

Universal Credit

TOP UP YOUR INCOME IF
YOU/YOUR PARTNER ARE
UNDER STATE PENSION AGE



Who we are

Age Scotland is the national charity for older people. We work to improve the lives of everyone over the age of 50 so that they can love later life.

Our vision is a Scotland where everyone can love later life.

Our mission is to inspire, involve and empower older people in Scotland, and influence others, so that people can make the most of later life.

Our three strategic aims are to:



Help older people to be as well as they can be



Promote a positive view of ageing and later life



Tackle loneliness and isolation

How we can help

We know that growing older doesn't come with a manual. Later life can bring changes and opportunities to your life and you may need to know about rights, organisations and services which are unfamiliar to you.

That's why we provide free information and advice to help you on a range of topics including benefits and entitlements, social care, legal issues such as Power of Attorney, housing and much more. All of our guides are available to download for free from our website, or you can contact our helpline team to have copies posted to you for free.

The Age Scotland **helpline** is a free, confidential phone service for older people, their carers and families in Scotland looking for information and advice.

Later life can bring times when you just need someone to talk to. Our **friendship line** is part of our wider helpline and older people can call us for a chat. We're here to listen, provide friendship and offer support.

For information, advice and friendship



Call us free on: 0800 12 44 222
(Monday – Friday, 9am - 5pm)



Visit [agescotland.org.uk](https://www.agescotland.org.uk)
to find out more.



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What is Universal Credit?

Universal Credit is a means-tested non-taxable benefit to top up your income to a level set by the government. There are basic elements and additional amounts payable depending on your circumstances if, for example, you have children or are a carer.

Universal Credit is replacing six older means-tested benefits:

- Income-based Jobseeker's Allowance (JSA)
- Income-related Employment and Support Allowance (ESA)
- Housing Benefit for people who are working age (HB)
- Income Support (IS)
- Child Tax Credit (CTC)
- Working Tax Credit (WTC).

Most people can no longer make a new claim for an older benefit and must claim Universal Credit instead, although there are exceptions.

Claiming Universal Credit puts an end to any claim for one of the older benefits, so get advice if you are not clear which benefit to claim. If you claim Universal Credit you **cannot go back** to claiming one of the older benefits.



Can I claim Universal Credit?

You can claim Universal Credit if:

- you have a low income and savings of £16,000 or less
- you, or your partner if you have one, have not reached State Pension age
- meet the benefit rules about where you live and how long you have lived there
- are not in education
- accept a 'claimant commitment'.

A **claimant commitment** sets out what you, in your circumstances, have to do to receive Universal Credit.

If you are in a couple, at least one of you must be below State Pension age. If you are both above State Pension age you might be able to claim Pension Credit instead.



How is Universal Credit worked out?

Universal Credit tops up your income to a level set by the government. Your earnings, pensions, some other benefits and your savings will be taken into account when it is worked out. Universal Credit will take into account your partner's income and savings too. Your payment is made up of a standard amount and any additional amounts that you and your partner qualify for.

Universal Credit is calculated monthly so all the amounts in the calculation are monthly too. You can check your entitlement on our online benefit calculator www.ageuk.org.uk/scotland/information-advice/money-matters/benefits/ or call the Age Scotland helpline on **0800 12 44 222**.

This guide can only explain the basic rules; there are many complications and exceptions so you should always get advice before you make a claim.

There are four steps to working out your entitlement:

- (1) Work out your standard amount
- (2) Add on additional amounts which apply to you, to find your maximum Universal Credit amount
- (3) Work out your income
- (4) Reduce your maximum Universal Credit amount by 63% of your income.



(1) Work out your standard amount

As at April 2021, the standard amounts are:

Single and over 25	£409.89
Couple both over 25	£594.04

The standard amounts have been temporarily increased due to the coronavirus pandemic. The rates are due to reduce from October 2021 to **£324.84** for single people over age 25, and **£509.91** for couples over age 25.

