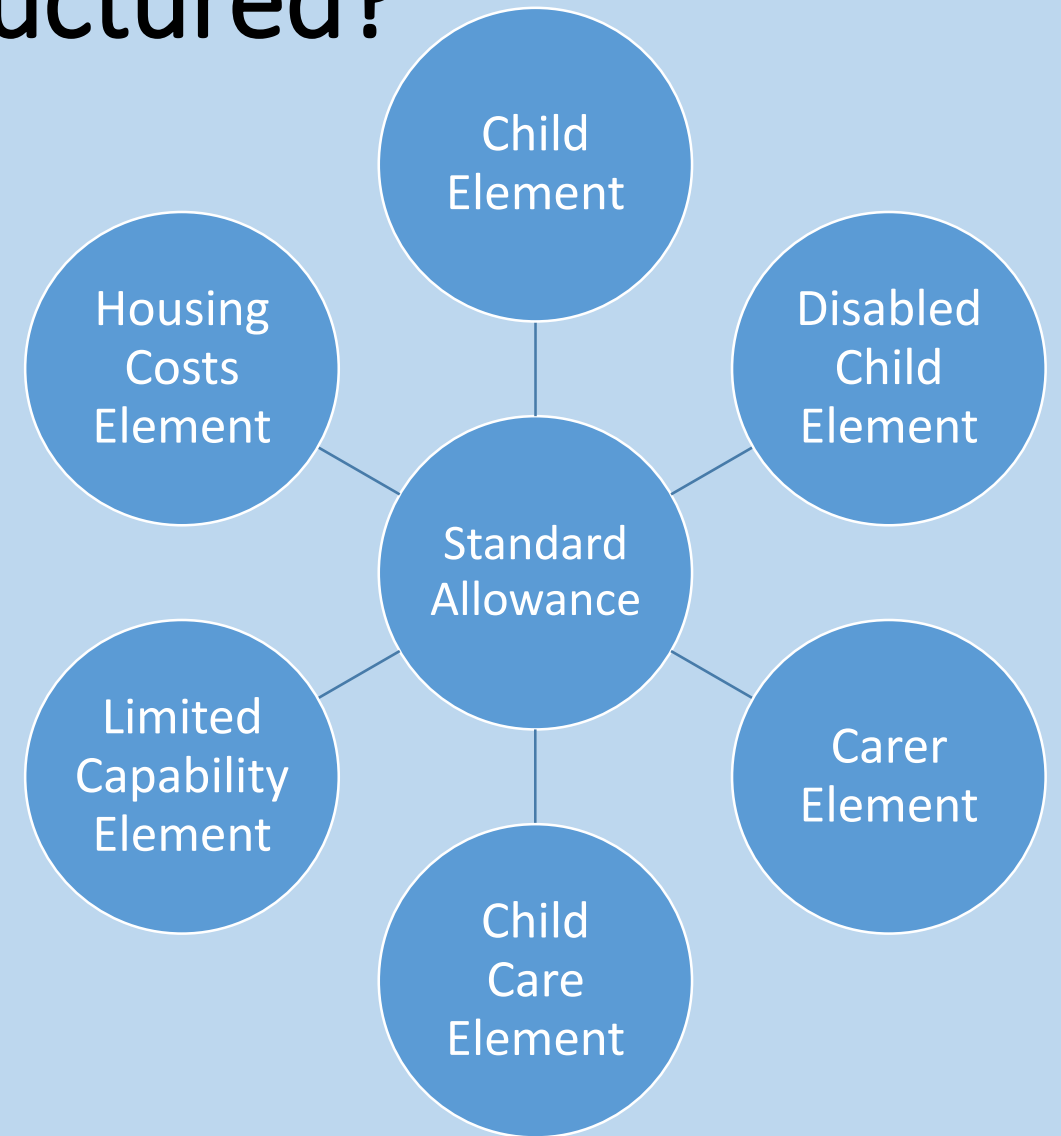


Who is Eligible for Universal Credit?

- Live in the UK.
- 18+ (some exceptions can apply to 16 or 17 year olds).
- Be under state pension age.
- Have £16,000 or less in savings.
- EEA nationals with settled status.
- EEA nationals with pre-settled status **MIGHT** be eligible.
- People who are working or unemployed.

