

# UNIVERSAL CREDIT

## INSIDE! Advice on

- ✓ Applying for Universal Credit
- ✓ Getting your budget sorted
- ✓ Finding the right account

## EXPERT ADVICE



**Martin Lewis**

The money saving expert!



**Jack Monroe**

Internet food blogger



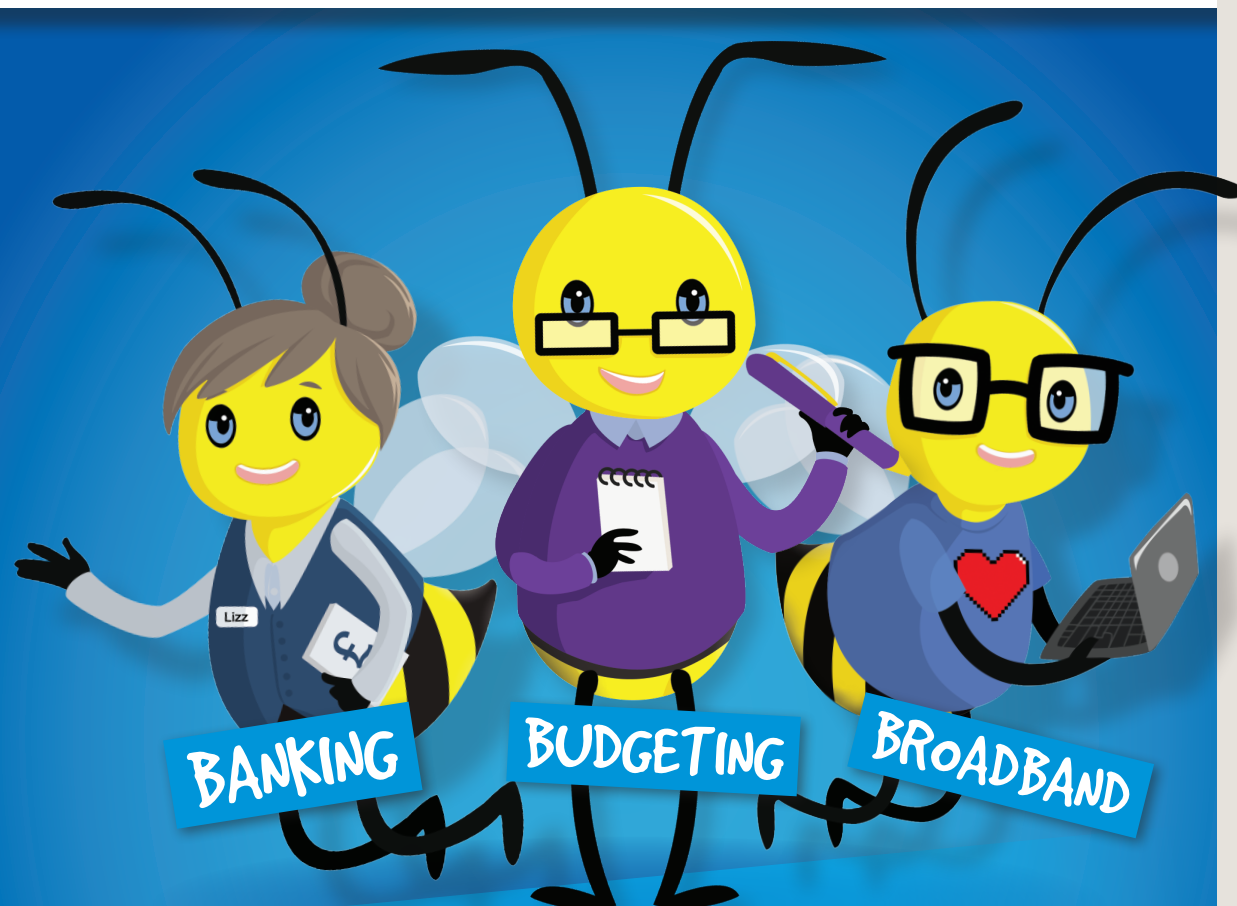
**Jessie Pavelka**

Motivation can be the key



**Winsome Duncan**

The budgeting queen bee



# Are you READY?

Accessing the system, avoiding the pitfalls  
and learning from claimants on UC already

YOUR MONEY £ BE INFORMED £ TAKE CONTROL

# UNIVERSAL CREDIT CHECKLIST

After working your way through this magazine we hope you will be ready to make a claim for Universal Credit, good luck! Keep track of your progress by ticking off the boxes...

☐

## Banking

I have a current account (or similar) that can make and receive automated payments (**pages 8-10**)

☐

## Budget

I have worked out my monthly budget (**pages 12-17**)

☐

## Broadband

I have access to broadband internet so I can make my claim (**pages 18-22**)

☐

## Email Address

I have an email address (**pages 6-7**)

☐

## Documents

I have all the documents and information ready that I will need (**pages 6-7**)

Okay, so now you're ready to apply. If you've already been told to apply go to **[www.gov.uk/apply-universal-credit](http://www.gov.uk/apply-universal-credit)** and get started!

*Let us know how you get on*



# GETTING DOWN TO BEES-NESS ON BENEFITS



*Jeff*

**Jeff** Editor  
editor@  
quidsinmagazine.com

**It's all change for most working age benefit claimants as Universal Credit (UC) is brought in over the next few years to replace income support, housing benefit, tax credits, employment and support allowance and jobseekers allowance.** The system is huge and complex but this Guide makes the details simpler. We've also been working with claimants already affected and included their advice on ways to avoid the pitfalls.

Three things claimants wish they'd been told before moving to UC include talking to their landlords as soon as possible, checking they were claiming all they were entitled to (including support with Council Tax, for example), and planning ahead. For anyone on

the benefits listed above, it's never too early to start thinking about ways to ensure everything is in place to make the change to avoid the delays that led many into debt and distress.

*Quids in!* is the money management magazine for people on low incomes. If you have not seen us around, now we've been introduced maybe you'd like to check out our website ([www.quidsinmagazine.com](http://www.quidsinmagazine.com)) and our monthly newsletter that includes updates on Universal Credit and the money management tips not normally shared with people on benefits ([qimag.ul/QIClubReg](http://qimag.ul/QIClubReg)).

Now it's time to introduce the 3 Bs, or the three bees, as you'll see them throughout this guide.



## BUDGETING

Due to how it's paid, we need to plan ahead so payments cover day-to-day expenses as well as essential bills and rent. Many claimants have found themselves in debt from the start and we could all do without that hassle



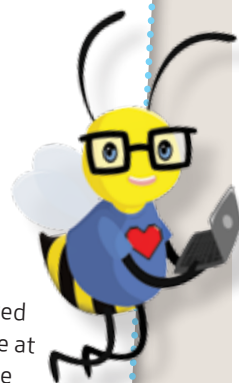
## BANKING

Bankers have joined the ranks of estate agents and double glazing salesmen as the people we love to hate. UC claimants, however, will need them – or something like a credit union account – like we need landlords and dustmen, and knowing one account from another could mean the difference between our bills getting paid or us falling into arrears



## BEING ONLINE

Alright, that's a bit of a cheat, but 'bee' online... Claims will be made and managed there but while we're at it, we can check we're claiming all we're entitled to and shop around to bag some bargains and get ourselves, ahem, quids in!



## READER'S VOICE



Many people have had letters from the DWP regarding Universal Credit and how it is paid. They say that they now expect you to have a bank account to pay your UC into. This is not right.

I have just had my neighbour round really upset. He didn't know what to do so I rang them. The first time they said 'at the end of the day he will need a bank account', so I picked your booklet up and rang

them back. The young lady on the phone now agreed it wasn't compulsory and things would stay as is.

The DWP letter is wrong and your booklet told me what accounts are allowed. Thanks to *Quids in!*, problem solved.

**G Shaw, reader of the *Quids In Guide to Universal Credit* (2nd edition). (Received via [www.quidsinmagazine.com](http://www.quidsinmagazine.com))**

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**MARTIN LEWIS**  
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**JACK MONROE**  
Internet food blogger **p21**



**WINSOME DUNCAN**  
The budgeting queen bee **p12**



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Motivation can be the key **p29**



## UC KEY FACTS

The following benefits will come under UC

- ✓ Housing Benefit
- ✓ Working Tax Credit
- ✓ Child Tax Credit
- ✓ Income Support
- ✓ Employment and Support Allowance
- ✓ Jobseekers Allowance

### Key changes to the system

- Monthly payments in arrears
- One payment per couple, if partners are claiming
- A bank account or similar is required
- Housing Benefit paid to claimant, not landlord
- Online management of claim

## WHAT IS UNIVERSAL CREDIT?

Government's new benefit's system introduced in UK

**Universal Credit is a new benefits system. It replaces Housing Benefit, Working Tax Credit, Child Tax Credit, Income Support, Employment and Support Allowance and Jobseekers Allowance @quidsinmagazine**

Universal Credit (UC) is coming. It's being rolled out across the UK, and is the single biggest change to the welfare system since it began.

