

# When should I claim Universal Credit?

This is a guide to some of the most frequent changes in a household's situation.

Some mean that you **must** claim Universal Credit (UC) for help with your living or housing costs, while others mean you have the **choice** to either stay on the previous 'legacy benefits' system, or claim UC (see page 4 for more info to help you choose).

Once you claim UC it is normally **not possible to go back to the old benefits system**, so if you're not sure what UC will mean for you, get advice before claiming.

If you have **3 or more dependent children** in your family, you cannot make a Universal Credit claim yet and you can still make a claim for any of the 'legacy benefits', until 1 February 2019.

If you are receiving the **Severe Disability Premium** in your Employment and Support Allowance, Income Support, Jobseekers Allowance or Housing Benefit, you cannot claim UC and can make a new claim for any of the 'legacy benefits'

Visit [www.portsmouth.gov.uk](http://www.portsmouth.gov.uk) and search for 'Universal Credit' to find out where you can get help and advice if you are still unsure.

## Abbreviations

IB-JSA	Income-Based Jobseeker's Allowance
IS	Income Support
IR-ESA	Income-Related Employment and Support Allowance
CTC	Child Tax Credit
WTC	Working Tax Credit
HB	Housing Benefit
UC	Universal Credit
Legacy Benefits	IB-JSA, IS, IR-ESA, CTC, WTC, HB

## Change in employment status

On IB-JSA / IS / IR-ESA (but <b>not</b> CTC) and start work or increase working hours so entitlement to those benefits ends	Claim UC
On 'legacy benefit' and start work but not enough hours to lose all entitlement to those benefits	<b>Choice</b> – remain on adjusted 'legacy benefit' or claim UC if better off

<b>Change in employment status</b> (continued from page 1)	
On CTC and start work that meets minimum needed for WTC (16, 24 or 30 depending on your situation)	<b>Choice</b> - remain on CTC and add WTC or claim UC if better off
On WTC and hours fall below the minimum needed (16, 24 or 30 depending on your situation)	<b>Choice</b> – remain on adjusted ‘legacy benefits’ or claim UC if better off
On CTC, WTC and / or HB and increase hours	<b>Choice</b> – remain on adjusted ‘legacy benefits’ or claim UC if better off
On WTC and become sick for up to 28 weeks	<b>Choice</b> – if eligible for contractual or statutory sick pay remain on adjusted ‘legacy benefits’, or claim UC if better off
Employment ends	If enough National Insurance paid, claim Contribution-Based JSA (also called New Style JSA), and <b>choice</b> – remain on any other adjusted ‘legacy benefits’ or claim UC top up if better off
Employment ends due to ill health	If enough National Insurance paid, claim Contributory ESA (also called New Style ESA), and <b>choice</b> – remain on any other adjusted ‘legacy benefits’ or claim UC top up if better off
On IR-ESA doing permitted work & work becomes permanent or hours increase over 16 per week	Claim UC (but may want to avoid coming off permitted work as could be worse off on UC)
<b>Change in family circumstances</b>	
On IS / IR-ESA / IB-JSA / HB and household becomes responsible for a first child	Claim UC
On WTC and household becomes responsible for a first child	<b>Choice</b> - remain on WTC and claim CTC or claim UC if better off
Lone parent on IS and youngest child turns 5	Unless another reason for staying on IS, claim UC
On IB-JSA, baby due within 11 weeks	Claim UC
Couple on CTC and/or WTC separate	Each claim UC

<b>Change in family circumstances</b> (continued from page 2)	
Lone parent on IS becomes a couple	Claim UC
Couple on IB-JSA with child under 5 becomes a lone parent	Each claim UC
Person on Pension Credit becomes couple with person on UC	<b>Choice</b> - claim UC or Pension Credit jointly - please note, likely financially much better off on <b>Pension Credit</b>
<b>Carers</b>	
Made a claim for Carer's Allowance and need help with rent and / or child costs, not already receiving HB and / or CTC	Claim UC
On IS and stop being a carer	Unless another reason for staying on IS, claim UC
<b>Sickness</b> (see also <b>Change in employment status</b> above)	
On IR-ESA and found fit to work in Work Capability Assessment (WCA)	If not challenging WCA decision, claim UC If challenging WCA, get specialist benefits advice on your options
On IB-JSA and becomes sick for more than 13 weeks	Claim UC
<b>Moving home / becoming liable for rent</b>	
Claiming HB in a different council area, move to rented home in Portsmouth	Claim UC
Claiming HB in Portsmouth, moves to new rented home in Portsmouth, no break between tenancies	<b>Choice</b> - remain on HB and report change of address or claim UC if better off
On CTC / WTC / IS / IR-ESA / IB-JSA but not HB and takes up a tenancy	Claim UC
<b>Benefit renewals / changes</b>	
CTC / WTC annual renewal	<b>Choice</b> – remain on adjusted 'legacy benefits' or claim UC if better off
Contributions based JSA or ESA ends and would have then been entitled to income based JSA or ESA	Claim UC

## Choosing to remain on legacy benefits or claim Universal Credit

If you claim UC you cannot usually later go back to legacy benefits<sup>1</sup>, so it's important to check it is the right decision for you before you submit a UC claim:

### Step 1 - Will you be financially better off?

Use an [online benefit calculator](#) or speak to an adviser to find out how much benefit you are entitled to under legacy benefits, and how much you would receive on UC.

Visit [portsmouth.gov.uk](https://portsmouth.gov.uk) and search for 'universal credit' for details of where you can find help with UC.

### Step 2 - If you will be financially better off on UC, how will other changes affect you?

Think about how other aspects of UC will affect you, such as:

- Applying online and managing your claim using an online account with a username and password
- Legacy benefits stop when you claim UC (you may be entitled to 2 weeks additional Housing Benefit), and your first UC payment is due around 5 weeks later
- Receiving just one monthly payment that includes your rent costs, based on your circumstances and income the previous month (if your income changes each month, your UC will change each month too)
- Deductions (for things like previous benefit overpayments, rent arrears, court fines etc) of up to 40% of your personal allowance
- If you claim as a couple you will each have your own Claimant Commitment and if you don't fulfil it you could be sanctioned
- Providing proof of your childcare costs every month
- Providing proof of income and expenses every month if you are [self-employed](#)

---

<sup>1</sup> There is an exception currently for couples where one is Pension Credit age and the other is working age. They can cancel their UC claim and the pension age partner can make a joint claim for Pension Credit, Housing Benefit etc. Most couples will be better off on Pension Credit. This exception is due to end in May 2019.