

Citizens Advice & Universal Credit



Kathy Peach
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Aims and Principles

Provide the information, advice, guidance and advocacy to help people deal with the problems they face.

Improve the policies and practices that affect people's lives.

*We provide advice that is **free, independent, confidential and impartial.***

*We value **diversity, promote equality and challenge discrimination.***

Interesting Citizens Advice Facts

12 Local Citizens Advice organisations in Essex

Drop in and appointments

IRO 100,000 clients per year

Help provided about almost any subject

Main enquiry areas:

- Debt, Benefits, Housing, Employment & Relationships

4 Delivery Channels – Face to face, telephone, webchat and email

Over 75% - volunteers

National website www.citizensadvice.org.uk

What is UC Full Service

Universal Credit is usually a single, monthly payment which is paid in arrears, it includes all eligible housing costs.

Claimants are usually responsible for paying their rent themselves.

Couples living in the same household will get one monthly payment it can be paid into a joint account or a single account in either person's name.

Housing
Benefit

Child
Tax
Credits

Income
based
JSA

Working
Tax
Credits

Income
based
ESA

Income
Support

The service will be available for most claimant groups from the start.

The service will initially be available to claimants making a new claim, or certain changes in circumstances.

UC Full Service

What's different?

- Digital application – digital by default
- Claimant's have to manage their ID verification (Government Gateway)
- First payment usually takes 5 weeks from the date of the claim, then usually paid monthly in arrears.
- Advance payments are available
- Usually paid to one person in the household
- UC payment date may be different to the date their rent is due

How Much & Local Housing Allowance

For private sector tenants, their housing costs will be whichever is lower out of their actual costs or the Local Housing Allowance rate.

Current Basildon Borough Local Housing Allowance Rates

Shared Accommodation - £65.41 pw

1 bedroom - £132.04

2 bedrooms - £166.10

3 bedrooms - £193.98

4 bedrooms - £266.65

Paying rent while waiting for the first payment of Universal Credit

Tenants may have savings however, where needed, they can ask for a Universal Credit new claim advance.

E.G - if they're in financial need and can't manage until their first monthly payment of Universal Credit.

Alternative Payment Arrangements

The move to a single monthly household payment is a significant change to the way legacy benefits are paid.

The following Alternative Payment Arrangements will be available to help claimants who are identified as needing additional support:

- Paying the housing element of Universal Credit as a Managed Payment direct to the landlord**
- More frequent than monthly payments**
- A Split Payment of an award between partners**

Can You Ask For A Managed Payment?

A Managed Payment to a landlord can be made when:

- A claimant is in arrears with their rent for an amount equal to, or more than, two months of their rent.
- A claimant has continually underpaid their rent over a period of time, and they have accrued arrears of an amount equal to or more than one month's rent.
- A claimant has been in receipt of Housing Benefit paid to the landlord requests that their housing costs continue to be paid to their landlord under Universal Credit providing they continue to meet the Tier 1 or Tier 2 factors
- If any of the other Tier 1 and Tier 2 factors apply. A MPTL may be considered appropriate without the presence of rent arrears.

APA request matrix

Factors to consider for alternative payment arrangements	
Tier One factors – Highly likely / probable need for alternative payment arrangements	
1.1	Drug / alcohol and / or other addiction problems e.g. gambling
1.2	Learning difficulties including problems with literacy and/or numeracy
1.3	Severe / multiple debt problems
1.4	In Temporary and / or Supported accommodation
1.5	Homeless
1.6	Domestic violence / abuse
1.7	Mental Health Condition
1.8	Currently in rent arrears / threat of eviction / repossession
1.9	Claimant is young either a 16/17 year old and / or a Care leaver
1.10	Families with multiple and complex needs
Tier Two factors - Less likely / possible need for alternative payment arrangements	
2.1	Third party deductions in place (e.g. for fines, utility arrears etc)
2.2	Claimant is a Refugees / asylum seeker
2.3	History of rent arrears
2.4	Previously homeless and / or in supported accommodation
2.5	Other disability (e.g. physical disability, sensory impairment etc)
2.6	Claimant has just left prison
2.7	Claimant has just left hospital
2.8	Recently bereaved
2.9	Language skills (e.g. English not spoken as the 'first language').
2.10	Ex Service personnel
2.11	NEETs - Not In Education, Employment or Training

How to help avoid UC Problems

- **Good tenant communication**
- **Tenancy agreement – Top Tip:**
 - **In addition to the usual signed copy send an electronic copy to your tenant. This can then be added more easily to their UC Journal**
- **Understand your tenants UC Assessment Period and the potential affect upon the calculation of housing costs**

Assessment Periods

Example:

A tenant makes a new Universal Credit claim on 15th November. Their first assessment period runs for one month to 14th December, with a new assessment period beginning on 15th December.

They get paid on 22nd of November and on the 22nd of each month after that.

- Landlord increases the rent on the 1st of January
- Tenant forgets to tell the DWP until the 16th of Jan. Rent increase (subject to LHA rates) is not backdated to previous assessment period.
- Therefore the 22nd Jan housing cost payment is previous rent amount

Universal Credit Support

New Citizens Advice Service:

- **Starts 1st April 2019**
- **Support with any aspect of the initial claim including:**
 - **Digital claim assistance**
 - **ID**
 - **Housing Costs**
 - **Advance payments**
 - **Alternative Payment Arrangements**
 - **Face to face, telephone and webchat**

Other Help may be available (varies in different locations):

- **Mandatory Reconsiderations & Appeals**
- **Debt advice**
- **Financial Capability & budgeting support**

Further UC Information

UC & rented Housing Guide for Landlords:

<https://www.gov.uk/government/publications/universal-credit-and-rented-housing--2/universal-credit-and-rented-housing-guide-for-landlords>

Citizens Advice:

www.citizensadvice.org.uk

Thank you

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