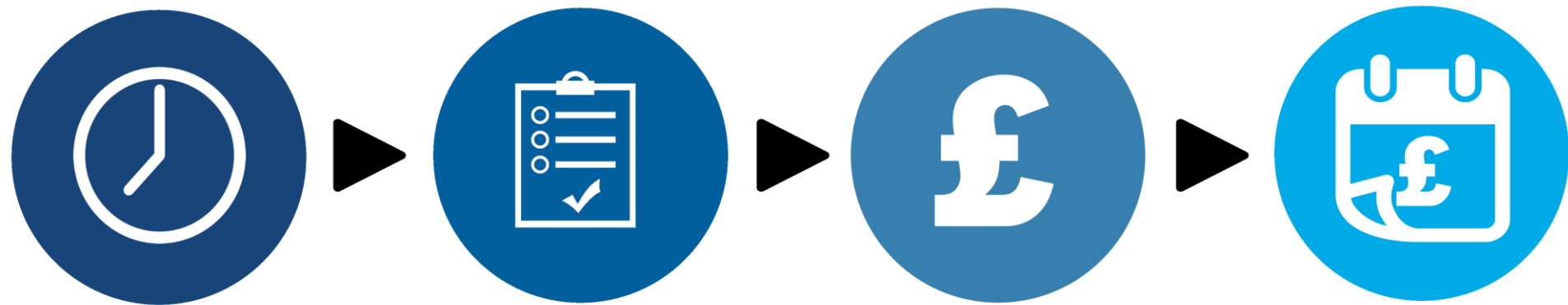


Information on Universal Credit payments and different earnings patterns (Payment Cycles)



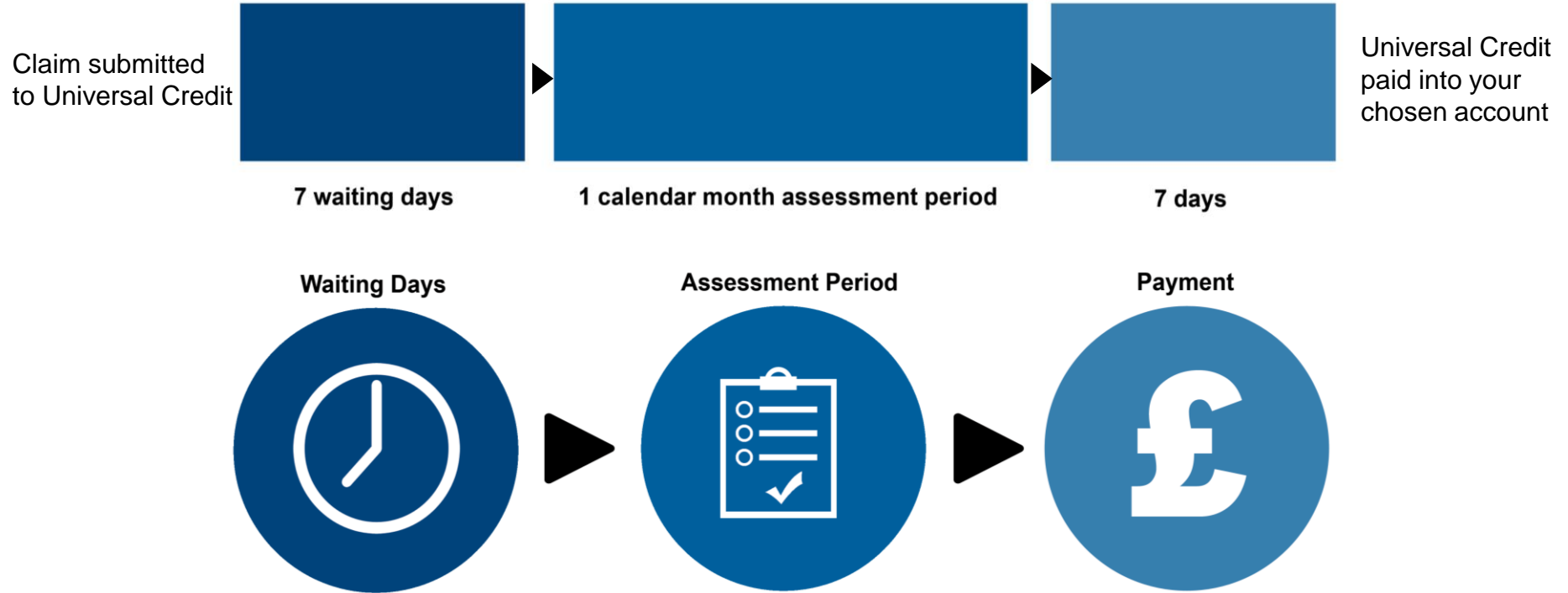
This pack provides information on:

