UNIVERSAL CREDIT – THE ESSENTIALS

Universal Credit is a benefit for people aged between 16 and pension credit qualifying age. It can be paid to people who are out of work and to those who are in employment. It is administered by the Department for Work and Pensions (DWP) and most people are expected to claim it online.

WHO CAN CLAIM UNIVERSAL CREDIT?

Most people of working age can claim Universal Credit (UC). You can claim whether you are out of work or working. You can claim if you are a job seeker, a carer, or someone who is unfit to work. You must meet certain tests linked to your residence and presence in the UK.

It's a means-tested benefit, which means the amount that you receive depends on your income and what savings or other capital you have.

WHAT AGE MUST I BE TO MAKE A CLAIM?

Usually, Universal Credit (UC) claimants have to be aged at least 18, but special rules allow some 16/17 year olds to claim, including many disabled 16/17 year olds. Most people in full-time education cannot claim UC unless they have a dependent child.

However, there are some exceptions for certain groups of disabled students, for example a young person on PIP who established they had a limited capability for work before they started their course, or some disabled people who remain in non-advanced education beyond the September after their 19th birthday. The rules are complex so seek individual advice.

Our web page **Universal Credit for young people receiving education** explains the rules for students and when they may be able to claim. You can also call our free helpline **0808 808 3555** for advice about claiming for someone in full-time education.

People aged over pension credit age cannot claim UC and must claim Pension Credit instead. However, different rules apply if you are a couple where one partner is of pension credit age and the other is of working age.

HOW MUCH UNIVERSAL CREDIT WILL I GET?

The amount of UC that you will get depends on your family circumstances and what other income and savings you have. In working out how much you are entitled to, the DWP start by working out the maximum amount of UC that you can be paid.

Everyone is entitled to a standard allowance, either as a single person or as part of a couple. This is paid at a reduced rate if you (and your partner if you have one) are under 25. Extra amounts are then added into your maximum award depending on your family circumstances, outlined below.

Child elements

You get an extra amount known as a child element for each dependent child in your family. This may be paid at a higher rate for your eldest child. The two child limit was abolished in April 2026 and it is now possible to receive the child element for every child born after April 2017 that you are responsible for.

Disabled child addition

You get a further extra amount for each dependent child who is registered severely sight impaired or who is on Disability Living Allowance (DLA), Personal Independence Payment (PIP), or their Scottish equivalents: Child Disability Payment (CDP) and Adult Disability Payment (ADP). This is paid at a higher rate for children who are on the enhanced rate of the daily living component of PIP or ADP, or the highest care component of DLA or CDP, or who are registered severely sight-impaired.

The disabled child element should usually be paid from the assessment period in which your child's disability benefit was awarded. There is sometimes a delay in receiving the extra element; in most cases you can ask for the addtional element to be backdated.

Please see our web page **Backdating of the disabled child and carer element of Universal Credit** for further details about how to ask for this.

Carer element

This is paid if you are eligible for Carer's Allowance (CA), or if the only thing that stops you from qualifying for CA is that your earnings are too high. You do not actually have to have claimed CA – it is sufficient that you meet the normal CA rules, other than the earnings limit.

If you live in Scotland you will be eligible for the carer element if you either receive Carer Support Payment or meet the qualifying conditions for CA (other than the earnings limit).

If you think you may be eligible for a carer element, inform the DWP via your online Universal Credit (UC) account. Where you and your partner care for different people you may be able to get two carer elements.

If the person you look after lives independently then you getting a carer element could affect their benefits. Seek further advice from our helpline.

The carer element can often be included in your award in line with your child's award of a disability benefit and paid from the assessment period in which the disability benefit was awarded. However there are often periods where the carer element is not included.

If this applies to you please see our web page on **Backdating of the disabled child addition and carer element of Universal Credit** for more information.

Limited capability for work elements

If you or a partner (or your child if they have claimed UC as an adult in their own right) are unable to work because of health problems you can receive an extra element called the Limited Capability for Work Related Activity (LCWRA) or Health element. To receive this you must have submitted fit notes to the DWP and undergone a Work Capability Assessment to determine your ability to work.