(2) Add on additional amounts you and your partner qualify for

You may receive additional amounts for:

Carer (£163.73). You can qualify for this if you care for at least 35 hours per week for someone who receives:

- Attendance Allowance
- the standard or enhanced rate of the daily living component of Personal Independence Payment
- the middle or higher rate care component of Disability Living Allowance
- Constant Attendance Allowance paid with a war disablement pension or industrial injuries benefits, or
- Armed Forces Independence Payment.

Get advice about the carer's amount as you may also qualify for Carer's Allowance. Claiming either the carer amount or Carer's Allowance could reduce the benefit of the person you care for.

Work capability amount - (£341.92) You can qualify for this if the Department for Work and Pensions (DWP) agrees that you have a health condition or disability that prevents you from working, or preparing for work. The technical term for this is **limited capability for work and work-related activity**. The DWP will decide whether this applies to you by carrying out a points-based assessment which looks at difficulty you have with practical activities because of your physical or mental health or problems. This payment can only start to be part of your Universal Credit claim 3 months after the points-based assessment, unless you qualify because of a previous benefit claim. The payment can be backdated to three months after the start of your Universal Credit claim if the DWP takes a while to agree that you have Limited Capability for Work Related Activity.

Child element – You qualify for this if you are responsible for children. There are additional amounts if your child is disabled. Get advice if you have children living with you as not all children are included in the calculation.

Childcare costs element - If you are working and you have childcare costs, up to 85% of the cost can be covered.

Housing element - This can help with the costs of your rent or service charges. You can ask for the housing element to be paid directly to your landlord. If you are a private tenant the help you receive with your rent will be restricted to an amount set locally. If you get help with your rent but are still struggling to meet your housing costs, you can apply to your council for an extra payment, called a Discretionary Housing Payment. If you have a mortgage or secured loan you might be able to receive help with your mortgage interest payments through a loan secured on your house.



(3) Work out your income

If you have **earnings from work** the DWP will usually know about these from the Income Tax information your employers sends to HMRC. If you are self-employed you will need to send this information yourself.

Your Universal Credit payment will be reduced by 63% of your earnings.

If you or your partner are responsible for children or have limited capability for work you may be entitled to a work allowance. There are 2 rates of work allowance:

If you receive the housing element (usually help with rent):
£293 a month

If you don't receive the housing element:
£515 a month

Other income:

Some types of income count as income – this includes Carer's Allowance and private pensions.

Some types of income are ignored - this includes Personal Independence Payment and Attendance Allowance.

Savings:

You do not qualify for Universal Credit if you have more than £16,000 in savings.

If you have savings of between £6,000 and £16,000 the DWP will assess that you have income of £4.35 a month for each £250 (or part of £250) of capital above £6,000.

The amount of Universal Credit you receive may be reduced if payments are being deducted for debts or if you have been sanctioned for not keeping to your claimant commitment.



Example calculation

Monica is 64 and earns £1,000 per month take home pay. She has no savings and the part of her rent which can be counted for her claim is £500.

To calculate Universal Credit

Standard amount*	£409.89
Housing Element (rent)	+ £500.00
Maximum Universal Credit	= £909.89
Less tapered earnings	- £630.00 (63% of £1,000)
Universal Credit payable	= £279.89

Monica may also qualify for help with her Council Tax.

*Standard amount includes the temporary coronavirus increase.



How do I claim?

You are expected to make a claim online at **www.gov.uk/apply-universal-credit**.

When you make a claim, you also create an online account. If you cannot claim online, call the Universal Credit helpline on **0800 328 5644** and ask to claim face-to-face or by telephone.

If you live with your partner, even if you're not married, you have to apply as a couple.

When making a claim, you should have the following details to hand for yourself (and your partner):

- National Insurance number
- bank account details
- information about your income and savings
- details of the household - your partner and other people living with you
- details of any housing costs (such as rent and service charges)
- your email address (and a different one for your partner).

Be careful – there is a common scam where people use someone else's details to make a Universal Credit claim. Don't let anyone else make a claim on your behalf, and if you're using a public computer, make sure you've logged out after you've finished.