How is Universal Credit Structured?

- Standard Allowance
- Child Element
- Disabled Child Element
- Child Care Element
- Carer Element
- Work Capability Element
- Housing Costs Element



Standard Allowance

The standard amount paid for day to day living costs per calendar month (not 4-weekly).

Single person under 25: £257.33

Single person over 25: £324.84

Couple both under 25: £403.93

Couple where one is under or both are over 25: £509.91

Limited Capability for Work Element

- Limited capability for work – this means the individual will not have to look for work, but will need to take steps to prepare for work.
- This element is £128.89.
- Only payable if the Universal Credit claim was first made before 3rd April 2017 and has been continuous since that date.
- An individual who makes a Universal Credit claim on or after 3rd April 2017, and who is found to have limited capability for work, will NOT get this element.

Limited Capability for Work and Work Related Activity

- Limited capability for work and work related activity - the individual will not be asked to look for or prepare for work.
- This element is £343.63 a month.
- Not impacted by changes made on 3rd April 2017.
- People who move to Universal Credit and were previously claiming ESA in the Support Group should get this entitlement UNLESS they moved to UC as they failed a WCA and lost their ESA entitlement.

Housing Costs Element

Social Housing

- Will receive their full rent. Won't cover any ineligible service charges.
- Bedroom tax applies – 14% deduction if there is 1 spare room, 25% reduction if there are 2+ spare rooms.

Private Rented

- Calculated based on the amount of people living in the household.
- Restrictions for single claimants under 35 without dependents – they can only receive the single room 'shared accommodation rate', even if they rent a one bedroom property. Exemptions: care leavers under 25; severely disabled under 35; person who has lived in a hostel or refuge and have received continuous resettlement support for 3 months; left prison and housing arranged under Multi Agency Public Protection Arrangement level 2 or 3.

If you have a non-dependent adult aged 21+ living in your home the non-dependent deduction may be taken: £75.53.

Benefit Cap

There is a benefit cap which limits how much in benefits an individual can receive:

Single Claimants

- Great London: £296.35 a week or £1284.17 a month.
- Outside Greater London: £257.69 a week or £1116.67 a month.

Couples and/or those with Dependent Children

- Greater London: £442.31 a week or £1916.67 a month.
- Outside Greater London: £384.62 a week or £1666.67 a month.

How to Claim Universal Credit

- Universal Credit has to be claimed online.
- An email address and bank account are required to make a claim.
- The first thing to do is set up an account with a username, password and answers to 2 memorable questions.
- The claim will ask about all of the elements that apply to the claimant including children and housing costs – rent and landlord details are required.
- Couples make separate UC claims then link them.
- UC can get backdated for a maximum of one month, you must meet one of the qualifying circumstances to get backdated.

Universal Credit Advances

- At the beginning of a Universal Credit claim, interim payments can be made whilst waiting for the first payment. These are called Universal Credit advances.
- They will pay up to 100% of the first months' payment.
- It is a short term advance that is repayable from future payments of UC within 24 months – like a loan.
- You can apply for an advance payment online.
- Repayment can be suspended for up to 3 months if the person is going through financial hardship.

Working on Universal Credit

- The Universal Credit amount will gradually reduce as wage increases.
- Wage + UC = Total Income.
- The UC claim will continue when they start work, so can take temporary or seasonal jobs.
- Work Allowance – The amount the person can earn before their UC payment is affected. For people who either them or their partner have responsibility for a child and/or limited capability for work.
- Problems: If someone is paid weekly or 4 weekly; fluctuating wages; cash in hand.

Unreimbursed Work Expenses

- If working or starting work an individual may need to purchase uniform, travel, licences or equipment.
- If the employer is not willing to cover these costs and the individual pays for them with their own money, these costs unreimbursed work expenses.
- If an individual has some of these expenses, they should speak to their Work Coach and they may be able to offset these expenses against their Universal Credit Payment.

Online UC Account – What does it look like?