- Waiting Days
- Universal Credit assessment period
- When and how you will receive your payment
- Your earnings
- If you are paid per calendar month
- If you are paid every 4 weeks
- If you are paid every 2 weeks
- If you are paid weekly

UC *Universal
Credit*

Opening up work_

A standard Universal Credit payment journey – your first payment

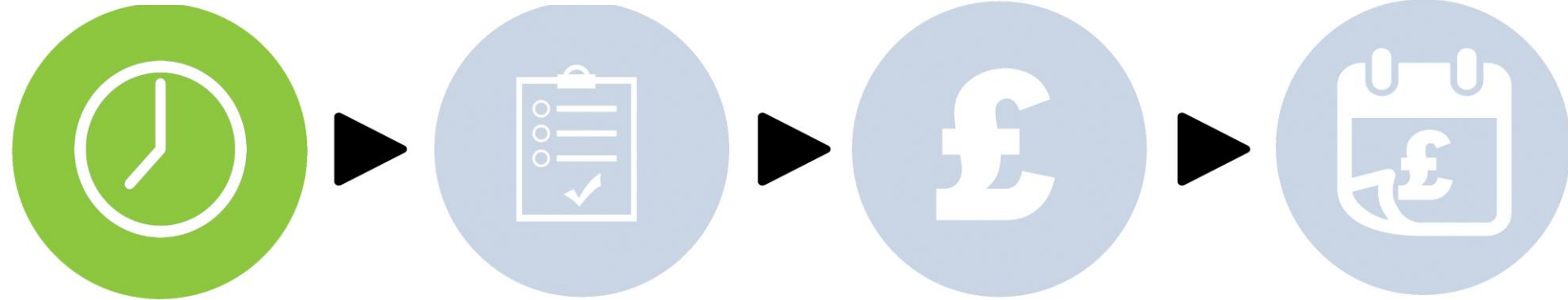


If waiting for your first Universal Credit payment will put you into financial difficulties, there is support available to you:

- Personal Budgeting Support (money advice)
- An Advance Payment
- A Discretionary Housing Payment (via your local authority)

Speak to your work coach if you need further information.

Waiting Days



Waiting Days

Assessment Period

Payment

Your Earnings

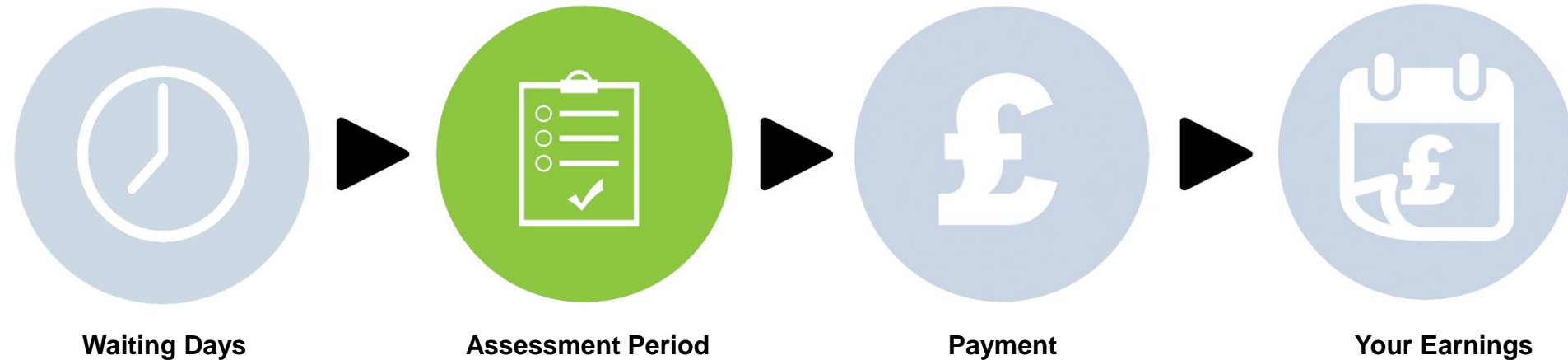
If you make a new claim for Universal Credit you will not be paid for the first 7 days. These days are known as waiting days. However, you should not let this delay your claim - apply as soon as you are eligible to do so.

