

Universal Credit For Self Employed People

Credits:

Thanks to Tessa Gleeson who took comprehensive notes during the Live Zoom call I delivered which made writing up this post much easier. Should you require an online note-taker then please email Tessa your request with timings to:

tessagleeson@yahoo.co.uk

Thanks to Sara Zaltash for organising the daily Zoom conversations and making one of them about Universal Credit.

I am not an expert on universal credit. I'm just someone who has applied myself and I want to help others get the money they need and have the right to receive.
Ed, Bristol, 23/3/20

Before You Start

UC is a nasty system designed to make accessing help harder and less appealing than finding work. It is prescriptive, punitive and seeks to chisel away at your right to help by placing unnecessary barriers and complexity in your path. Under normal circumstances I would never recommend anyone to engage with it.

Last week my income went from low to zero. I live month to month. I have no money to pay rent in April. I was advised by my landlord, a housing association, to apply for universal credit.

UC is a small amount of money, £94 a week for a single person without children.

It replaces other benefits or tax credits you may already be getting.

If you already get working tax credit you may be better off staying on that system.

Check out this calculator to get an idea of what you might be paid:

<https://benefits-calculator.turn2us.org.uk/AboutYou>

If you are living with a partner then you need to do a joint application: it will affect their benefits and their income will be taken into account.

If you are disabled and receive other benefits related to this you may not be eligible for UC. The first few questions in the process will determine if you are eligible for UC.

If you are self employed and are earning little or no money then UC is the benefit you are supposed to apply for.

Expect big delays. Your first payment will be at least 1 month from the date of your phone interview which may be a week away from your first application. This is under normal circumstances.

Phone waiting time: I spent 2 hours on hold to arrange my first phone appointment.

The minimum income floor is gone! Before COVID-19 self employed benefits were calculated on a presumed £16,000 self-employed figure after the first year but now this has been removed and you'll be judged on the reality of your income.

It is likely that increased support for the self-employed will come from UC, so if you have no other benefits now UC is a good option.

If you get UC you stop getting Working Tax Credit.

If you are on WTC you might be better off staying there - there should be roughly a £80 a month increase to that.

UC and Housing Benefit are mutually exclusive, you can't do both, UC replaces a whole load of benefits. This is the nasty bind that self-employed people are in - if you have money coming in, stick with current systems and watch for changes. Applying for UC is more for people who weren't in the benefits system before.

The Application Process:

<https://www.universal-credit.service.gov.uk/>

Click start button

This first section determines eligibility, answer truthfully to make sure you are eligible.

If you are eligible then create an account.

Select security questions, these are asked every time you log in or speak on the phone with someone so you need to write the answers down. Your password manager generally won't record these and you will need them.

BIG FORK in the road - Joint finances if you live with a partner. If so they will need to create a UC account too and go through the process with you.

There are now 3 sections:
HOME, TO DO LIST, JOURNAL

Home provides an overview and links to other aspects of UC such as applying for an advance once you are eligible.

Journal is a list of all the tasks you've completed and the place they send messages to you.

To Do List this is where we now do the rest of the application

TO DO List

State your nationality, and if you have been out of the UK for the last two years it can't be for any length of time - more than four weeks and you may not be eligible - this is all about denying access to the benefit if you are not of british nationality.

HOUSING - Do you have housing costs? Who do you rent from, day/month year you moved in and how much rent is. Landlord's name, contact number, email address. Do you live at the same address as your landlord? (This does make a difference) Next questions check you are not paying yourself money or paying rent to family, you have to rent from someone non family. You have one bedroom. Is there anyone else on tenancy agreement (answer honestly) they want to know about the total amount of rent.

If you have a casual renting agreement, no formal/written tenancy then write a letter with the details of the arrangement and sign it yourself.

Council Tax - if your name is on the council tax bill you can apply for a reduction in your council tax. This is money your local council can choose not to collect, you will need to contact your council/local authority.

Have you applied? It will share your details with the council but you still need to contact them.

Having children affects your entitlement in a big way. Answer honestly.

Other people who live with you. If you live with a friend but they are a joint tenant then you don't list them.

This is about determining who is part of your household that you have responsibility for.

Work and Earnings:

Are you Currently working?

If you are self employed and seeking to continue working then yes you are still working. This counts even if your earnings just went to 0. You are not unemployed, just unpaid!

Are you getting any statutory sick pay from your employer - no if you are self employed.

DO you get maternity allowance currently?

Are you expecting earnings from any previous employment ? Yes, tell them how much or say, no, not expecting any - the amount of money you put in there will affect your entitlement to benefits for the initial payment.

In the next month are you going to be self employed? YES. If you want to stay self employed then answer yes. If you are giving up self employment then answer no. If you are no longer self employed you will be expected to find other work.

If you have more than 16k in savings you have to use that until you have less than that.

Income from other earnings. This is taken into account, if you have other earnings it will reduce your payments.

Training and education = If you are full time you will be ineligible. If you are part time and can work outside your studies you are eligible.

Health - Your health conditions - this can open up possibility of needing other benefits, if you answer yes they want to know what that condition is. This can be important if you are self isolating due to a health condition.

Nasty question - has Dr said you might have less than 6 months to live? No. If you are literally dying you get money slightly faster.

Do any of your conditions affect your ability to look for work? Answer in relation to the current situation following NHS advice for your condition.

Are you Caring for someone?

If you answer yes there is more to follow - if your care responsibilities mean you can't work you might not be able to get UC.

If not caring 'no' is more simple.

Bank account details - they pay into them fingers crossed.

Confirm details are correct

You see what you wrote and confirm each statement.

First Part Complete. Well done. Next...

Now that you have submitted everything there will be new options in the To Do List

One of the first things is to confirm your identity online. Go through the digidentity app and follow the instructions.

Next step - the worst part - arrange your 'in person appointment' do this right away.

This will involve a loooooong time waiting on the phone. I spent 2 hours waiting.

These appointments are not in person they are by phone.

The appointment is not in person, it's on the phone. You have to call them to arrange a telephone call where they call you.

Lines open at 8am

Fill out your previous 12 months of earnings, be honest as whatever your income was each month. Do your accounts to be able to give an accurate figure.

Upload your CV.

Do ALL To Do list suggestions and check for extra stuff in the Journal.

YA DONE!

Well done, now you are through the first step. Wait for your phone call...

When they call you:

Make a note of the time, set an alarm, they may be delayed. You need to answer this call to progress your claim.

The call will just be used to confirm your identity.

The call will confirm the time of your next phone call. This is the commitment interview. I haven't done this yet.

They are altering this whole process on the fly as it would usually involve in person meetings.

Expect some inconsistency.

I will update this document as I go through the process. My next phone call with them will be on 25/03/20

Good Luck.