There are two key ideas behind UC; it replaces lots of other benefits with a single monthly payment, and it's designed so that

**"UC is designed so that we'll be better off in work"**

we'll feel better off in work.

The biggest challenge facing people moving from other benefits to

UC is going to be having all the different payments we currently get merged in to one single, monthly payment. They will also have to wait at least six weeks for it (see page 6). Unless we have a budget in place, chances are we might really be struggling to make ends meet by the end of the month.

The good news is that UC will make us better off in work. UC is designed so that whatever work we do, we'll lose less benefit than the money we earn, and be better off. This system is sometimes known as 'tapering'. And before tapering starts many have a 'work allowance', a sum of money we can earn before *any* benefits are taken away (see page 31).

UC is being introduced one area at a time, and the rollout has already seen serious delays. UC is being introduced in different parts of the country at different times. Your local Jobcentre Plus will be the first place to know, so check there.

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## SPOTTED OUR QIMAG.UK LINKS?



You can follow up what you read in *Quids in!* by turning to the internet. Simply type the **qimag.uk/link** (as it appears in the story) into the web address bar on your browser and press 'enter'. Check out our Animal Antics playlist at **qimag.uk/qipop1**

### UNIVERSAL CREDIT

## TOP 5 TIPS FOR GETTING READY



**1 BUILD UP A WAR CHEST.** Waiting times for Universal Credit are at least 6-7 weeks from making a claim to getting a first payment, so any money we can put aside now will come in very handy while we wait. Though paying off debt remains a priority

**2 MAKE SURE WE HAVE A BANK OR CREDIT UNION ACCOUNT THAT WORKS.** Turn to page 8 for more details

**3 MAKE A BUDGET.** If we don't have a budget in place we're going to really struggle with UC. The switch to monthly payments means that we have to be more careful where we spend our money to make sure that essentials such as

rent are still there when we need to pay them (see page 12)

**4 GET BROADBAND.** UC claims must be made online, so we need to either be online, or make sure we have access to being online, in advance (see page 18)

**5 DON'T PANIC.** UC seems pretty overwhelming and involves lots of changes, but there are people ready to help us. From *Quids in!* to your landlord, Citizens Advice and local agencies, there are plenty of people to talk to and get help from. And we must never be afraid to ask for help if we need it (see page 23)

### NUMBER CRUNCHED UNIVERSAL CREDIT



## 2022

latest target for all benefit claimants to be on Universal Credit - 5 years later than planned

## 5.4 MILLION

Number of benefit claimants in the UK estimated to be affected by Universal Credit

## 450,000

Number of people who were claiming Universal Credit as of 12th January 2017

## APRIL 2014

Original target date for one million people to be claiming Universal Credit



## PASSPORTED BENEFITS

### Will you still get free school dinners or NHS treatment?

**Unbelievably, there seems to be no clear definition of who will get what under UC** @quidsinmagazine

There are some benefits, known as 'passported' benefits, that you can only receive if you get a qualifying benefit. These are things such as **free school meals, free NHS treatment and prescriptions** and the **Warm Home Discount**.

The situation with these passported benefits and Universal Credit is becoming

clearer, and basically if you were getting them before, you should still be entitled to them – though you may have to insist and even appeal any decision you don't feel is right if you are told otherwise. There are plenty of stories of people losing these benefits and then having them given back on appeal, so it is worth trying.

If you're already receiving any of these benefits and you are being moved to Universal Credit make sure you mention them at your initial Jobcentre Plus appointment (see over) and ask what will happen to them.



# APPLYING FOR UNIVERSAL CREDIT

**U**niversal Credit is designed to make benefit payments more like the way wages are paid. So the biggest challenge we'll face as we're moved to UC is that we'll have to go several weeks without any money before suddenly getting a large amount. Some claimants have had to wait twelve weeks. The only way to manage this is to be prepared.

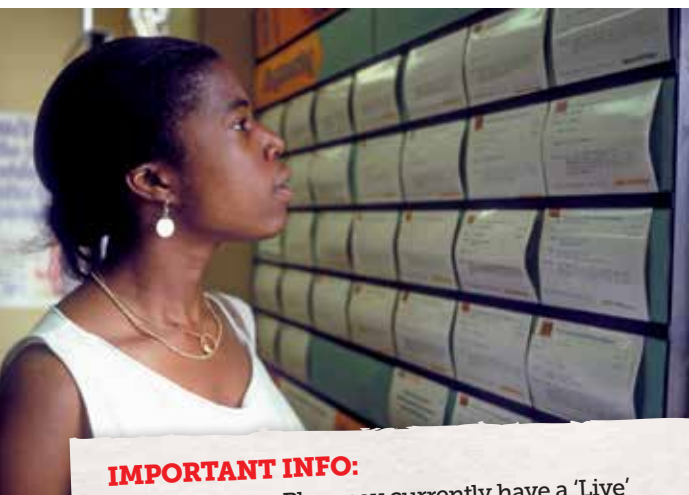
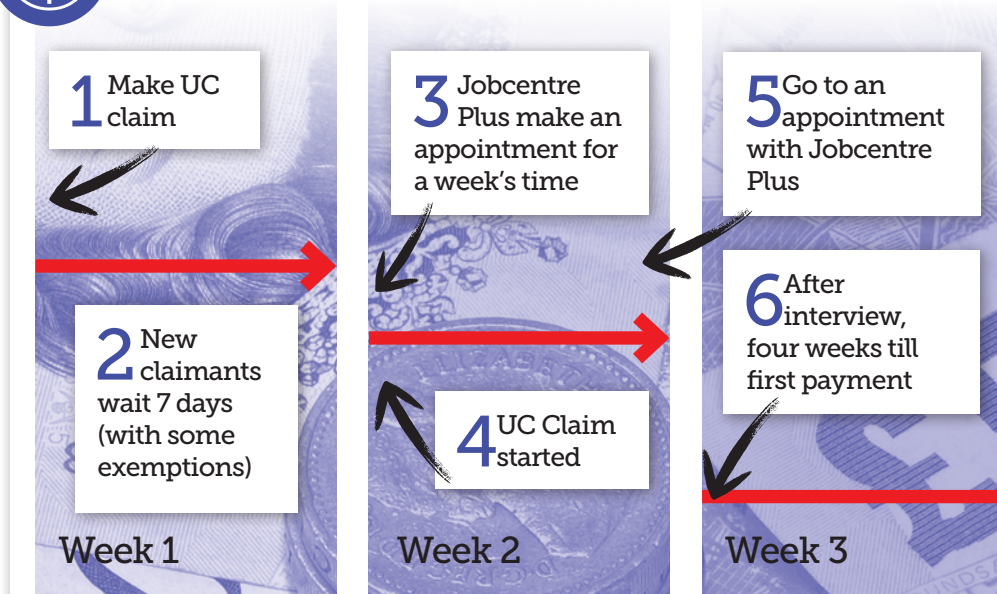
The whole of this magazine is about getting ready for UC, and as you've probably already picked up, it focuses on three key things that we need to have in place: **A bank account, broadband internet access and a budget.** Without any one of those three things we're going to really struggle to cope with the change.

As with claiming any other benefit, there's a seven day waiting period after we first make a claim when we'll get no benefits. After that we need to arrange an appointment to see Jobcentre Plus, usually a week later, and assuming that goes well we'll get our first Universal Credit payment four weeks after that. That payment will only be for one month's money. Then on the same day in every calendar month after that we'll get a whole month's payment.

Applying for Universal Credit is not always easy. We need to be prepared, and ready to face a few setbacks



## NEW CLAIMANT APPLICATION TIMELINE



### IMPORTANT INFO:

Your Jobcentre Plus may currently have a 'Live' or 'Full' Universal Credit service. The 'Live' service only affects single people with straightforward claims and is managed by phone. In areas with the 'Full' service, all new benefit claims or where the situation has changed (eg, new home or child) will be or become UC (unless you have more than two children) and is managed online.

## THE INFORMATION WE NEED TO MAKE A CLAIM

Before we sit down at a computer to make our claim, we'll need to make sure we have the following information to hand. Until we do, we cannot complete the claim and payments will be delayed. Your partner also needs the same information to hand.

- **Proof of I.D.**
- **National Insurance Number**
- **Our email address** ■ **Our phone number** ■ **Our address**
- **Our landlord's address**
- **How much rent we pay (proof may be required, such as a tenancy agreement)**
- **Our bank details**
- **Details of any savings we have**
- **Full details of our salary or any other income (including other benefits)**

If we have children

- **Their details, Child Benefit number**
- **Childcare Provider's address and registration number**



"It could take even longer than 6 weeks to get your money"



# GOT THE T-SHIRT

We asked some people who had already migrated to Universal Credit what **their** advice would be – they told us:

**"Don't be embarrassed to inform people around you"**

"If you live in social housing it is essential you should inform your landlord"

**"Try to negotiate payment breaks for lower payments - catalogues, insurance etc"**

"To tide you over in the first few weeks, stockpile dried food, tins, frozen food, etc"

**"I saved a few quid in the bank in case the car broke down"**

"I still don't like being paid monthly as if you get it wrong at the beginning of the month you have a long wait for the following month's pay"

**"Don't suffer in silence"**

"Use a food bank if you have to. They are friendly, non-judgemental and there to help individuals and families in just this position. You can always donate time, money or food once you're settled"

**"Grants may be available from charities but can take a while to come through - check [www.Turn2us.org.uk](http://www.Turn2us.org.uk)"**



## THE JOBCENTRE APPOINTMENT

Your first claim appointment is an interview with your 'Work Coach', your key contact from now on. Here you will have to sign a 'claimant commitment' that outlines what you are expected to do to find a job if you're unemployed or better paid work if you only earn a little. It is vital you explain everything holding you back.