Waiting days will only apply to claimants who need to find work or better paid work. Your work coach will tell you if you are in the All Work Related Requirements Group. This means you have to do all you can to find a job or a higher paid job. This includes looking and applying for jobs, going to interviews, etc. You have to be ready and available to start work immediately.

The 7 waiting days won't apply if you:

- have stopped getting Universal Credit in the last 6 months because you either earned too much or reported a change of circumstances and ceased claiming Universal Credit and now need to claim again
- have claimed Universal Credit because you have separated from your partner within the last month
- have claimed Universal Credit on your own but then moved in with a partner and you are claiming together
- are ill and not expected to live for more than 6 months
- have left care, are under 22 and are making a claim to Universal Credit for the first time
- have been released from prison within the last month
- are aged 16 or 17 and your parents don't support you
- If you are a victim of domestic violence or abuse in the last 6 months
- If you were being paid new style JSA or new style ESA within 3 months of their claim to Universal Credit
- If you were being paid old style JSA, old style ESA or IS and left that benefit to start paid employment within 3 months of claiming Universal Credit
- If you were being paid old style JSA, old style ESA, IS, Housing Benefit or Tax Credits within a month of claiming Universal Credit

Assessment Period



Universal Credit is assessed and paid in arrears, on a monthly basis in a single payment. Your personal circumstances will be assessed to work out the amount of Universal Credit you are entitled to. Your circumstances include things like: your earnings, who you live with and if you have any savings or capital.

The first payment will be received 7 days after the end of your first assessment period. Universal Credit will then be paid on the same date each month and the amount will not change to take account of 31, 30, or 28 day months. If your Universal Credit payment day falls on weekends or bank holidays, the payment day will be advanced to the nearest working day.

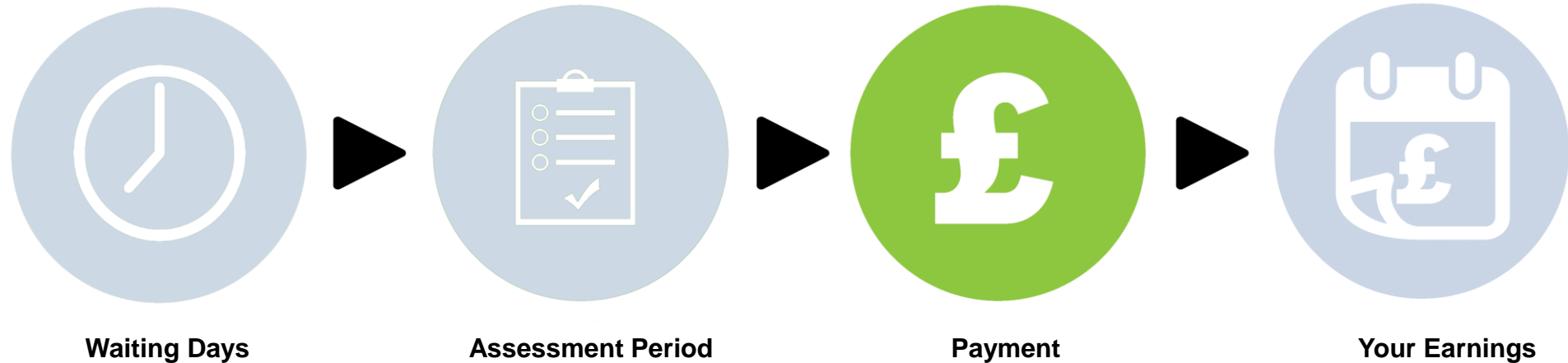
This ensures that at the end of each assessment period, you will be paid an amount that reflects your circumstances for the forthcoming month. This “whole calendar month” approach means that Universal Credit payments reflect your circumstances at the point of payment.

Example of an assessment period:

If the date of your new claim is 1 September and your waiting days are from 1 September to 7 September, then your first assessment period starts from 8 September (as this is the first day of your entitlement). Your assessment period then runs for a complete calendar month from 8 September to 7 October, with a new assessment period beginning on 8 October.

