

Universal Credit

Universal Credit (UC) is a single income related payment for people who are out of work or on a low income and the amount paid depends on the circumstances of the claimant and other members of their household. UC is being launched in a phased approach, between April 2013 and the end of 2017. It will replace the following benefits and tax credits:

- Job Seeker's Allowance (Income Based)
- Employment Support Allowance (Income Related)
- Income Support
- Child Tax Credits
- Working Tax Credits
- Housing Benefit

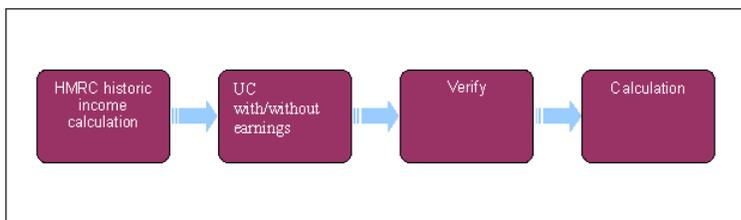
At first claimants have to fulfil various criteria to be eligible to receive UC and because of this, volumes of Paying Parents affected by UC are expected to be very low. For example, at the beginning of roll out, claimants must be single with no dependent children and have no caring responsibilities. For more information on the roll out and eligibility criteria, please select the following: [DWP UC Policy](#)

The interface with the Customer Information System (CIS) does not return UC information. Therefore Paying Parents are assessed on the historic income returned from HMRC in most circumstances where UC is involved. Paying Parents may contact the Child Maintenance Group if their current income is different to the historic income used for the calculation. However, the normal 25% threshold does still apply in cases of a paying parent with earned income receiving UC.

A UC Single Point of Contact (SPOC) can confirm whether the Paying Parent is in receipt of UC earned income/no earned income. Once this is verified you can complete the maintenance assessment for the Paying Parent and either deduct directly from the benefit (DFB) via the SPOC, or where the Paying Parent is also working, agree an alternative method of payment from.

This procedure guides you through gathering a Paying Parent's details, verifying them with the UC SPOC, adding UC details to their benefit record, where necessary and establishing the Paying Parent's maintenance liability.

For more information refer to the Policy, Law and Decision Making Guidance: 



 Interfaces with the Customer Information System (CIS) do not return any Universal Credit (UC) information. Therefore, paying parents are assessed on the historic income returned from HMRC in most circumstances where UC is involved. For more information refer to [HMRC - Summary of Earned Income](#).

 CIS is often used by caseworkers in Enforcement, Annual Review, Arrears and Complaints to trace the paying parent and confirm whether a benefit is in payment. When carrying out these checks, if it is identified that the paying parent is in receipt of Universal Credit, complete steps 3-13 below to determine whether the Universal Credit has any earned income. If there is no earned income, the paying parent is treated as being in receipt of benefits.

For more information on historic income, refer to Policy, Law and Decision Making Guidance: 

1. In the current applications/maintenance process, once an assessment has been posted to the paying parent, they are expected to contact the Child Maintenance Group (CMG) if they have been assessed on an incorrect amount. Also, during the applications stage you should attempt to contact the paying parent if they have not contacted you, on the seventh day after issuing the provisional calculation. Refer to [Gather Paying Parent Information](#) for further details.

UC earned income

 When a paying parent is earning whilst in receipt of UC, the UC should not be added to the benefit record if there are earnings confirmed by UC, they are assessed on their current or HMRC historic income only.

2. If a client involved in the case contacts you to tell you that the income used in the assessment is incorrect, check whether or not their current income is at least 25% different to the income which has already been used. If it is 25% lower, ask them to provide evidence of their current income. This is used to perform an accurate assessment, if they say their current income is 25% higher than the income used, you can accept the evidence provided over the telephone. Refer to [Change - Income](#) for more information on the steps to follow to complete this process.

 Where the Change Income SR is used before the Initial Calculation has been completed the system does not automatically complete a calculation. Instead in a pre-calculation scenario the caseworker needs to return to the Application process and complete the remainder of the **Gather NRP Info Activity Plan** before moving to **Perform Calculation**.

UC no earned income

 When a paying parent is in receipt of UC and has no earned income, this normally attracts a flat rate maintenance assessment. However, paying parents under the age of 18 who are in receipt of UC and have no earned income are assessed at nil rate. Follow **steps 3-13** below.