**If you agree to more than you can do and don't keep to the commitment, you may be sanctioned.**

You can ask to change your Work Coach. More importantly, most sanctions have been overturned on appeal so if it happens to you, contact an advice agency.



"It's easy to get an email address. Go to <https://accounts.google.com> to sign up for a free Google email account"







## BANKING



A bank account is vital if we're to receive Universal Credit, as it will get paid straight into our account electronically. So it's important to make sure that we get the right kind...

09

**Bank accounts and budgeting accounts**

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**Credit Unions and prepaid cards**

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**Martin Lewis on choosing the right bank account**

# CHOOSING THE

To receive Universal Credit, you'll need to have a bank account or something similar that can receive automated payments, as this is how UC is paid to you

## THE DIFFERENT OPTIONS ARE:

- Current account
- Basic bank account
- 'Jam jar' account (also called a rent account or a budgeting account)
- Some types of credit union account, and
- Prepaid cards

If you are renting from a social landlord, check whether they recommend a particular account – if so, you don't have to use it, but some landlords will pay you an incentive if you do.



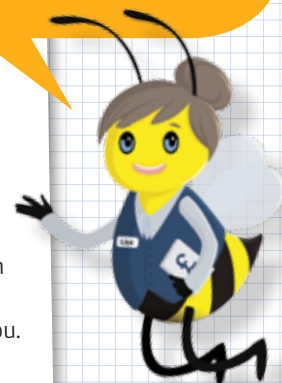
## CURRENT ACCOUNTS

➔ **Most people use a current account with a bank or building society to manage their day-to-day money.**

Because you can go overdrawn with a current account you have to pass a credit check to get one, so if you've had problems with money this may not be the best account for you.

- ✓ Current accounts have all the features you might need, such as automated payments, cash cards, debit cards, Direct Debits and cheques.
- ✓ You can access most current accounts through a high street branch, online, using mobile banking or over the phone.
- ✓ You can get regular statements to help you keep track of your money.
- ✗ Some accounts charge high fees and interest if you go overdrawn, and most have bank charges if there's not enough in your account to cover a Direct Debit or standing order.
- ✗ When withdrawing cash check the machine will not charge you.

"Current accounts are the most common kind of bank account"





# RIGHT ACCOUNT



“Budgeting accounts really help to manage our money. Shame not everyone can get one”

## JOINT OR SINGLE ACCOUNT?

If you're married or living together, you will get a single Universal Credit payment for your household. You will be asked to nominate which bank account you want to have your money paid into and this can be:

- **A single account in either your name or your partner's name**
- **A joint account in both of your names**

## BASIC BANK ACCOUNTS

- ➔ **Basic bank accounts have most of the same features as a current account except for an overdraft facility, making them an option if you have a poor credit history.** The idea is everyone is entitled to these but you may have to insist it's what you want when asking in a branch.
- ✓ No overdraft also means you can't accidentally spend too much and get into debt.
  - ✓ You can (usually) use a cash machine, receive monthly statements and pay by Direct Debit.
  - ✓ Basic bank accounts **DO NOT** carry fees or make charges if you don't have enough to cover a Direct Debit, **BUT...**
  - ✗ If you've had a basic bank account for a while, it may still allow you to go overdrawn or carry old charges that banks have since got rid of. Check and change it, if you can.

## BANKS SIGNED UP TO OFFER FEE-FREE BASIC BANK ACCOUNTS:

- **Santander** (Basic Current Account)
- **Barclays** (Basic Current Account)
- **HSBC** (Basic Bank Account)
- **Lloyds Banking Group, incl. Bank of Scotland, Halifax and Lloyds** (Basic Account)
- **RBS Group incl. NatWest, Royal Bank of Scotland and Ulster Bank** (Basic Account in England/Wales, Foundation Account in Scotland/Northern Ireland)
- **National Australia Bank Group, incl. Clydesdale and Yorkshire Banks** (Readycash Account)
- **Nationwide** (FlexBasic)
- **The Co-operative Bank** (Cashminder)
- **TSB** (Cash Account)

## SETTING UP PAYMENTS FOR RENT AND OTHER BILLS

Ideally your account should allow you to make automated payments – such as Direct Debits or standing orders – for bills such as rent, gas and electricity.

Only these accounts allow you to make outgoing automated payments:

- **Current account**   ■ **Basic bank account**
- **Budgeting account**   ■ **Some Credit Union accounts**

The Post Office card account and some prepaid cards do not allow you to make outgoing automated payments. Others do, so it's worth checking.

## CREDIT UNION ACCOUNTS

➔ **Credit unions are 'not-for-profit' community organisations that are mainly set up to offer savings accounts and loans to their members.** Some of them also offer current accounts that allow you to receive electronic payments and set up Direct Debits and standing orders. Some credit unions are also developing budgeting accounts (see right).

Regular savers can borrow at decent rates. This could be really useful during the move onto UC.

- ✓ Credit unions can be an option if you've had difficulty opening an account with a bank or building society
- ✓ They don't offer overdrafts, but you might be able to apply for a loan. They encourage you to only borrow what you can afford to repay
- ✓ There is a credit union in Southwark with a variety of accounts that you can use for banking, paying your rent and bills. More information can be found on the back cover
- ✗ Credit union budgeting accounts usually have a monthly fee but this is often fairly low



## PREPAID CARDS

➔ **Lots of card based services are coming onto the market, some with UC claimants in mind.** Although it is possible to have your benefits transferred onto a prepaid card, there are a few things you need to be aware of before going ahead.

- ✗ Prepaid cards come with a variety of charges. You will need to check with the provider before you buy.
- ✗ Not all cards allow you to keep your money for bills separate from you money for spending.
- ✗ Not all prepaid cards allow you to set up automated bill payments for your rent, gas or electricity. This can mean having to withdraw large sums of cash each time a bill needs to be paid.

**However, they do have some advantages:**

- ✓ You can't get into debt as there is no overdraft facility on a prepaid card.
  - ✓ It's possible to make one-off electronic bill payments with some prepaid cards, giving you control over when the payment is made.
- One way of using a prepaid card is to operate it alongside a bank account. You leave enough money to cover your rent and other bills in your account and load all of your spending money onto the prepaid card. This gives you control over how much you spend and means you avoid bank charges and penalties on your account for returned standing orders or Direct Debits.

## BUDGETING ACCOUNTS

(also called rent accounts and jam jar accounts)

➔ **With a budgeting account, you divide your account into different 'pots' or 'jars'.** Typically, there are different pots for bills and spending and there may be a pot for saving too. You decide how much money goes into each pot by working out how much you need for your bills and how much is left over for spending or saving.



Some budgeting accounts consist of a basic bank account linked to a prepaid card. So your wages and benefits are paid into the account. You decide how much you need to set aside for bill payments then put the remaining money onto the prepaid card for spending.

Most budgeting accounts come with advice and support provided online or over the phone. They help you set up the account and decide how much money you need to set aside for bills and other outgoings each month.

- ✓ The advantage of a budgeting account is that you can be sure that when rent day (or bill day) comes, the money will be there to cover the payment.
- ✓ You may be able to arrange text alerts to warn you if your balance is running low.
- ✓ You might have access to advice on managing your money
- ✗ The disadvantage is that these accounts charge a fee – usually £5-£15 a month – however, you might decide that it's a price worth paying if it means you can avoid missed payment charges and overdraft fees.

If you're interested in opening a budgeting account, and you rent a council or housing association property, it's a good idea to speak to your landlord or council. Some social housing landlords and local authorities are making arrangements with providers (such as your local credit union) to offer these types of account and these often have lower fees or they pay the fees for you.

Alternatively, you could try your local credit union – see back page – to see if they offer a budgeting account. Or run an internet search for 'jam jar accounts' to see what's available and compare fees and services.



"Without automated payments I might forget when to pay my rent"



EXPERT  
BANKING  
TIPS

## MARTIN LEWIS

On his website, [moneysavingexpert.com](http://moneysavingexpert.com)'s head honcho and his team offer some nuggets of advice on bank accounts... essential for good management of Universal Credit payments

**M**artin Lewis told a conference of bankers and government ministers that it was a 'civil justice issue' if the State demands claimants have bank accounts to receive benefits but banks continue to turn low income customers away. A poll by *Quids in!* magazine revealed this is what is happening, with one in twenty readers being turned down.

Here are the best tips from Martin's website:

## KEEP IT BASIC

"If you're one of the 1.7 million people who don't have a regular bank account, it can be a nightmare. Yet there is a solution called a 'basic bank account'."