Changes in your circumstances during an assessment period may alter your final payment. These changes can include: finding or finishing a job, changing address, your rent going up or down or if you become too ill to work or meet your work coach.

Payment

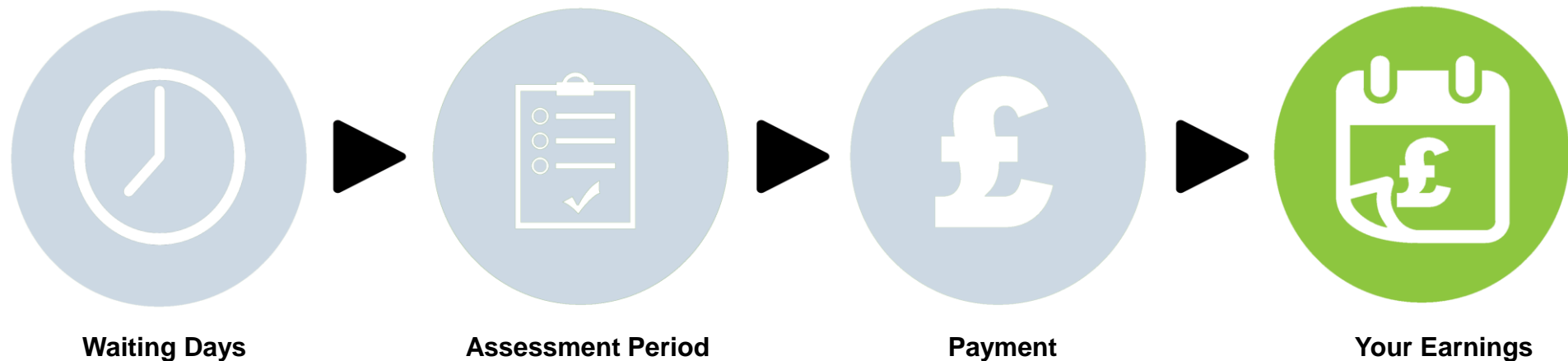


Your payments will usually be calculated from the day you submit your claim and you will receive your first payment 7 days after the end of your first assessment period. Your payment will then be made on the same date every month while you remain entitled to Universal Credit. If your payment date falls on a bank holiday or weekend you will be paid on the last working day before the bank holiday or weekend.

If waiting days are applicable the assessment period will start on day 8 of the claim and payment will be calculated from that date. If waiting days are not applicable the assessment period will start on day 1 of the claim.

Universal Credit will be paid directly into your chosen account.

Your Earnings



Your earnings will affect how much Universal Credit you will be paid. Earnings can come from a contracted job, agency work, seasonal and casual work or from being self-employed.

It doesn't matter how many hours you work – it's the actual earnings you receive in an assessment period that counts. It is not averaged out over the year and reflects your most recent wages. If you are part of a couple and have a joint award, then both your earnings will be used to calculate your Universal Credit payment.

You may be able to earn a certain amount of money before it affects your Universal Credit. This is called a work allowance and is calculated depending on your circumstances. Once you earn more than your work allowance, your Universal Credit payments will reduce as your income increases until you are earning enough to no longer claim Universal Credit.

Your Universal Credit award will not reduce pound for pound, instead your Universal Credit award will reduce by 65 pence for each extra pound of net earnings. So, for example, if you are earning above your work allowance but not yet paying National Insurance contributions, for every additional £100 of net earnings you are £35 better off.

If your employer is operating PAYE (Pay As You Earn) we will receive these earnings from HMRC. If you are self-employed or are in receipt of earnings on which PAYE has not been operated, your work coach will explain how to report your earnings to us. If you lose all your jobs or start your first job after a spell of not having a job you should tell your work coach.

