

## 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 **£149.05 ESA per week**.

If he swapped to Universal Credit Mike would get **£758.80 per month** (£175.11 per week), an **increase of £26.06 per week**.

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 benefits.

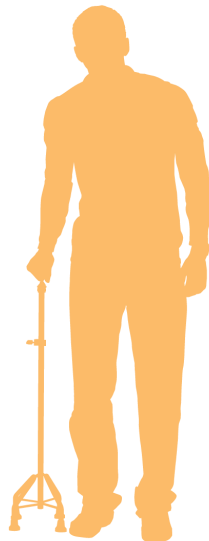
## The Severe Disability Premium

If Mike has asked for his PIP claim to be **looked at again**, or is **appealing a PIP decision** because he wants PIP for daily living, 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)**, worth an **extra £76.40 per week**.

He would be worse off switching to UC in this case, as it has no SDP.

Mike 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 **£24.37 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 **£476.60 UC per month** (£109.98) on top of her wages, making her **£85.61 per week better off!**

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 will mean her aunt loses money.

For more information go to [www.citizensadvice.org.uk](http://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 [www.snsCab.org.uk/about-us/potteries-gold](http://www.snsCab.org.uk/about-us/potteries-gold)  
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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 them.

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?

Universal Credit rates for people claiming as **jobseekers** or with **limited capability for work** are very similar to the legacy benefit rates, although they are paid **calendar monthly** rather than fortnightly.

If you have **limited capability for work-related activity**, you might be much better off on UC, but only if your current benefits have not been worked out with a **severe disability premium**.

You are also likely to be better off on UC if you are working than you would be on legacy benefits or tax credits.

## UC and Earnings

Your UC is cut by 55p for each £1 you earn over your **work allowance**. You can earn up to your work allowance and still get maximum UC.

Only families with children or people with limited capability for work have a work allowance. This is **£344 per month** if you claim for housing costs or **£573 per month** if you have no housing costs.

## 'Zero-hours' contracts

Jane is single and over 25. She claims income-based Jobseeker's Allowance (JSA) of £84.80 per week. Jane has a zero-hours job for £11.16 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 £368.74 per calendar month (£85.09 per week), about the same as she gets on JSA.

For each £1 she earns, her UC is cut by 55p, as she has no work allowance.

Even if she only works one hour per week, Jane keeps more of her wages than on JSA.

## 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 17 hours per week for £180. They get £134.20 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 £1376.18 per month (£317.58 per week). This is **£83.58 more per week**.

Both Jaz and Fatima will 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.**

**With Universal Credit, your benefit is assessed month by month, so you should not get underpaid or overpaid.**