



Craig Whittaker MP

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Universal Credit

Thank you for contacting me about Universal Credit.

Universal Credit is bringing fundamental change to the welfare system, making sure it pays to work and helping people to move into and progress within work. Studies have shown Universal Credit claimants are more likely to move into work than claimants on Jobseeker's Allowance (JSA), and that they do so faster.

Key to the design of Universal Credit is the monthly assessment period. Payments are made monthly in arrears to mirror the world of work, making the transition to working life easier and giving claimants more responsibility for managing their finances. Claimants will usually receive their payment seven days after each assessment period ends.

Many claimants may come to Universal Credit with final earnings to support them until their first payment, or may find work relatively quickly. For those individuals who think they may face difficulties before their first payment, an advance payment can be requested. Advance payments can help with managing the initial period before payments start, and are treated as a loan, with repayments automatically deducted from future Universal Credit payments. The majority of claimants now apply for these advance payments.

In his speech to the Conservative Party conference David Gauke, the Secretary of State for Work and Pensions, directly addressed concerns about delays in payment of Universal Credit. He announced that advance payments will be made within five working days rather than six weeks and that anyone in immediate need will receive payment on the same day.

New claimants have the opportunity to discuss any concerns about how they will manage their finances with their work coach at the start of their claim through Personal Budgeting Support. Money advice can be offered online, by phone, or face to face, and claimants can be signposted to appropriate third party services. Alternative Payment Arrangements can also be put in place in some circumstances, to allow payments to be made more regularly, to split payments between partners, or to pay the housing element of Universal Credit directly to the landlord.

I understand your concerns about this issue. The Government shares your determination to ensure that people already facing difficult times in their lives are not plunged into still greater difficulty which is why it built safeguards into the Universal Credit scheme in the first place and why it is acting to strengthen those safeguards further.

Thank you again for taking the time to contact me.

Kind regards,

Craig Whittaker MP