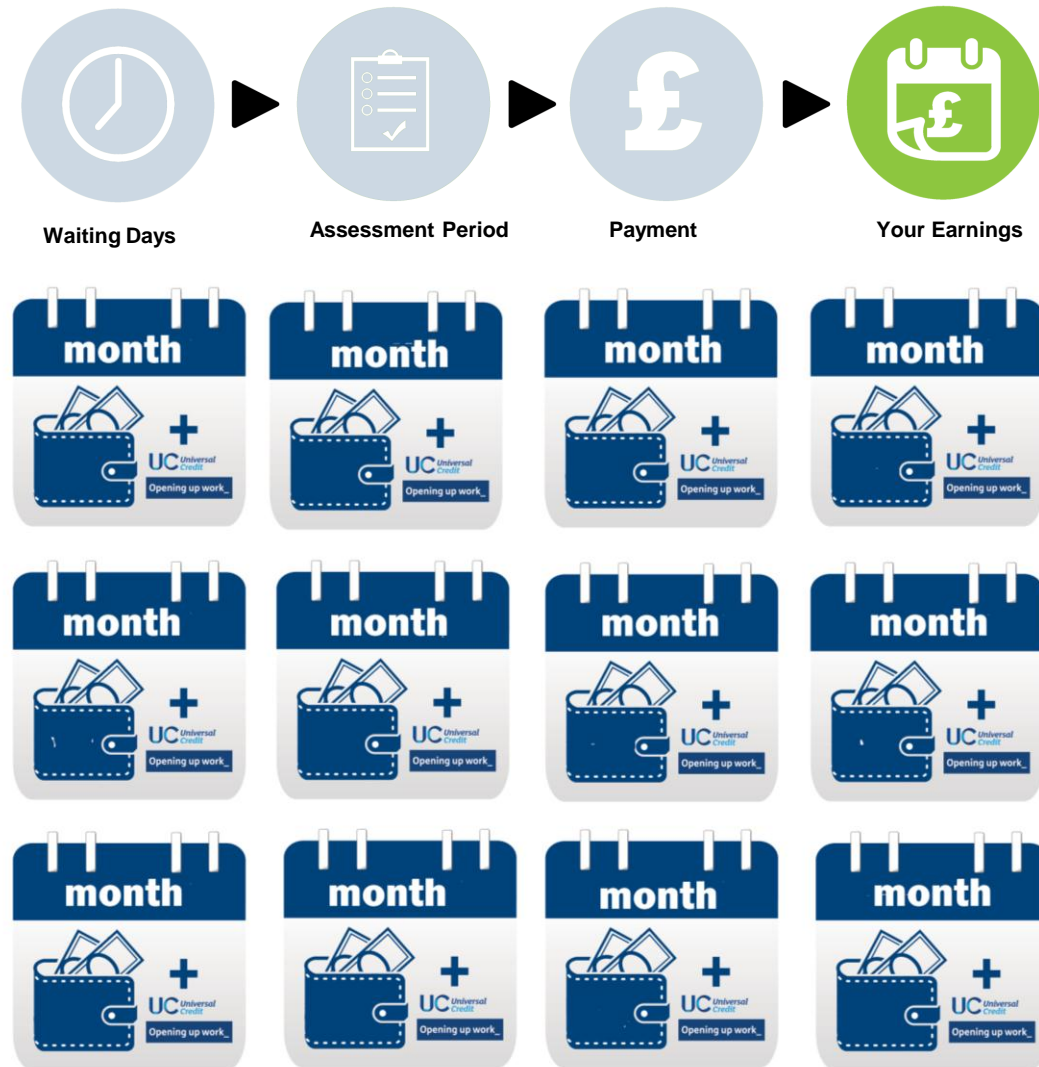
If you are paid per calendar month

In general if you are paid calendar monthly by your employer on the same date each month you will receive one wage payment within a Universal Credit assessment period.

If your wages and personal circumstances stay the same, then your Universal Credit payments should stay the same. If your income varies from month to month then your Universal Credit payment will change to reflect that – giving you flexibility to take on additional work when possible.

If you take on additional work and earn enough to no longer receive Universal Credit you will be notified of this. Should your earnings reduce in the following months you will need to re-apply - although the process will be quicker as we will have most of your details to hand.

If you have already been in receipt of Universal Credit the month before, you do not need to wait 7 days to be eligible again and your assessment period starts immediately.



Example of a calendar month payment cycle.