Some claimants with awards made before April 2017 may receive the Limited Capability for Work (LCW) element, but it is no longer possible to be awarded this element.

Since April 2026 the LCWRA or Health element is paid at two rates; a higher rate of £429.80 and a lower rate of £217.26. Existing claimants, including those who received the LCWRA element and those who were waiting for a Work Capability Assessment decision through UC on 5 April 2026, can continue to receive the higher rate.

Most new claimants will receive the lower rate, unless they are terminally ill or fulfil additional Severe Conditions Criteria. To do so they must:

- ***Be assessed as 'constantly' meeting at least 'one of the LCWRA descriptors used in the Work Capability Assessment.'***
- ***Have a life long condition that a practitioner acting on behalf of the NHS has diagnosed.***

The same person cannot qualify for both an LCWRA and a carer element. If this applies to you, you will only get the higher of the two amounts.

Childcare element

If you are working and pay for registered childcare costs it is possible to receive an extra allowance covering 85% of your childcare costs. To qualify you (and your partner if you have one) must normally work. Any number of hours work will do. You may also qualify if you work and your partner is unable to provide childcare, either because they are incapable of work, or because they provide regular and substantial care to a disabled person (and they are eligible for Carer's Allowance or in Scotland, either receive Carer Support Payment or are eligible for Carer's Allowance). The maximum amount of childcare that UC takes into account is capped at £1,071.09 per month for one child and £1,836.16 for two or more children.

Housing element

Includes help towards rent and some service charges.

HOW DOES MY INCOME AND CAPITAL AFFECT UNIVERSAL CREDIT?

Once your maximum amount of UC has been calculated, the DWP then work out how much to deduct due to earnings or the other income you already have.

HOW MUCH OF YOUR EARNINGS WILL BE IGNORED?

Your circumstances	Lower work allowance – paid if your Universal Credit includes a housing element	Higher work allowance – if your Universal Credit doesn't include a housing element
You are responsible for at least one dependent child, or you or a partner have a limited capability for work due to illness or disability	£427 per month	£710 per month
Everyone else – for example, those without children and who aren't incapable of work	nil	nil

HOW DOES WORKING AFFECT UNIVERSAL CREDIT?

There are no rules about how many hours you can work.

Instead the amount of UC you receive is gradually reduced as you earn more. If you have a dependent child or you are a disabled person then an initial amount of earnings – known as your 'work allowance' – is ignored. Your UC payments are reduced by 55p for every £1 you earn above your work allowance.

The amount of your work allowance depends on your circumstances – see the table above.

Some self-employed people will be assumed to have a minimum amount of earnings, equal to the minimum wage for the number of hours they say they are working. However, this does not apply to anyone who is in the 'no work-related requirements' group (see pages 5 and 6) including many full-time carers. It also doesn't apply during the first 12 months of starting a new business.

HOW DOES OTHER INCOME OR CAPITAL AFFECT UNIVERSAL CREDIT?

Unearned income is also deducted from your UC award. £1 will be deducted from your UC for every £1 of unearned income you have. However, some unearned income is ignored. This includes DLA, PIP and child support maintenance.

You normally cannot be paid any UC if your capital is above £16,000. If your capital is between £6,000 and £16,000 you will be treated as having £4.35 per month income for every £250, or part of £250 you have above £6,000.

If you are claiming for yourself then yours and your partner's savings will be combined, but your children's savings are usually disregarded. If your child is claiming as an adult in their own right (or you are claiming as their appointee), they will have their own savings limit and any money they have, for example in a Child Trust Fund, will count towards this limit.

WARNING!

Have you told the DWP about all the benefits you and your family are claiming, even if you aren't receiving a payment for that benefit?

You should tell Universal Credit about all the disability benefits your family receives, including Personal Independence Payment, Adult Disability Payment, Child Disability Payment and Disability Living Allowance - these benefits don't count as income for Universal Credit but will lead to extra elements being paid if your child receives one of them. You should tell Universal Credit even if you haven't yet had a decision about the claim, as it will make it easier to adjust your Universal Credit claim once the disability benefit is awarded.