Help with claiming

If you need help to make a Universal Credit claim, Citizens Advice Scotland offers a ‘Help to Claim’ service, available face-to-face, by telephone and online to provide support at the start of your claim.

Contacting Help to Claim does not start your Universal Credit claim.

Help to Claim support includes:

- checking whether Universal Credit is the right benefit for you to claim
- working out which additional amounts you may qualify for
- support to start a Universal Credit claim
- help to complete a claim and help with any problems with your first payment
- help with where to find longer-term support support.

Help to Claim can only help you until you receive your first payment. For information about Help to Claim visit:

www.citizensadvice.org.uk/scotland/benefits/universal-credit/claiming/helptoclaim or call **0800 023 2581**.



When will I get a payment?

After you make a new Universal Credit claim, the Department for Work and Pensions (DWP) will decide whether you qualify.

Your entitlement to Universal Credit is worked out based on your income and circumstances in the previous calendar month. The start of your claim is calculated based on the calendar month after you submit your claim, which is known as the 'assessment period'. Universal Credit will not be paid until at least seven days after the assessment period, so it will be **at least five weeks** from the date you claim to when you receive your first payment.

If you need help with living costs during this period, you can apply for an advance payment of Universal Credit which you will need to pay back from your future Universal Credit payments.

After your first payment, following payments are made on the same day (or nearest working day) each month. In Scotland, you can ask to be paid twice a month.



What do I need to do to continue a claim?

In order to make sure there are no issues with your payments, you'll need to go to a meeting with a work coach at your local Jobcentre Plus. At this meeting you will finalise your claim, provide any additional evidence requested and agree to your claimant commitment.

Your claimant commitment sets out what you have to do to continue receiving payments. It usually includes things such as:

- writing a CV
- going to training courses
- looking and apply for jobs (for up to 35 hours a week).

If you claim as a couple, you both need to agree to your own claimant commitment. You must also link your accounts using a special code you will be given.

You are expected to keep a log (record) of your activity, keep your online journal up to date and report any change in circumstances. If you don't stick to your claimant commitment your payments could be reduced or stopped completely until you have done what you have been told to do.

If you already work 35 hours a week, care for someone claiming a disability benefit, or have a health condition that the DWP accepts prevents you from work, you may have fewer or no requirements as part of your claimant commitment.

You must tell Universal Credit if your circumstances change – for example if you split up with your partner.



Mixed Age Couples

If you are part of a mixed age couple where one of you is pension age and the other is working age, you cannot claim Pension Credit but might be able to top up your income by claiming Universal Credit.

There are some exceptions for some couples who were claiming some of the old working-age benefits when the older of the couple reached State Pension age.

The claim will need to be a joint claim, but the older of the couple will not have any work-related commitments.

Example calculation:

Monica is 64 and earns £400 per month from a part time job of 10 hours a week. Her partner Alfred is 68 and has a State Pension of £600 monthly. They have £7,000 in savings and the part of their rent which can be counted for their claim is £700.

To calculate Universal Credit

Standard amount*	£594.04
Housing Element (rent)	+ £700.00
Maximum Universal Credit	= £1,294.04
Less tapered earnings	- £252.00 (63% of £400)
Less unearned income	- £617.40
(State Pension and income from savings)	
Universal Credit payable	= £424.64

They may also qualify for help with Council Tax.

*Standard amount includes the temporary coronavirus increase.



Example calculation

Mary is 64 and earns £400 per month from a part time job of 10 hours a week. Her partner Albert is 68 and has a State Pension of £600 monthly. They have £7,000 in savings and they own their home.

To calculate Universal Credit

Standard amount*	£594.04
Maximum Universal Credit	£594.04
Less tapered earnings	- £252.00 (63% of £400)
Less unearned income	- £617.40
	(State Pension and income from savings)
Universal Credit payable	= £ NIL

They may qualify for help with Council Tax.

*Standard amount includes the temporary coronavirus increase.



Challenging a decision

If your application for Universal Credit is turned down or you feel your payments have been reduced or stopped unfairly you can challenge the decision. The first stage of challenging a decision is asking for it to be looked at again, known as a ‘mandatory reconsideration’. You must do this as soon as possible as you usually have only one month to request this.