"Most basic bank accounts will give you a debit card, so you can make payments in shops and online, and all allow you to set up direct debits – which is great, as this can make bills cheaper than paying by cash or cheque."

## FREE OR FEE?

"Since 1 January 2016, new basic bank accounts have been free of all charges for the first time. However, it's still wise to know exactly what money you have in the account as while the bank account won't charge you for unpaid direct debits, for example, you could still get charges from the company that hasn't been paid."

"Ten banking groups offer these fee-free accounts: Barclays, the Co-operative Bank, HSBC, Lloyds Banking Group (Bank of Scotland, Halifax and Lloyds), Clydesdale Bank and Yorkshire Bank, Nationwide, RBS Group (NatWest, Royal Bank of Scotland and Ulster Bank), Santander, TSB and Virgin Money."

"It's worth noting that, while these banks now offer completely free basic accounts to new customers, some existing account holders are still stuck with older accounts that do charge."

## OPEN TO ALL?

"Basic bank accounts are designed for people who won't pass the credit check for standard bank accounts. Because of this, past credit problems – such as CCJs, defaults, or having been declared bankrupt in the past year – aren't usually a barrier."

"However, you don't have to have credit problems to open a basic bank account. If you want an account to help you manage your money and which won't let you go overdrawn, you can also opt for one."

"The only people who cannot have a basic bank account are people with criminal convictions for fraud (people with other convictions can still apply and be accepted, subject to fulfilling the other account-opening criteria) or people who fail the bank's ID checks."

## ID, ID, ID

"To confirm who you are, you'll usually need one of the following:

- ✓ Full, current passport
- ✓ Current European Union member state identity card
- ✓ Current UK photocard driving licence or UK full paper driving licence
- ✓ Identity card issued by the Electoral Office for Northern Ireland
- ✓ Benefit books/benefit entitlement letters; includes child benefit, income support, disability and jobseeker's allowance
- ✓ HMRC tax notification or assessment letter

"There are other forms of ID you may be able to use. Contact the bank to explain the situation – it'll be able to tell you if any other ID is acceptable."

For more of Martin's advice, visit [www.moneysavingexpert.com](http://www.moneysavingexpert.com)





## BUDGETING

For most of us, moving to Universal Credit will mean switching from weekly or fortnightly payments to monthly ones, in arrears, and that makes a good budget vital...

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**Create your own budget**



# WINSOME'S SAVING GRACES

**Winsome Duncan** is an award-winning business leader, author of '100 Ways to Save Money' and runs Mployme, a training project helping people find work. What she doesn't have to say on watching the pennies is not worth hearing, so we asked her for her top tips

**QI: Why is it important to budget?**

**WD:** If we are serious about becoming or staying debt free, we need a process. To make sure our accounts stay out of the red, we need to know our numbers and know where we are. Then we must stick to a budget – there's no point otherwise.

**QI: Universal Credit means most claimants will receive their rent money, it won't go to their landlord any more. What challenges does this present and what is the best way to overcome them?**

**WD:** Let's get real for a moment. Do not under-estimate what a huge temptation having large sums of money credited to your account is going to be if we are

unemployed or a low income earner. I know someone who ran up a £10,000 arrears on their rent because of this.

The easiest and smartest option here is to set up a direct debt or standing order that will take out your rent money automatically. This way we can be sure to be disciplined and not get into arrears and face eviction.

**Winsome says:**

If you are evicted or sanctioned by Jobcentre Plus, you may be forced to find housing much cheaper than you're used to. This could mean moving somewhere where you have no family or friends living close by. If you live in London, being forced out of the city is a real possibility.

**QI: How important is it to resist temptation? What's at stake, if we don't?**

**WD:** Simply put, we *must* resist overspending because we are setting ourselves up for heartache,

*"Don't forget treats can be free but they can still also be rationed to reward ourselves for being good."*



# TOP THREE

## REASONS TO BUDGET

**1** We are reviewing the blueprint of our finances and creating a new masterplan for success. Unless we fancy living in debt, more must come in than goes out. We need to keep rewriting the budget until that's what we see.

**2** Even seeing how we have more going out than coming in will be a relief. It's the not knowing that keeps us awake at night. Once we know what we're dealing with, we can reduce the stress further by planning our way out of a hole.

**3** Budgeting is a worthwhile skill to have anyway – it's basic bookkeeping and could come in handy, especially in a job.

## WINSOME'S TOP THREE TIPS IF WE SPEND MORE THAN WE EARN...

**1 LEARN TO USE THE WORD 'NO':** It begins with an 'n' and ends in an 'o'. Set your boundaries when it comes to spending your money socially. Do not let people pressure you into extravagant nights out, instead spend time or have dinner with family and friends who won't charge you.

**2 LET'S GET DOWN TO BASICS.** when I was on a low budget I was on the no frills, no budget, smart price aisles in the cheapest supermarket. I was purchasing bread, cereal, beans, sweetcorn and toilet rolls that were not branded.

**3 EARNINGS:** Try to create what I call a 'passive income'. If you are good at graphic design, drawing or making things, then try to earn a little on the side from it. You can even create an account on [www.fiverr.com](http://www.fiverr.com) and get paid for your services. Look for higher paying or second jobs. A lot of people settle for the job they have but it's good to have goals for bigger and better things, especially if your current work is not providing the lifestyle you want. See page 30 for tips on finding work.

otherwise. When we live a lifestyle that requires us to go into debt to maintain it, we are the ones that will pay the price. Peace of mind is everything. People who owe large amounts of money but have little of their income left over after essentials should contact their local CAB or debt charity StepChange ([www.stepchange.org](http://www.stepchange.org) or 0800 138 1111) and get a debt management plan put in place. Continuing to splurge puts us at risk of high blood pressure and other real problems because of stress overload. Remember, your health is your wealth.

**QI: Where should someone start, once they've realised they need to organise a budget?**

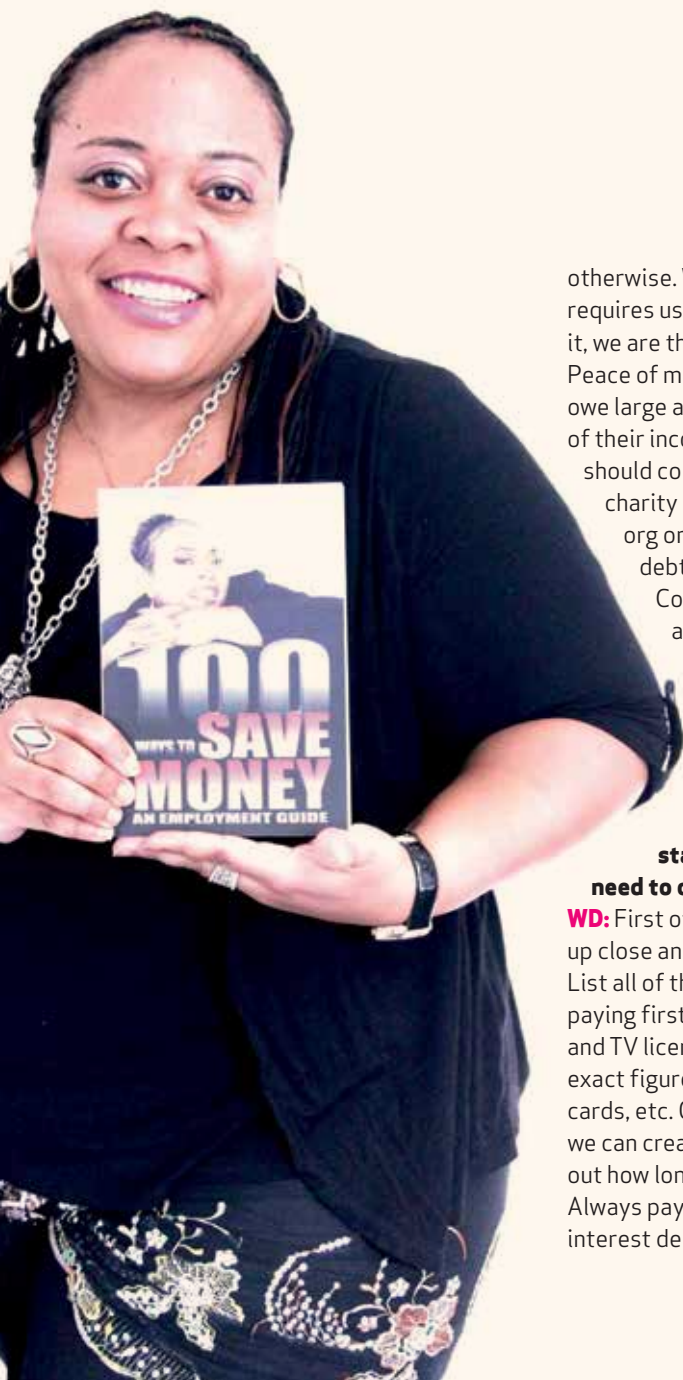
**WD:** First of all, we need to be realistic. Get up close and personal with the finances. List all of the priority bills which will need paying first, like rent, gas, electric, water and TV licence. Then we need to get an exact figure of all our debts, loans or credit cards, etc. Once we have an overall total, we can create a plan of payments and work out how long it will take to pay off any debt. Always pay larger amounts to the high interest debts first.