If you have claimed Carer's Allowance or Carer Support Payment but are waiting for a payment, tell Universal Credit straight away. Carers benefits do count as income for Universal Credit and you may have an overpayment of Universal Credit if the Carer's Allowance or Carer's Support Payment isn't deducted from your award.

If you are claiming for your young person as their appointee, have you told UC about a credits-only claim for ESA if they have one? It's important to ensure that Universal Credit know this, to avoid any difficulties claiming if your young person is still in education and to make sure they receive their full entitlement from the start of their award.

Once the DWP have deducted any earnings or other income from your UC calculation, the amount remaining is what you should be paid in UC.

Some claimants may find that the amount they get is reduced due to the household benefit cap. However, others are exempt from the benefit cap, including if you have a child on DLA, PIP, ADP or CDP or you are entitled to the carer element in your UC award.

CHANGES IN CIRCUMSTANCES

You are expected to notify the DWP of any changes in your circumstances and there is a penalty of £50 if you fail to do so without good cause. Your UC award is based on your circumstances and income over an assessment period of one month. The date of your assessment period depends on when you first claimed UC. For example, if your date of claim was 9 March, your assessment period runs from the ninth of each month until the eighth of the following month.

Do I have to tell the DWP about a change?

Employed workers don't normally need to tell the DWP about changes in earnings. This is because your monthly earnings should automatically be notified to the DWP via HMRCs 'real-time information' system. However, if you are self-employed you will need to report your profits every month.

When will any change of circumstances affect my claim?

If you have a change that means you qualify for lower UC payments that change is always treated as if it happened at the start of your monthly assessment period. If you have a change that means your UC award increases, then that too can be treated as if it happened at the start of the month – but only if you tell the DWP about it before the end of your assessment period.

For example, Ruth has a monthly assessment period that runs from the fifth of the month. Her second child is born on the 12 August. Ruth tells the DWP straightaway and the increased payments for her new baby are backdated to 5 August. On 20 September Ruth moves from her private flat to a cheaper housing association property. Because her rent is lower, her UC payments towards rent will drop.

These lower payments start from the beginning of her assessment period on 5 September.

HOW DO I CLAIM UNIVERSAL CREDIT?

UC is claimed from the Department for Work and Pensions (DWP). Claims normally have to be made online although there are some exceptions when a claim over the phone will be allowed, for instance because you have problems with reading or writing or are unable to use a computer. Call **0800 328 5644** if you cannot claim online.

BEFORE YOU START YOUR CLAIM

Before you start your claim have you checked:

- Whether the date of your claim fits with your earnings and what your regular payment date will be? Your monthly assessment period starts on the day you submit your claim - is it possible you could have more than one wage payment in the same assessment period? Your first payment will be in 5 weeks' time and paid on the same day each month - will that day fit with your bills and other outgoings?
- Are you claiming for a young person who is receiving education? You can check whether they are eligible for Universal Credit using our flow chart.
- Have you got your supporting documents to hand? It may help to have details of your income, savings, employment and tenancy ready before you start the claim. Don't delay claiming if you haven't got all this information, you can provide it later but you will need to do so before you can receive your first payment.
- Have you got a fit note from your GP if you need one? You can self-certify for the first seven days but you will need to provide a backdated fit note as soon as you can.
- If you are claiming as an appointee and already have your own award of Universal Credit, do you have a separate email address to the person you are claiming for? The claim process won't allow two separate claims to use the same email address, so you will need dedicated contact details for your young person's claim.

To claim online

You'll first need to set up an online UC account at gov.uk/universal-credit/how-to-claim. This web page also provides details of who to contact if you need help in claiming online.

Once your online account has been set up you can then use it to complete your claim. If you are part of a couple you and your partner must each create your own individual online accounts which you then link together to make a joint claim.