If you are paid every 4 weeks

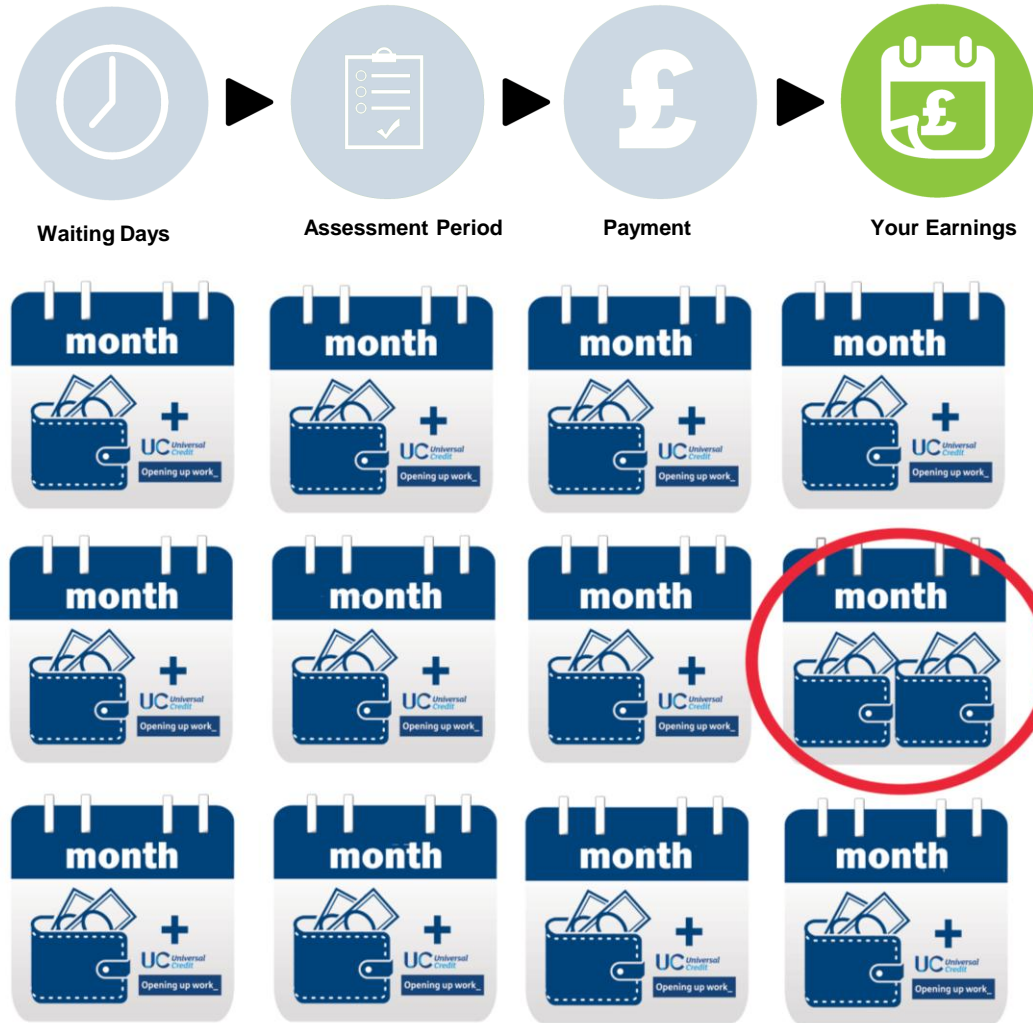
If you are paid every 4 weeks by your employer, you will receive 2 wage payments on average once a year, as 13 4-weekly payments will fall into 12 monthly assessment periods. Depending on the amount you get paid this *may* affect your Universal Credit payment and entitlement.

It is possible that when you get 2 wage payments within an assessment period, your income will be too high to qualify for Universal Credit in that month.

If this is the case, you will be notified that your income is too high and you will no longer receive Universal Credit. You can re-apply the following month (as in the following month you should only receive 1 wage payments in your assessment period).

Because you have already been in receipt of Universal Credit, waiting days will not apply upon your re-application for Universal Credit.

You will need to be prepared for a month when you receive 2 wage payments in one assessment period and budget for a potential change in your monthly Universal Credit payments. You can speak to your work coach about support available to help you budget and manage your money more effectively if you are subject to a gap in your Universal Credit payments.



Example of a 4 weekly wage payment cycle.
Your own circumstances will differ depending on when you get paid.