"Websites such as Groupon can be a great place to find affordable treats!"



## WINSOME'S TIP:

It may be helpful to purchase a small notebook from the pound shop and write down your daily spending, everything, even if it's 40 pence for a newspaper. Do this for a whole month and you'll see where your money is going. Work out which expenses are treats and which are essentials and if you're short each month, start training yourself with better habits.



# Making a budget

There's a pecking order when it comes to the cash we have to keep safe, what we have to manage and what we have left to make life easier

**W**ith Universal Credit our payments will only come monthly, so we'll need to get on top of a budget to make sure there's still some cash left come rent day, or the end of the month.

There's a secret to juggling a limited budget. It's about dividing those expenses into costs we cannot avoid, bills we must pay but can control, essentials we could get cheaper, and things we want to make life easier. We have to think long-term as well as short-term. It only works if we promise not to stick our heads in the sand and live for today.

And we have to make sure we pay the important bills first, which is where the *Quids in!* Payment Pyramid comes in.



## The Quids in! PAYMENT PYRAMID

Start at the foundations and work your way up through the *Quids in!* Payment Pyramid. Consider what Makes Life Easier the icing on the cake



"Once you understand your priorities you can budget"

### 1 CANNOT AVOID

Things like **RENT** and **COUNCIL TAX** cannot be avoided. If we want a place to live, we have to pay for it. If you consider TV an essential, then the **TV LICENCE** goes here. If we don't pay, sooner or later it will end up in court and a conviction, or even eviction may follow. Landlords and councils are there to help but cannot afford to let arrears go – or everyone will start doing it. Costs like this are the foundations upon which our lifestyle is built. If you are struggling, talk to your landlord or an advice agency.

### 2 CAN CONTROL

**GAS, ELECTRICITY** and **WATER RATES** (if we have a water meter) are things we can control. There's lots of advice about ways to cut down these costs by reducing energy or water use (see [qimag.uk/billbust](http://qimag.uk/billbust)). **DEBTS** we owe might sit here as there are options for reducing them, even if repayments must still be made each month. Debt advice agencies, Citizens Advice or [www.moneysavingexpert.com](http://www.moneysavingexpert.com) can help us minimise what it costs to pay off debt. Unlike the Cannot Avoid expenses, getting behind with what we Can Control is more likely to cause debt, stress and potential legal action, but not homelessness or prosecution.





“Dividing our spending up like this helps us to understand what we can afford to cut, and what we can’t”



### **3 CAN CUT BACK**

These are not luxuries but things like **FOOD, CLOTHES, TRANSPORT, KIDS’ STUFF** and general shopping items. Once we’ve budgeted for the Cannot Avoid items and looked at what we Can Control (and set goals for reducing the bills), we need to look at spending smarter. Changing to own-brand groceries and buying/cooking in bulk and freezing future meals can save a chunk. Going online or opting for second hand can save a fortune on clothes, toys and games. Taking a walk instead of a short drive or bus trip will help, too. Put what you save into What Makes Life Easier.

### **4 MAKES LIFE EASIER**

It’s up to you how you spend any money left over. Many of us fancy a **SMOKE**, a **PINT** or a night of **TV** to help us cope with strife. And it’s not just the unhealthy stuff that goes here. A gym membership might be here, as might the car, or trips out with the kids. If the money’s not there, it’s not there, and no-one’s going to die and nobody’s going to come after us if the cutting back starts here.



**NOW MAKE YOUR BUDGET**



# THE GREAT BALANCING ACT

## MONTHLY BUDGET PLANNER

It might not be fun exactly, but a simple monthly household budget is the bedrock of good finances

**START HERE**

### 1. INCOME

Monthly Total = £

Per month		Per month	
Job Earnings	£	Other Benefits	£
Partner's Job Earnings	£	Rental income (lodger etc)	£
Universal Credit*	£	Pension	£
Child Benefit	£	Other	£

\*or total of Housing Benefit, Working Tax Credit, Child Tax Credit, Income Support, Employment Support Allowance and Job Seeker's Allowance

### 2. CANNOT AVOID

Monthly Total = £

Per month		Per month	
Rent/Mortgage	£	TV Licence	£
Council Tax	£	Water Rates	£

### 3. CAN CONTROL

Monthly Total = £

Per month		Per month		Per month	
Home Contents Insurance	£	Fuel	£	Doctor/Dentist	£
Electricity	£	Bus/Taxi/Train Fare	£	Medicine/Drugs	£
Gas/Oil	£	Car repairs	£	Vet/Pet Care	£
Phone	£	Car Tax	£	Other health items	£
Broadband	£	Other travel	£	Student Loan	£
Furnishings/Appliances	£	Bank Fees	£	Other Loan(s)	£
Maintenance/Supplies	£	Postage	£	Credit Cards	£
Other home stuff	£	Child Care	£	Arrears	£
Car payments	£	Health Insurance	£	Other debts	£
Car Insurance	£	Life Insurance	£	Other	£



## 4. CAN CUT BACK

**Monthly Total = £**

Per month		Per month	
Groceries	£	Pension	£
Clothing	£	Investments	£
Cleaning	£	Other savings	£
Education/Lessons	£	Newspaper	£
Hairdresser	£	Magazines	£
Pet Food	£	Dues/Memberships	£
School Lunches	£	Donations (Charity, Religious)	£
Transfer to Savings	£	Other (Gifts, etc)	£

## 5. MAKES LIFE EASIER

**Monthly Total = £**

Per month		Per month	
Videos/DVDs	£	Hobbies	£
Music	£	Film/Photos	£
Games	£	Sports	£
Takeaways	£	Outdoor trips	£
Movies/Theatre/Concerts	£	Toys/Gadgets	£
Cigarettes/Tobacco	£	Holiday/Travel	£
Books	£	Alcohol	£



"Some costs are not monthly, so some basic maths is required. If it's weekly, like for a club or travel, multiply the amount by 52 (weeks in a year) and divide by 12 (months in a year). Don't use four weeks to a month or you'll come up short. For annual costs, like for Christmas or a car MOT, divide by 12. An online calculator can do this for you."

## MONTHLY BUDGET SUMMARY

**Balance = £**



Per month		Per month	
<b>Total Income</b>	£	<b>Total Expenses</b>	£

### DOES IT STACK UP?

You need to try to achieve a positive balance with more income than expenses. If you have a negative balance, try to cut more expenses. If you can't, visit a free debt advice service.



## BEING ONLINE



Broadband, or Being Online, is a key part of getting Universal Credit. If you don't have access at home, you may need to go to your Jobcentre Plus, council offices or library to complete your UC application

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**Quids in! guide to buying broadband**

20

**The best of the internet – it's worth joining**

22

**Get online, save money – we show you how**



**It's getting to the point where broadband is seen as a must-have. Leading online skills charity Go On calculates that having broadband has a value to a new user of over £1,000 per year. Having broadband increases our earning power, reduces our chance of dying and makes us feel part of a modern society. Not only that, but with the introduction of Universal Credit everyone of working age will have to be online if we need to claim any benefits. So here's Quids in!'s quick guide to broadband, to help us get online, or save us money if we already are.**

### **Quids in! says...**

If you have Sky, BT or Virgin TV services, try a package with fewer channels. Instead, there is free content online, like CBeebies for kids or YouTube for music and old films. For a one-off cost, an Amazon Firestick offers tons of films and series. Monthly subscriptions to Netflix or Amazon Prime are cheaper than most satellite/cable packages.

Getting online isn't difficult, but it can seem expensive. Like other major utilities today such as gas and electric, you'll need to shop around to get the best deal. If you don't you can

easily find yourself paying over the odds, with some standard broadband deals coming to over £400/year by the time you've counted line rental. We say that's too much. With a bit of effort and some time you can easily halve that.

And once you've signed up to a deal you'll need to keep a careful eye on when it runs out, and remember to switch before the price goes up. Boring and unfair, but it's the way the





# BROADBAND

The essential *Quids in!* guide to getting online

## Getting the best deal

It's almost impossible for us to say what the best deal will be by the time you read this, our crystal ball isn't quite that powerful! But if you head over to Martin Lewis' moneysavingexpert website you'll find all the latest cheap deals (see [www.qimag.uk/msebroadband](http://www.qimag.uk/msebroadband)).

"You could always ask your neighbour if you can share their broadband, if their wifi signal reaches"



world works at the moment. At least until the government passes laws with teeth to stop companies tempting us with great deals then sneakily putting the price up when they run out. So put it in your diary, and make a switch when you need to.

## Packages

There are good deals to be had with companies such as Virgin, Talk Talk and Sky with line rental, broadband and TV all in one monthly payment. Make sure to check that they are worthwhile before signing up to a long contract and remember you can haggle..

## TOP 5 WAYS BROADBAND SAVES YOU MONEY...

### 1 Shopping Around

It's really easy to check online to see which shop has the item we want at the best price. And it works for holidays too! And utilities!