The online claim asks you a number of different questions about your circumstances. You'll be able to check and amend your answers before submitting your claim online. You'll normally be asked to book an appointment with a work coach at your local Jobcentre. If you are a couple you will be interviewed separately.

Providing evidence to support your claim

At the interview you'll be asked to take evidence with you to support your claim. You'll also be asked to agree to a number of conditions in order to get UC.

These conditions will be set out in a document called your 'claimant commitment' (see below). You will have to agree to these conditions otherwise your claim may be closed.

Once a decision is made on your claim

Jobcentre Plus will send you an email or a text asking you to check your online account. There you will find some information about the decision on your claim. You will also be able to access a statement about how your UC award has been calculated each month in your online journal.

THE SEVERE CONDITIONS CRITERIA

If you are requesting a Work Capability Assessment for the first time through a UC claim, then the DWP will automatically consider whether you should fulfil the Severe Conditions Criteria and be awarded the higher rate of the LCWRA element. If you have established LCWRA already through a claim for credits-only ESA, you will automatically be awarded the lower rate of the LCWRA element. You have the option of making a note on your journal asking UC to decide whether you fulfil the severe conditions criteria so that you can then be awarded the higher rate. However, this may result in UC arguing that they need to carry out a fresh work capability assessment in order to make that decision.

VULNERABLE CLAIMANTS OR THOSE WITH ADDITIONAL NEEDS.

It's important that UC and your work coach are aware if you need extra support to access or manage your claim, if you are vulnerable or have a health condition or disability that affects you. The DWP can and should make adjustments for you. You can add extra notes or details about this to your journal if you weren't able to do so during the claim process.

NOTIFYING OTHER BENEFIT DEPARTMENTS ABOUT THE UNIVERSAL CREDIT CLAIM.

If you are making a claim for UC for your young person as their appointee or they are claiming themselves and you receive Child Benefit (CB), you should contact HMRC to tell them about the UC claim. You cannot get Child Benefit if your child claims benefits as an adult in their own right and you should tell HMRC about the UC claim to avoid being overpaid Child Benefit. If you receive the Scottish Child Payment you should also notify Social Security Scotland on 0800 182 2222.

WHAT IS THE CLAIMANT COMMITMENT?

This is an agreement that sets out what you have to do in order to get UC. If you claim as part of a couple, both you and your partner must each agree to an individual 'claimant commitment'.

Different claimants will have different conditions attached to their claim. Some claimants will be expected to look for work. This can include workers on low earnings who may have to agree to either increase their hours of work or to look for better paid work.

Other claimants may be expected to take steps to make themselves more work ready. These are known as 'work-related requirements'. However other groups, including many carers, will be exempt from having any work-related requirements.

Your claimant commitment will vary depending on which of four groups you are placed in. Your circumstances will determine which group applies to you.

No work-related requirements

People in this group are exempt from having to take any steps to look for work. This group includes the parent who has the main responsibility for a child aged under one, severely disabled people and many full-time carers for disabled people.

Work-focused interview only

People in this group are not expected to look for work but they are asked to attend periodic interviews to find out about employment and training opportunities in their area. This group includes the parent who has the main responsibility for a child aged between one and two, and some foster parents.

Work preparation

People in this group are not expected to look for work but they are expected to take steps to help prepare them for moving into work. For instance, to take part in training courses or undertake work experience. It includes people with less severe disabilities and the parent who has the main responsibility for a child aged two.

All work-related requirements

People in this group are deemed fit and ready for work and are expected to actively look for work.

Remember, to get UC you may have to meet certain conditions as stated in your claimant commitment.

If you fail to meet these conditions then your benefit payments are likely to be 'sanctioned' (cut for a period).

If you're not sure about what conditions should apply to you, seek urgent advice from our freephone helpline or an independent adviser in your area. You should also seek urgent advice if you have been sanctioned.

WILL I BE EXPECTED TO LOOK FOR WORK IF I CARE FOR A DISABLED CHILD?