If you are paid every 2 weeks

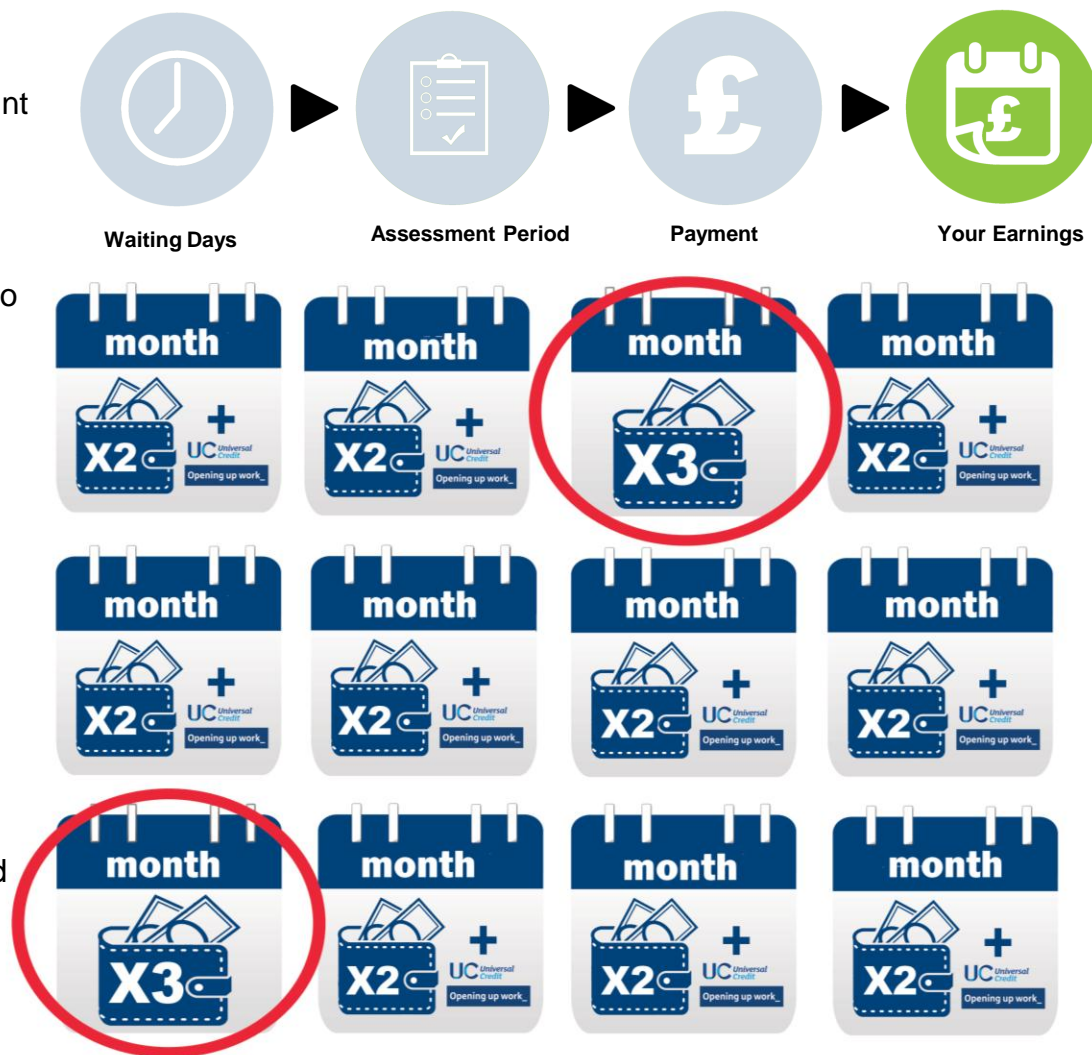
If you are paid every 2 weeks (fortnightly) by your employer, at certain points throughout the year you will receive 3 wage payments within a Universal Credit assessment period. Depending on the amount you get paid this *may* affect your Universal Credit payment and entitlement.

It is possible that when you get 3 wage payments within an assessment period, your income will be too high to qualify for Universal Credit in that month.

If this is the case, you will be notified that your income is too high and you will no longer receive Universal Credit. You can re-apply the following month (as in the following month you should only receive 2 wage payments in your assessment period).

Because you have already been in receipt of Universal Credit, waiting days will not apply upon your re-application for Universal Credit.

You will need to be prepared for a month when you receive 3 wage payments in one assessment period and budget for a potential change in your monthly Universal Credit payments. You can speak to your work coach about support available to help you budget and manage your money more effectively if you are subject to a gap in your Universal Credit payments.



Example of a 2 weekly wage payment cycle. Your own circumstances will differ depending on when you get paid.