- When you are told that the paying parent is in receipt of UC and has no earned income, record this in the **Notes** field of the SR. This is an **Applications SR** in the event of a paying parent application or a **Gather NRP Information SR** after the provisional calculation has been issued. Alternatively, if this has been identified as change in benefit status/details, raise an SR with the following values:

Process - CofC

Area - Change to Employment/Income

Sub area - Change Benefit Details

- To verify that the paying parent has no earned income complete a CMSF2220, and e-mail the form as an attachment to the UC SPOC. The email address is located in the global address book under: **DWP Universal Credit Service Centre**. Complete the subject field with: **Official -UC-CMG-Query (2012)**.

 UC will always respond with current information. Where historic information is required, clearly state the information needed in the body of the email to the Universal Credit Service Centre. For example, when carrying out a mandatory reconsideration, it may be necessary to understand what the client's earnings position has been in previous month.

- Input a **Next Action Due Date** for five working days to allow time for the SPOC to respond.
- When five working days have passed, check if there is a response from the UC SPOC:
 - If there is an email response attached within the **Activities**, continue to **step 12**
 - If there is no response attached, this must be escalated with the CMG UC SPOC. Send an email to: **CMG Universal Credit SPOC - UNIVERSALCREDIT.SPOC@DWP.GSI.GOV.UK** with the original email attached. Complete the subject field with: **OFFICIAL - UC-CMG Query - No response received**. If there is still no response after escalating with the CMG UC SPOC, escalate the query with the SLA Team (SLA.TEAM@DWP.GSI.GOV.UK)

 The UC SPOC replies via email to the CMG UC SPOC inbox.

CMG UC SPOC

- On receipt of emails from the UC SPOC, open them to separate those relating to the 2012 system from those relating to the 1993/2003/CCD systems.
- Ensure that the scheme client identification number (SCIN) of the paying parent is in the subject field of all emails relating to 2012 System cases. There should only be one SCIN in the email subject field.
- Forward the email including any attachments to: **CMG internal.cmglink2 - internal.cmg@dwp.gsi.gov.uk** where they are picked up by Xerox.

Xerox

- Xerox receive the email, this is scanned with any attachments and linked to the case. For more information on this action refer to [Correspondence \(Inbound\) – Linking](#).

Caseworker

- Refer to [Correspondence \(Inbound\)](#) for details on how to access the information which has been associated with the case.
- Where the UC SPOC replies to you stating that UC is **Pending** ie a claim for UC has been made but the decision is not yet complete, change the **Status** of the SR to **Wait**. Select the appropriate **Reason Code** and set the period of this to 10 working days.
- Where the UC SPOC replies stating that the paying parent has no earned income continue from **step 14**. Where the paying parent has earned income whilst in receipt of UC, record this in the SR notes and close and cancel the SR. If the paying parent is already assessed on their HMRC income, no further action is required. If the paying parent reports that their income is 25% different to the figure CMG hold, refer to [Change – Income](#).
- End any existing **Variations** for **Additional Income** that the paying parent may have.
- Where the UC SPOC replies stating that paying parent is in receipt of UC with no earned income, follow the **On Benefit - Client/Third Party Notified** section of the **On Benefit** procedure, recording UC as **Work Based Training Allowance**.

The benefit start date can be found by checking the Universal Credit **Claim Start Date** in CIS. This can be found by selecting the **Details** hyperlink next to the current Universal Credit award on the **Award History** tab in CIS. The total amount of UC in payment is recorded as the benefit amount (if UC split this into separate elements e.g. housing and personal add these together).

Where a paying parent in receipt of Universal Credit moves from having income to no income, the benefit start date should be entered as the start date of the following Universal Credit assessment period. Assessment period dates can be found in the **Award History** tab on CIS - a new line is posted each month for every assessment period. For example, if CMG are informed by Universal Credit that the paying

parent stopped earning on 15th January and their assessment period ran from 1st January to 31st January, the benefit start date will be 1st February.

 To locate the Universal Credit Office Code, select the **Interests History** screen in CIS. Select the **Interested Parties** link next to Universal Credit in the top applet. The Office Code can be found in the **Interested Parties History Details** applet located below the **CRL Interest History Details** table. All office codes in CIS have the first digit omitted. The first digit is always a **1**. E.g. 60005 = 160005.

 The 2012 system does not recognise Work Based Training as a partner benefit. If a partner exists in the UC award, the partner is not added as a contact.

16. Update the **SR Notes** in the **Change to Employment/Income SR**, with: **UC no earned income awarded - substitute benefit type used**. For further information on this refer to **On Benefit - Client/Third Party Notified**.
17. Although there is no system interface between Universal Credit and CMG, the MOPF still needs to be set to DFB. This is so that the correct MOPF shows on the client's statement, and so that the system creates a promise to pay schedule based on the correct MOPF. To set up the MOPF, complete steps **2- 13** of the **DFB - Set Up** procedure.
18. A **Perform Calculation SR** will automatically generate following the on benefit change.