If the mandatory reconsideration is unsuccessful you can submit an appeal for your case to be heard by an independent tribunal. You can attend the hearing and provide evidence to support your case.

For more information about reconsiderations and appeals call the Age Scotland helpline on **0800 12 44 222**.

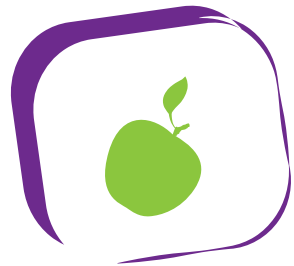


Moving to Universal Credit from another benefit

If you already claim one of the older benefits and your circumstances change you may have to stop claiming that benefit and make a new claim for Universal Credit instead. You should get advice if this happens to you as you may not have to claim Universal Credit if:

- you are making a renewal claim for Child Tax Credit or Working Tax Credit, or you already claim one of the Tax Credits and want to claim the other
- you live in accommodation such as supported housing; you may be able to make a new claim for Housing Benefit instead.

If you receive a letter inviting you to make a new Universal Credit claim this means your older benefit or benefits will stop. If you are unsure if claiming Universal Credit is right for you, speak to a benefits adviser as soon as possible.





Useful organisations

Age Scotland helpline **0800 12 44 222**

The Age Scotland helpline provides information, friendship and advice to older people, their relatives and carers.

If you need an interpreter call **0800 12 44 222** and simply state the language you need e.g. Polish or Urdu. Stay on the line for a few minutes and the Age Scotland helpline will do the rest.

You can call us on **0800 12 44 222** for a copy of our publications list or download copies from our website at **www.agescotland.org.uk**.

Citizens Advice Bureaux

Citizens Advice Bureaux are members of Citizens Advice Scotland and provide local information and advice services throughout Scotland. You can find your local CAB by calling Citizens Advice Scotland on **0131 550 1000** (this number can give local contact details, not advice) or visiting their website **www.cas.org.uk/bureaux**.

Universal Credit

www.gov.uk/universal-credit/other-financial-support

Universal Credit Helpline: 0800 328 9344

www.gov.uk/apply-universal-credit

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Please note that the inclusion of named agencies, websites, companies, products, services or publications in this information guide does not constitute a recommendation or endorsement by Age Scotland or any of its subsidiary companies or charities.

How you can help

Our vision is a Scotland where everyone can love later life.

All the information and advice we provide is free and completely impartial and in helping people access their rights and entitlements, it can be life changing.

We are an ageing population and more people than ever are coming to us for support. You can help us be there for those that need us most.



Make a donation

No matter how small or large, donations make a massive difference and help us continue our important work.

- ▶ Call **03330 15 14 60**
- ▶ Visit **age.scot/donate**
- ▶ Text **LATERLIFE** to **70085** to donate £5.*



Fundraise

Whether it is having a bake sale, running a marathon or knitting small hats for the Big Knit, there are so many ways to raise vital funds to support our work. To find out more, call **0333 323 2400** or visit **age.scot/fundraise**.



Leave us a gift in your Will

By choosing to leave us a gift in your Will, you can help Age Scotland to continue being there for vulnerable older people in the years to come. To find out more, call **0333 323 2400** or visit **age.scot/legacy**.

* Texts cost £5 plus one standard rate message

Let's keep in touch



Sign up to our newsletter

Our regular newsletters by email contain details of our campaigns, services and how you can support our work.

Sign up today by visiting **age.scot/roundup**



Follow us on social media

Our social media channels are a great way to keep up to date with our work and issues that affect older people.



[/agescotland](https://www.facebook.com/agescotland)



[@AgeScotland](https://twitter.com/AgeScotland)



[@age_scotland](https://www.instagram.com/age_scotland)



[/AgeScotland](https://www.linkedin.com/company/AgeScotland)

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Contact us:

Head office

0333 323 2400

Age Scotland helpline

0800 12 44 222

Email

info@agescotland.org.uk

Visit our website

www.agescotland.org.uk

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