If you are paid weekly

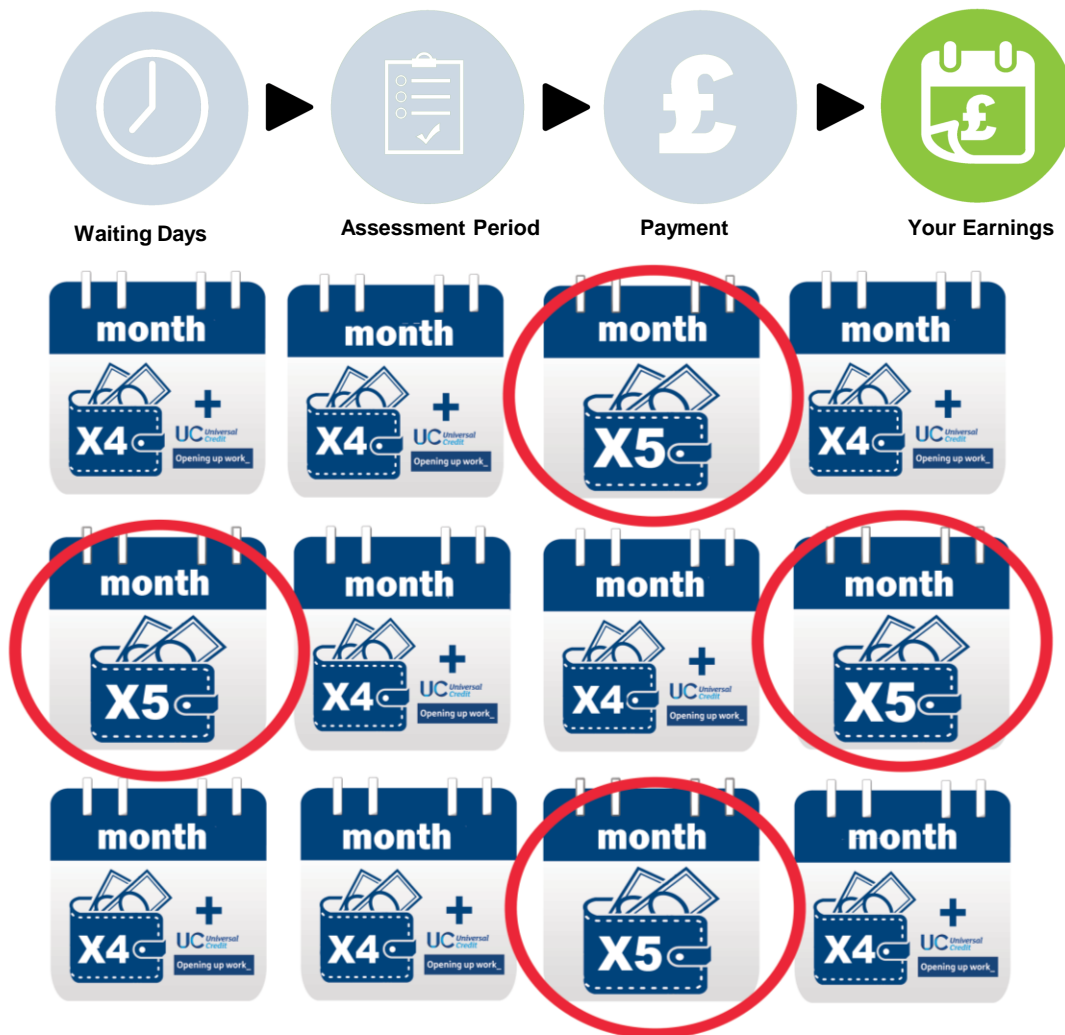
If you are paid weekly by your employer, you will receive either 4 or 5 wage payments within a Universal Credit assessment period. Depending on the amount you get paid this *may* affect your Universal Credit payment and entitlement.

It is possible that when you have 5 weekly wage payments within an assessment period, your income will be too high to qualify for Universal Credit in that month.

If this is the case you will be notified that your income is too high and you will no longer receive Universal Credit. You can re-apply the following month (as in the following month you should only receive 4 wage payments in your assessment period).

Because you have already been in receipt of Universal Credit, waiting days will not apply upon your re-application for Universal Credit.

You will need to be prepared for a month when you receive 5 wage payments in one assessment period and budget for a potential change in your monthly Universal Credit payments. You can speak to your work coach about support available to help you budget and manage your money more effectively if you are subject to a gap in your Universal Credit payments.



Example of a weekly wage payment cycle. Your own circumstances will differ depending on when you get paid.