Many full-time carers on UC are exempt from having to meet any work-related requirements. This includes most carers who are providing 35 hours or more care per week to someone on:

- ***the daily living component of Personal Independence Payment or Adult Disability Payment***
- ***the care component of Disability Living Allowance or Child Disability Payment at the middle or highest rate.***

If this applies to you, you'll still need to sign a claimant commitment, but this document shouldn't include any requirement that you look for work or training. Instead, the claimant commitment will only cover things like your responsibilities to notify the DWP of any changes in your circumstances.

Couples who provide full-time care

There may be complications if you are a couple who both care full-time for the same disabled child.

Unfortunately, only one of you will automatically be placed in the no work-related conditions group. The other partner will usually be expected to look for some work. However, DWP staff have the discretion to exempt them from this, if they believe that your child's needs are such that it would be unreasonable to expect your partner to look for any work.

Contact our helpline if this applies to you or visit our web page on **couples who both provide care**.

If you are a couple with more than one disabled child, then both you and your partner can be automatically exempt from any work related conditions on the basis that you each care for a different child.

WAITING FOR A DISABILITY LIVING ALLOWANCE/PERSONAL INDEPENDENCE PAYMENT DECISION

If you are caring for someone who does not get Personal Independence Payment, Disability Living Allowance, Adult Disability Payment or Child Disability Payment at the appropriate rates then you are likely to have to look for work as a condition of getting UC. Unfortunately, this includes where you are looking after someone who is awaiting a decision on a disability benefit claim. However, you may be able to place some restrictions on the amount of work that you need to look for - seek advice.

WAITING FOR A WORK CAPABILITY ASSESSMENT

People who are undergoing a Work Capability Assessment and who have not yet established LCWRA, may be asked to do some work-related activity. This includes young people who have passed the 31st August after their 19th birthday but who are still in full-time non-advanced education. You may need to ask for the work coach to run off any work-related requirements, until the work capability assessment has been completed.

See our page on **Universal Credit for young people receiving education** for further information.

HOW IS UNIVERSAL CREDIT PAID?

UC is paid monthly, in arrears, and it usually takes five weeks to get your first UC payment. If this delay causes you hardship it is possible to ask for a short-term benefit advance. This is a discretionary loan that needs to be repaid from your future award.

Although UC is made up of separate elements it is usually paid as one single monthly payment. Help towards your rent is usually paid to you directly and not your landlord, so you will need to make sure your rent is paid.

If you struggle to manage single monthly payments

You can ask the DWP for 'alternative payment arrangements'. For example you may want more regular payments, rent payments made directly to your landlord, or for payments to be split between you and your partner. You can ask the DWP to consider this but your chances of them agreeing will depend on your circumstances. Guidance suggests some groups will be given higher priority for alternative payments, such as if you have severe debt problems, mental health needs, or are a family with multiple and complex needs.

There are more flexible payment arrangements in Scotland and Northern Ireland. In Scotland you can request that you receive payments twice monthly and that your housing element is paid directly to your landlord. In the future, couples in Scotland will also be able to split payments between them. In Northern Ireland payments are made fortnightly unless you ask to be paid monthly. Housing payments in Northern Ireland are made directly to your landlord. Couples in Northern Ireland can also ask for UC payments to be split between them.

TRANSITIONAL PROTECTION

If you moved onto UC via managed migration (you were told that your old legacy benefits were ending and you had to make a claim for UC instead), you may have been eligible for the transitional protection element. This was intended to ensure you were no worse off at the point when you first claimed UC.

The DWP compared the amount you received under your legacy benefits with an indicative amount it expected you to receive under UC. If the indicative amount was lower than your total legacy amount you received a transitional element to make up the difference.

Transitional protection payments are not uprated annually with inflation and will reduce over time as a result of certain changes in circumstances.

HOW CONTACT CAN HELP

It's important that families caring for a disabled child seek advice about Universal Credit, because how it affects your family will depend on your individual circumstances. Call our freephone helpline and talk to one of our expert advisers:

0808 808 3555 **helpline@contact.org.uk**

You can also visit our website to find out more about the help, support and information we offer about Universal Credit, and other benefits you could be entitled to:

contact.org.uk

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