### 2 Long Distance calls

Programs such as Skype make it free and easy to stay in touch with our loved ones far away.

### 3 You switch

It's easy to set up a diary and

switch gas, electricity, broadband and mobile phone deals when we're online.

### 4 You benefit

It's so much easier to apply for benefits, and check which ones we should be getting.

### 5 Work from home

Not everyone can but for some it means no commuting and no pricey lunches. Even if only from time to time, it'll save cash.



# BEST OF THE

We may be forced to get online for our Universal Credit claim, but there are lots of other good reasons to get involved if you're not already online.

## QUIDS IN!'S OFFICIAL TOP 5 REASONS YOUTUBE COULD CHANGE YOUR LIFE



### #1 CAT CRAZINESS

Make no mistake, cats plan to take over the world. First, they will convince us they are as daft as they are lovable. More than 40 million viewers will one day regret laughing their socks off at these feline antics on YouTube.

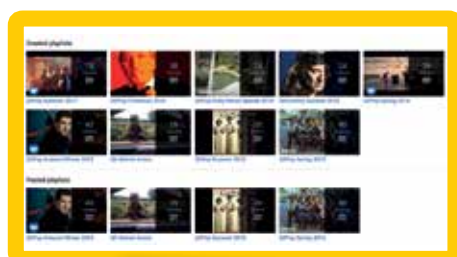
[qimag.uk/qicats](http://qimag.uk/qicats)



### #2 HOW TO... DO ANYTHING

Literally, just ask it. Type in 'how to'... sew on a button, change nappies, survive a shark attack. Some smart alec has a video on it - just avoid the crackpots. We typed in Universal Credit - 'People Like Me' is a goodie for starters

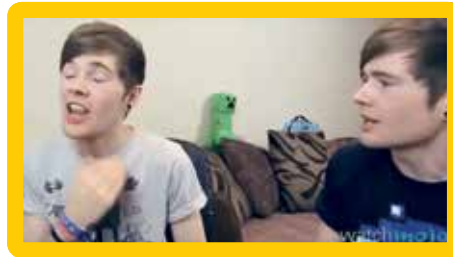
[qimag.uk/qihowtouc](http://qimag.uk/qihowtouc)



### #3 FREE ENTERTAINMENT

There are thousands of films to watch for free or keep the kids entertained with cartoons or pop on the latest music videos. *Quids in!* has a playlist channel to keep your foot tapping. Saves subscribing to Sky or buying the latest Now CD!

[qimag.uk/qiplaylists](http://qimag.uk/qiplaylists)



### #4 VIDEO BLOGGERS

Samuel Pepys would have been a video blogger, or vlogger, if he was alive today. Proving the world is a smaller place now we have the internet, we found this American review of British internet stars reporting on the world as they see it

[qimag.uk/qivloggers](http://qimag.uk/qivloggers)



### #5 TELLY BEST BITS

For superfans of TV programmes, get all the best bits in one place. Try finding any dynamite scene from any soap or check out the This Morning channel for everything from showbiz goss to Gino's top recipes, from celeb interviews to real-life stories

[qimag.uk/qitelly](http://qimag.uk/qitelly)

## GREAT ONLINE RESOURCES Five amazing websites that will change your life

### [www.southwark.gov.uk/libraries](http://www.southwark.gov.uk/libraries)

Our libraries provide free access to computers and free wi-fi. Lots of help available even if you are completely new to using computers and the internet. You can find your nearest library and the many useful courses that are

available, such as 'Help With Job Hunting Online.'

### [www.bbc.co.uk](http://www.bbc.co.uk)

Not only great free news and sport, but also an incredible archive of recipes and features on almost everything you could ever want to know more about. Plus BBC iPlayer, of course.

### [www.entitledto.co.uk](http://www.entitledto.co.uk)

A free online calculator that helps you find any benefits you are, well, entitled to.

### [www.quidsinmagazine.com](http://www.quidsinmagazine.com)

Lots of help, support and information for anyone who's living on a low income, with top tips on how to make your

money go further and links to lots of other great resources.

### [moneysavingexpert.com](http://moneysavingexpert.com)

Campaigning money guru Martin Lewis's website is stuffed full of top financial advice, from claiming compensation to opening a basic bank account.





"One of the biggest savings you can make online is to regularly switch your energy supplier"

## Jack at a pinch

**JACK MONROE** is a food writer and single parent. After leaving a job as a firefighter and having a baby Jack was living on benefits and struggling to get by. In February 2012 Jack started to post an online diary about their life and local politics, and the blog grew from there. A keen cook, Jack soon developed a following by starting to post budget recipe ideas and talking about the challenges we all would face bringing up a child on benefits.

Jack told *Quids in!* "I've cooked for years, I left home in my late teens and started to teach myself to cook and I suppose it just grew from there."

In the blog Jack describes how difficult it was caring for a child on a budget, and how sometimes it would be possible to feed him by not eating. Here's one entry:

"This morning, small boy had one of the last Weetabix, mashed with water, with a glass of tap water to wash it down with. 'Where's Mummy's breakfast?' he

asks, big blue eyes and two year old concern. I tell him I'm not hungry, but the rumblings of my stomach call me a liar."

*Quids in!* asked what Jack's fears were back then: "At my lowest point my main worry was losing my home and losing my son. I could see that by struggling for money and struggling to keep a roof over our heads that I wasn't fulfilling my role as a parent adequately. I think I managed to keep my head just above water – keep myself fed, clothed, clean, happy and we've done alright."

Jack's recipes are amazing – and really cheap. Now Jack has released two bestselling cookery books.

**"At my lowest point my main worry was losing my home and losing my son."**

★  
**INTERNET  
STAR**  
★



## RECIPE

## MUMMA JACK'S BEST-EVER CHILLI



**"This chilli is adapted from a beef chilli recipe by Gordon Ramsay. I simply left out the beef and halved the wine to make it cheaper – plus, of course, Mr Ramsay doesn't use a tin of cheap baked beans in his version! I've tweaked and fiddled with it so much over the years that now it's not Gordon's chilli, it's Mumma Jack's."** *Serves 4*

### INGREDIENTS

- 1 x 400g tin of red kidney beans
- 1 x 400g tin of baked beans in tomato sauce or plain haricot beans
- 1 onion
- 1 small chilli, chopped
- a shake of paprika
- a shake of ground cumin
- a splash of oil
- 75ml red table wine
- 1 x 400g carton or tin of chopped tomatoes
- 1 vegetable stock cube
- 3 squares dark chocolate

### METHOD

- 1** Tip both tins of beans into a colander and rinse thoroughly. If you are using baked beans in tomato sauce, make sure to rinse it all off. Pop the beans into a saucepan, cover with water and bring to the boil. Boil rapidly for 10 minutes, then reduce to a gentle simmer.
- 2** Peel and dice the onion and put into a large pan along with the chopped chilli, paprika and cumin. Add the oil and cook on a low heat until the onion softens into a spicy sweetness. Pour in the wine, add

the chopped tomatoes and crumble in the stock cube, then simmer all together on a low heat.

**3** When the beans have softened, drain and tip into the sauce. Add the chocolate and stir until the beans are mixed through and the chocolate is melted.

**TIP:** Keep in the fridge for up to 3 days. Delicious eaten cold stuffed in pitta breads or wraps.



DISCOVER GREAT  
ONLINE SAVINGS



# TRAWLING FOR SAVINGS



Among other things, the web is like a massive net designed to help shoppers trawl for the best deals

Four in five (79%) *Quids in!* readers already have access to the internet and three in five (60%) are online at home with a PC, tablet or smartphone. It's easy to be better off by using the web to the full. So exactly how do we cash in and make all this tech pay for itself?

## 1 MINE IS BIGGER THAN YOURS

Compare online bargains with what's in the local shops. Looking for a TV or something small like a CD? Type what you're looking for into the search bar on google.com or yahoo.com and see who's selling it cheapest.

## 2 DEAL ME IN

There are hundreds of special offers online. Vouchercloud.com, for example, will tempt you with online offers and deals you can claim locally. It's only a saving if you were going to splash out anyway, though.

## 3 FREE FOR ALL

You can pick up a load of stuff for free or cheap with websites like ilovefreegle.org, myskip.com and gumtree.com. Anything from carpets to cardigans are out there, with a little virtual digging.

## 4 FREE YOURSELF

It can cost a bomb just to get rid of old kit but if someone else could use it, post it on ilovefreegle.org or Google search 'charity donation pick up' or try [qimag.uk/re-use1](http://qimag.uk/re-use1).

## 5 BILLS, BILLS, BILLS

Many are sceptical about comparison sites. More regulation is needed but in the meantime, using a couple at a time will maximise your chance of finding the cheapest gas, electric, insurance and more.

## 6 GET WIRED

Buying DVDs? Subscribing to Netflix or Amazon (even if you buy a cable linking your computer and TV) could save money, or check out what's on YouTube for free. Love CDs? Listen to almost any music on Spotify. *Quids in!* has just launched a YouTube Channel with a free music playlist for readers – save yourself the cost of the latest Now! CD: [qimag.uk/qipop1](http://qimag.uk/qipop1).

