

DWP Central Freedom of Information Team

e-mail: freedom-of-information-request@dwp.gsi.gov.uk

Our Ref: FOI 2051

DATE: 20 May 2013

Dear Glenys Harriman,

Thank you for your Freedom of Information request received 02 May 2013. You asked;

Please could you clarify the conditions of entitlement to a Short Term Benefit Advance of Universal Credit, with respect to the requirement that a claimant must be likely to be entitled to UC. I have been unable to source the guidance or regulations stating this. Please (a) confirm whether a claimant currently having their JSA or ESA sanctioned, and/or who has failed to meet conditionality requirements on such legacy benefits, will not qualify for a TBA of UC on migration; and (b) whether this exclusion of a STBA for UC extends to the whole of the UC including housing cost element) and (c) if so, under which regulations.

The qualifying criteria for entitlement to a Universal Credit Advance (new claim) are that the claimant must demonstrate:

- a 'likely' underlying entitlement to benefit. The Decision Maker, on behalf of the Secretary of State must be satisfied that the claimant is entitled to benefit, or is likely to be entitled to benefit (this includes providing satisfactory evidence of identity, having a valid national insurance number and satisfying any other eligibility conditions);
- the ability to take and repay the advance within the specified period, whilst repaying previous debt; and
- they meet specified criteria that show they are in financial need as defined by Regulation 7 of the SS (PoAB) Regs 2013 and have no access to other sources of support, such as tax credits, other income, savings, final wages etc.

The requirement that a claimant must be likely to be entitled to UC is covered in regulation 5(1)(b) of the Social Security (Payments On Account of Benefit) Regulations 2013.

Further information about Universal Credit Advances can be found on the Gov.UK site on the internet.

If a claimant has a sanction applied to their existing benefit, when they move to Universal Credit (UC), they will be able to request a Universal Credit Advance (benefit transfer), which would usually be an amount of up to 50% of the UC award, to help make the transition from fortnightly benefits to monthly payments of UC. An advance would only be made if the Secretary of State is satisfied that an amount of UC would be payable but would be based on the total UC amount paid, including all elements of the award, such as the housing costs element.

For example, if a claimant with an outstanding ESA sanction makes a UC claim and after application of the ESA sanction they are entitled to a monthly UC payment of £200, the claimant will be able to receive up to 50% of this amount i.e. £100.

In cases where an existing benefit sanction has been applied to the UC claim and there is no amount of UC payable in respect of the first assessment period - for example, if the application of the existing benefit sanction reduced the UC award to nil - they will not be able to receive a Universal Credit Advance (benefit transfer).

The power to make a Universal Credit Advance (benefit transfer) is in Regulation 19 of the Universal Credit (Transitional Provisions) Regulations 2013/386.

If you have any queries about this letter please contact me quoting the reference number above.

Yours sincerely,

DWP Central FoI Team

Your right to complain under the Freedom of Information Act

If you are not happy with this response you may request an internal review by e-mailing freedom-of-information-request@dwpgsi.gov.uk or by writing to DWP, Central FoI Team, Caxton House, Tothill Street, SW1H 9NA. Any review request should be submitted within two months of the date of this letter.

If you are not content with the outcome of the internal review you may apply directly to the Information Commissioner's Office for a decision. Generally the Commissioner cannot make a decision unless you have exhausted our own complaints procedure. The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow Cheshire SK9 5AF www.ico.gov.uk