The SR values are:

Process - **Perform Calculation**

Area - **Case Maintenance**

Sub area - **Change Client Data**

Select **Calc Effective Date** as **Benefit Start Date**.

Input the next Annual Review date as the **Calc End Date**

Select the **Calculate Liability Amount** button. This will calculate liability and P2P.

 If you have been referred to this procedure from a telephone paying parent application, return to **step 26** in **Application - NRP**. If you have been referred to this procedure from a paper NRP application, return to **step 54** in **Application - NRP**.

Set up deductions from Universal Credit

Set up deductions from UC

 Only set up a DFB from UC after you have established that UC is in payment and the paying parent does not have any earned income.

1. When the case is assessed at the full flat rate fill in a **CMSF2221**, asking for monthly deductions from the next full assessment period, to calculate the monthly deduction amount, multiply the weekly deduction amount (including the 20% collection charge) by 52 (weeks) and divide by 12 (months). If any of the cases in the paying parent's casegroup are direct pay, or involve shared care ask to deduct a non standard monthly amount. This can be calculated by taking the **Weekly Liability Amount** (including the 20% collection charge), found in the **More Info** View of a **Perform Calc SR** and multiplying it by 52. Then divide the amount you get by 12, to work out the non standard deduction amount. This is always less than the full flat rate.
2. Complete a **CMSF2221**, and e-mail the form as an attachment to the UC SPOC. The email address is located in the global address book under: **DWP Universal Credit Service Centre**. Complete the subject field with: **OFFICIAL -UC-CMG-Deduction Request (2012)**.
3. Set the Status of the case to **Wait** for three working days.
4. When three working days have passed the case is ready to action. Check if there is a response from the UC SPOC in the activities tab, the reply will be attached to the case as an inbound activity. If there is not, check your emails to confirm the request was sent to the correct address. If the email was not issued to the correct address or did not send, repeat **step 2** above. When the email did get sent to the correct address and there is no response, this must be escalated with the CMG SPOC to check that there has been no response received. Send an email with the original email attached to **CMG Universal Credit SPOC**, ensuring the following is in the subject field: **OFFICIAL - UC-CMG Query - No response received**
5. Once the deduction is in place, continue the case as normal.

Cancel deductions from Universal Credit

Cancel deduction from UC

1. To stop deductions from UC, complete a **CMSF2222** and email the form as an attachment to the UC SPOC. The email address is located in the global address book under: **DWP Universal Credit Service Centre**. Complete the subject field with: **Deduction Stop - OFFICIAL-UC -CMG-Deduction Stop**.
2. When three working days have passed, check the case activities to see if there is a response from the UC SPOC. If there is not a response, check your emails to make sure you sent it to the correct address. When the email was not issued to the correct address, or did not send repeat **step 1** above. When you have sent the email to the correct address, but there has been no response, this must be escalated with the CMG UC SPOC. Send an email with the original email attached to **CMG Universal Credit SPOC**, ensuring the following is in the subject field: **OFFICIAL - CMG-UC - Deduction Stop - No response received**.

Universal Credit inform CMG deductions cannot be taken/have stopped

1. Universal Credit will inform CMG:
 - When a client starts to receive earnings.
 - When a deduction cannot be taken for one particular month but the client is to remain on Universal Credit. For example, there could be too many other deductions from the client's benefit during that month. In this scenario the maintenance must be requested via another MOPF.
 - When the client stops receiving Universal Credit.
2. Universal Credit will use a form named **CMG Stop Notice** to inform CMG about any of the above scenarios. The form will be added to the inbound activities on the case.
3. Where Universal Credit inform CMG that a deduction cannot be taken for that particular month, call the paying parent to request the unpaid maintenance via another MOPF.
4. Where Universal Credit inform CMG that the client no longer receives Universal Credit, or that they have started earning, complete a change of circumstances to take the client off benefit and complete a calculation based on their historic HMRC income. For more information refer to the **Off Benefit** procedure.

UC is not available in Northern Ireland until October 2013.

[CMSF2221 - Set up deductions from Universal Credit](#)

[CMSF2221](#)

[CMSF2222 - Cancel deduction from Universal Credit](#)

[CMSF2222](#)

[CMSF2220 - Request to UC to obtain client earnings](#)

[CMSF2220](#)

Related Items

[Calculation – Initial](#)

[Change - Benefit Status/Details](#)

[Change – Income](#)

[Correspondence \(Inbound\)](#)

[Correspondence \(Inbound\) – Linking](#)

[DFB - Set Up](#)

[Gather Paying Parent Information](#)

[HMRC - Summary of Earned Income](#)

[On Benefit](#)