## 7 LOOKS TOO GOOD?

Most things that look too good to be true usually are but if you want to know for sure, check it out online. Search for reviews or check out the small print.

## IN JUST TEN MINUTES ON THE NET WE SAVED OURSELVES...



SAVED  
£12.85



We signed up to Spotify for free and saved ourselves £12.85 on the latest Now! CD

We landed a smart shoe storage cabinet worth £31.99 for free from Freegle



SAVED  
£31.99

## one word of caution...

Good websites are about helping their visitors. They recognise they'll make money in the end if people feel good about their brand. But everyone is trying to make money, so watch out for the ads, requests for your email (unless you can clearly turn down spam), and 'in app purchases' where parents have been caught out letting their kids play games.



## *Quids in!* Readers Club

For all the latest on your welfare rights and ways to save online, join the *Quids In* Readers Club, sign up for our monthly emails at [qimag.uk/QIClubReg](http://qimag.uk/QIClubReg).





## HELP

# HELP!

Where to go and what to do if your Universal Credit journey turns a bit rough

Our transition to Universal Credit might not go as smoothly as we'd hoped, so it's good to know that there are lots of places to go for help and support

24

**All the schemes available from Jobcentre Plus**

26

**The council and other places to look for help**

28

**Last resorts, food banks and more**

UC claimants tell us it's a good idea to make a note of people we can turn to while we move onto the new benefit, such as friends with a car, who to contact about food vouchers, local services to call if there are any problems with the claim.

**My key contacts:**

.....

.....

.....

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.....

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.....

**T**he new benefits system has been called the biggest social experiment since the welfare state was created. It is hugely ambitious and many of the principles behind it are untested. People moving over to Universal Credit now really are the guinea pigs.

It has been piloted in some areas and the fall out was not good. However the government is determined to roll it out, making improvements as they go.



# DWP/ JOBCENTRE PLUS

Part of what has not gone so well in the pilot areas is the help the government has said would be available to new UC claimants. In some instances, it will take support from a third party like Citizens Advice or an employment support agency to get us the help needed.

*Need help getting through the first six weeks?*

## ADVANCE PAYMENTS

Advance Payments could help if you can prove you will be in hardship while waiting for your first UC payment. You should ask for this as early as possible, preferably at your first UC interview once your online application has gone through, otherwise by phone (see numbers on page 27).

You should prepare a budget to show what your outgoings will be and how not having an income will threaten your and your family's health, like not being able to heat your home or eat. It is an advance so is a loan, and usually repayable over three months. [qimag.uk/qiucadv2](http://qimag.uk/qiucadv2)



*Need help with making ends meet?*

## BUDGETING ADVANCE

A Budgeting Advance may be available. Your claim has to have been accepted already. You should be able to request a 'short-term advance' while waiting for your first payment to help avoid getting into debt or arrears with bills, although it's not usually for rent.

An advance is a loan, paid back through deductions from your UC payments, over a period of time agreed with Jobcentre Plus. To apply, contact your local Jobcentre Plus, although Citizens Advice recommends speaking to them first. See Shelter's advice page: [qimag.uk/qiucadv](http://qimag.uk/qiucadv)

*Need help with bills, budgets or funerals?*

## THE SOCIAL FUND

The Social Fund incorporates a number of different types of support for people on low incomes and includes Budgeting Loans but also help with bills in cold weather and funeral expenses. It is accessed through Jobcentre Plus and different rules apply, so you'll need to ask if any of the Social Fund might be able to help you. If you're turned down, you might want to seek a second opinion from an advice agency. [qimag.uk/qisocfund](http://qimag.uk/qisocfund)





“Citizen’s Advice may be able to help you apply for any of these”

 **HELP**

**job  
centre  
plus**

**Need help with paying your rent?**

## ALTERNATIVE PAYMENTS

To make sure the rent is always paid without having to think about it, speak to your landlord as soon as possible. ‘Alternative Payment Arrangements’ (APAs) are available to people who feel they will really struggle and could mean your UC ‘housing element’ payment goes direct to your landlord or that your UC money is paid weekly or fortnightly (rather than monthly). Or it could be that it’s important one person does not receive everyone in the household’s UC payments. APAs are really only for people who are disadvantaged in some way but includes people in debt or rent arrears. There is a long list of people who could apply, so it’s worth checking - see [qimag.uk/ucapaa](http://qimag.uk/ucapaa). The best time to apply is at your first UC interview, otherwise call the number on page 27.

Talk this through with your landlord. Claimants tell *Quids in!* that because deductions for advances or benefit caps, or against any earnings, come out of the ‘housing element’ of your payment, it can get very confusing for both you and the landlord. You need to work together on this and your landlord might prefer a different approach.



**Need help with basic needs?**

## HARDSHIP PAYMENT

UC claimants who receive a sanction may be able to apply for a Hardship Payment, which is a loan and has to be paid back once benefit payments resume. To apply, claimants have to call the UC helpline (page 27) and prove they cannot meet their ‘basic needs’ such as accommodation, heating, food and hygiene and Jobcentre Plus will expect you to cut out luxuries. It is also seen to be a last resort for people who haven’t been able to access any of the other help listed here. [qimag.uk/uchardship](http://qimag.uk/uchardship)



 **TURN OVER FOR  
MORE HELP...** 

## LOCAL AUTHORITY

➔ **Whichever department at your local council deals with Housing Benefit or Council Tax should have some help on offer for new UC claimants.** This is often the 'Revenues and Benefits department' but different authorities have different names for these teams. If Housing Benefit is one element of your Universal Credit claim, ask if there is any help

Your local council may consider you for a Discretionary Housing Payment (DHP) if it is rent you're struggling to pay. Different authorities have different rules, so ask the housing department if you can apply. Shelter advise that you should make clear the hardship you're facing, especially if you feel you may be made homeless.

DHP can also cover tenancy deposits, advance rent payment and the cost of removals. You cannot claim DHP if you're behind because you have been sanctioned by Jobcentre Plus. Shelter's advice page: [qimag.uk/qidhp2](http://qimag.uk/qidhp2)



"DHP may be back-dated and you don't need to repay it"

## HOW D'YOU GET ON?

If you need help and follow any of these steps, let us know how you get on. Whether your experience is good or bad, we'd like to know. Email us at [editor@quidsinmagazine.com](mailto:editor@quidsinmagazine.com) or write to Quids in! magazine, 3 Monmouth Place, Bath, BA1 2AT. (If you make it into our letters page, you could win £50.)

# WHERE To Go

- Speak to your Income Officer at Southwark Council or Citizens Advice Southwark, if you're worried about UC
- Always tell your landlord when you know you're moving to Universal Credit
- Your local council may also have a special welfare team
- The Money Advice Service has clear information about the changes, especially on YouTube. Search online for 'universal credit youtube'
- Turn2us has a good guide and you can check you're getting all you're entitled to. Benefits like Council Tax Reduction don't come under UC so you'll need to apply separately. They also explain how to challenge a decision
- Citizens Advice has an online guide but local offices are also likely to be the first port of call for many struggling with UC. [qimag.uk/qi27uc3](http://qimag.uk/qi27uc3)



## Quids in! Readers Club

For the latest news on UC and money issues, sign up for monthly emails from our Quids In Readers Club at [qimag.uk/QIClubReg](http://qimag.uk/QIClubReg)



## Quids in! says...

■ You may need to keep trying the helpline numbers as it has been reported that they are difficult to get through to. Plan what you need to say and have everything ready to argue your case, as you won't want to keep calling back. If you're not successful, try to get help from an advice agency such as Citizen's Advice, as many decisions are overturned on appeal.

■ It's worth doing all you can to ensure you're not in debt by the time your first UC payment comes through, which can be six weeks or longer. Once you're behind with the bills, it will be difficult to keep the money you need for rent and other essentials safe. You will get one large monthly payment, possibly one for your whole household, so staying in the black keeps the pressure and temptation at bay. Demand the help you're entitled to.

"It's in your landlord's interest for you to be able to manage"



## LANDLORD

➔ **Your landlord will be sympathetic if you're moving onto Universal Credit.** If you think you are going to struggle to manage a budget, it's worth looking at the schemes available. If you feel yourself slipping into debt, talk to them. Landlords will play hardball with people who don't keep on top of their rent but if you have a good relationship with them, they will try to keep the pressure off while you work things through. Don't bury your head in the sand.

## JOBCENTRE PLUS

**For Universal Credit enquiries, Monday to Friday, 8am to 6pm:**

**Full service:** 0345 600 4272 **Live service:** 0345 600 0723  
**Textphone:** 0345 600 0743

You will be a full service customer if you manage your claim online. You will have a UC account to manage your claim. You can also use your UC account to report changes, send messages to your work coach and find support.

If you attend Peckham, London Bridge or Kennington Park Jobcentres and need to discuss anything regarding your claim urgently, all these sites have UC officers where you can book an appointment or walk in and see a staff member.

### REMEMBER:

You'll need your National Insurance number to hand. (If you don't know your NI number, it's worth looking it up. See [qimag.uk/qinino](http://qimag.uk/qinino))  
From landlines, calls cost up to 9p per minute. From mobiles, calls cost from 3p to 55p per minute, depending on your network.