- Home Page – This shows how much Universal Credit the individual receives, how it is worked out and their payment date.
- To Do List – The individual's Job Coach will put any tasks they need to complete on here e.g. if they are a jobseeker it might say attend a workshop. They will remind send a reminder when a new medical certificate is due.
- Journal – The individual can communicate with their Job Coach here e.g. to say they have completed a task on their to do list or they have had a change of circumstances. The Job Coach can reply on here.

Deductions

The Department for Work and Pensions (DWP) can take up to 25% off the Standard Allowance for debt recovery.

Deductions can be made for:

- Rent arrears – 20% for rent arrears but can be reduced to 10%.
- Gas, electric and water arrears.
- Council tax arrears.
- Child support maintenance.
- Benefit overpayments.
- Some fines.



Claimant Commitment

- 'Claimant' is the word used by DWP to describe anyone receiving benefits.
- All people receiving Universal Credit must accept a 'claimant commitment'.
- The claimant commitment is a document which will say what the individual must do in order to receive benefits, and what happens if they don't. It is personalised to each individual e.g. how many hours a week someone must look for work.
- The claimant commitment can be reviewed if it is not working out or if the individual's circumstances change.

Sanctions

- If people don't stick to their claimant commitment they can be sanctioned.
- People looking for work have much heavier sanctions than those with limited capability for work.
- People with limited capability for work and work related activity can't be sanctioned at all.
- Sanctions can only affect someone's standard allowance, not the other elements such as the housing element, child element etc.
- Sanctions are applied daily so if the individual misses an appointment they might lose 7 days of their standard allowance, around £60.
- Sanctions can be appealed.

Reconsiderations and Appeals

- If an individual disagrees with a decision about their entitlement to benefits they must ask for a Mandatory Reconsideration within one month of the decision. They can't go straight to an appeal unless the claim is for Housing Benefit.
- If the decision being reconsidered is a limited capability for work decision the claimant may have to sign a new claimant commitment with greater work related conditionality while they await the reconsideration.
- If the claimant is not happy with the reconsidered decision they can appeal within one month to the Tribunal Service – this is independent, not part of the DWP.
- To launch an appeal, the SSCS1 form can be downloaded, completed and returned to the address on the form alongside the mandatory reconsideration notice.
- Late appeals can be requested with reason for lateness - maximum time is 13 months.

Personal Independence Payment (PIP)

- PIP is a benefit for people who have a physical or mental health difficulty and need support participating in everyday life and/or find it difficult to get around.
- It is not means tested and there is no savings limit – a millionaire could receive PIP.
- Can be claimed alongside any other income.
- The individual doesn't have to have made national insurance contributions.
- If the individual or any member of their household receives PIP they will be exempt from the benefits cap.
- Can lead to premiums being added to other benefits.

Components of PIP

There are two components of PIP:

Daily Living Component

Standard £55.65

Enhanced £83.10

Mobility Component

Standard £22

Enhanced £58



What the individual receives depends on how their condition affects them and how many points they score. An individual can get either component or both at either rate.

How to Claim PIP

A PIP claim must be started over the phone: 0800 917 2222.

On the call be ready to provide:

- Personal and contact details including national insurance number.
- Doctor's name and contact details.
- Nationality and any immigration restrictions.
- Dates of recent hospital/care home stays.
- Bank account details for PIP payment.

Scenarios

- Mark is partially sighted, he lives in his own house with his family. He earns £50,000 a year in his job as an accountant and he recently inherited £30,000. Can he claim either Universal Credit or PIP?
- Alexis is 22, she is a single, unemployed, Universal Credit claimant without dependents. Alexis lives in social housing. Alexis' first claim for UC was made on 19th July 2019. What elements of UC is Alexis entitled to?
- Denise lives with her mum in social housing. There is a spare room. Denise's mum claims PIP. Does the bedroom tax apply to Denise?

External Organisations

<https://bridging-mentoring.org.uk/advice-for-mentors/>

<https://benefits-calculator-2.turn2us.org.uk/>

<https://www.citizensadvice.org.uk/helptoclaim>

<https://www.citizensadvice.org.uk/universalcredit>

<https://www.citizensadvice.org.uk/benefits/sick-or-disabled-people-and-carers/pip/help-with-your-claim/fill-in-form/>



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