## CASE STUDY: KERRY

Kerry helps long-term unemployed jobseekers in one area that now has the 'Full' UC service. She's unimpressed: "I've seen a few people really messed about. Back when we only had the 'Live' service, one woman struggled because the only computer she could find was so old, the system timed out on her before she completed the form. At least she is now able to save it and come back to it. You have to have all the information

**"It took one person about ten weeks to get his UC claim sorted"**

you'll need to hand before you can actually complete the claim. It's best to be prepared.

"It took one person about ten weeks

to get his UC claim sorted because they kept coming back with queries. He told me it was the hardest thing he'd ever done – and this is someone who had run businesses in the city centre. Then he decided to go self-employed and that has thrown up loads more problems because he was told the system would assume he was earning minimum wage, 35 hours a week, 52 weeks a year. That doesn't even allow for holidays!"

# LAST RESORTS

The Universal Credit claim process can leave people high and dry without income for weeks. Here are a few ideas for where to go for help and advice if you're unlucky enough to be one of them

## MENTAL HEALTH

Applying for Universal Credit may be stressful, especially if we get into debt as a result, or spend a lot of time worrying about money. We mustn't be afraid to take the first step if we're feeling low, and ask for some help. We can go to our doctor, or contact one of the agencies below.

### USEFUL CONTACTS

- **Mind Info Line:** ☎ 0300 123 3393 (Mon-Fri 9am-6pm) [www.mind.org.uk](http://www.mind.org.uk)
- **Samaritans:** ☎ 116 123  
[jo@samaritans.org](mailto:jo@samaritans.org)
- **NHS Choices** information web page on help available for mental health: [qimac.uk/nhsmentalhealthhelp](http://qimac.uk/nhsmentalhealthhelp)
- **Thames Reach Academy: Southwark wellbeing hub "Together"** ☎ 020 3751 9684 [www.together-uk.org](http://www.together-uk.org)

## ADVICE AGENCIES

### SHELTER

For advice on housing-related problems, including the housing element of your Universal Credit payment.

**Tel:** 0808 800 4444  
(free from landlines and most mobile networks)  
**Web:** [shelter.org.uk/advice](http://shelter.org.uk/advice)

### CITIZENS ADVICE

For help with all the above, including appeals against decisions and accessing support and advice on managing your budget. Adviceline is a national service run by Citizens Advice national. In Southwark, Citizens Advice have offices in Bermondsey and Peckham where you can drop in or call for telephone advice.

**Tel:** 03444 994 134  
**Web:** [www.southwarkcabservice.org.uk](http://www.southwarkcabservice.org.uk)

### ADVISING LONDON

For frontline and digital support on a range of issues including money management, welfare benefits and housing advice.

**Tel:** 020 3752 5520 **Web:** [www.advising.london](http://www.advising.london)  
**Advicehub:** 6-8 Westmoreland Road SE17 2AX

## SOUTHWARK EMERGENCY SUPPORT SERVICE (SESS)

The scheme offers help to Southwark residents who may be in crisis or experiencing an emergency by providing a range of support including the provision of white goods, flooring, bedding, clothing, fuel vouchers and food parcels. You must be in receipt of a qualifying benefit, so if you would have been on or entitled to income support, jobseekers allowance or employment and support allowance (income based). The scheme is discretionary with limited resources, so it is only able to help those in the greatest need.

**Tel:** 020 7525 2434

**Web:** [southwark.gov.uk/benefits-and-support/emergency-support](http://southwark.gov.uk/benefits-and-support/emergency-support)

## SOUTHWARK GROUP OF TENANTS ORGANISATIONS

An independent community organisation that provides free support, information and training for tenants and leaseholders on areas such as digital skills, budgeting and employability

**Tel:** 0207 639 6718 **email:** [info@sgto.co.uk](mailto:info@sgto.co.uk)  
or drop in at the Bells Gardens Community Centre, Peckham SE15 6UJ

## MONEY HELP

If you already have money worries, UC will add some pressure in the short-term, so get help now. If you struggle to make the changes and find you're falling into debt, you may also want to make contact.

### LOAN SHARKS

The National Illegal Money Lending Team tackles loan sharks. To report a loan shark anonymously you can call them 365 days a year on ☎ **0300 555 2222**, text LOAN SHARK and your details to **60003** or email them at [reportaloanshark@stoploansharks.gov.uk](mailto:reportaloanshark@stoploansharks.gov.uk).

### CREDIT UNIONS

Credit unions are not-for-profit organisations that provide bank accounts, loans and savings. They may help people the banks won't. Your local credit union in Southwark is London Mutual Credit Union, ☎ **020 7787 0770**, [www.creditunion.co.uk](http://www.creditunion.co.uk).

### BENEFITS

- People with disabilities or carers should contact the Disability Benefits Centre (☎ **0345 605 6055**) and for Child Benefit and tax credits call Inland Revenue (☎ **0845 300 3900**).
- Council Tax and Housing Benefit is dealt with by your local council.
- Free benefits calculator [www.entitledto.co.uk](http://www.entitledto.co.uk)

### DEBT ADVICE

For free debt advice and help, contact any of the organisations below.

- National Debtline  
☎ **0808 808 4000**  
[www.nationaldebtline.co.uk](http://www.nationaldebtline.co.uk)
- StepChange Debt Charity  
☎ **0800 138 1111** [www.stepchange.org](http://www.stepchange.org)
- Citizens Advice  
[www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)  
☎ **08444 111 444**
- Christians Against Poverty (CAP)  
[www.capuk.org](http://www.capuk.org)  
☎ **01274 760720**





## NEXT STEPS

Moving onto Universal Credit is worth the effort. With one monthly payment, it's easier to budget and ensure important bills are paid, like rent. We can also work and keep more of our earnings compared to the old system. This could be a new start

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### How UC aims to make work pay

# GET **MOTIVATED** FOR CHANGE

**Whatever the reason**, sometimes we just need to make some changes. That might include pinning down our money, getting online or finding work. But why is it so hard? And why do some succeed while others stay stuck in a rut?

**"A**t the end of the day it's a choice and it's up to you to make the choice that's going to serve you best.<sup>1</sup>" Jessie Pavelka is a familiar face to many Good Morning Britain viewers, motivating the nation to lose the pounds and get fit. He's a Texan hottie with a disarming charm and a mission to give people the means to shed the pounds. He's found quite a following in the UK and although his arena is health and fitness, his outlook applies to many of life's challenges where it can just seem too hard to make the changes.

*Quids in!* research has found there are six bad habits that hold many of us back. We need to turn these on their head and make them work for us. But as Jessie says, we have to be determined: "It's pretty easy to make the wrong choices, to make the right choices you have to wake up and commit. You have to wake up and be excited, excited about the struggle, excited about the things that are going to be put in front of you and appreciate the hard times."

### **1 SHUT OUT THE NOISE AND KEEP THINGS SIMPLE.**

When thinking about money, it's easy to be overwhelmed. Break things down into small steps. If it's all too much, get some advice

**2 IMAGINE LIFE DIFFERENT.** Picturing how bad things will get if nothing changes can be a driver. So can seeing ourselves once we have moved on

**3 IT MAY NOT ALL COME OUT IN THE WASH.** There's a reason to change and hoping for the best won't do. They say one definition of madness is doing the same thing time and again and expecting the outcome to be different

**4 BUY NOW, BUT WHAT IF YOU CAN'T PAY LATER?** It's one thing to give in to temptation when trying to lose weight, but if it's the rent money that's gone and the budget won't stretch, things can go wrong

**5 ME AND MY VICES.** Spot, and try to break, bad habits that work against our long-term goals. It could be sleeping in or bad time-keeping among jobseekers or takeaways and non-essential clothes for people struggling to pay bills

**6 EVERYONE ELSE IS DOING IT SO WHY CAN'T WE?** If we feel we have to keep up with the Joneses, we'd better make sure they're in the same boat or have the same goals as we do



**"To make the right choices you have to wake up and commit"**

**Jessie Pavelka** lifestyle and fitness champion

<sup>1</sup> <https://pavelka.co.uk/>

# HAVING YOUR CAKE... AND EATING IT

**Jeff Mitchell** is editor of *Quids in!* but also an expert on job hunting – he's even written a book on it. He reckons Universal Credit could actually make work pay. Here, he exposes the secrets every UC claimant should know on working the system and finding a job

**W**ho says we can't have our cake and eat it?

Here's a little secret.

Unlike with the old system of benefits, jobseekers on UC can start earning and keep their benefits. In the past, the DWP would take almost all that jobseekers earned from their benefits. And they'd have to sign off if they work 16 hours or more. Not any more, not on UC.

For parents, or those deemed less able to work, there's an allowance they keep however much they earn. For everyone else, more than a third of what is earned can be kept while the rest comes off benefit payments.

## INSPIRED

Once we've made it onto the system then, it makes sense to start thinking about work because we can properly boost our bank

balance. But where do we start?

I've spent the past twenty five years helping jobseekers find work and when I'm not running *Quids in!* magazine I still do. About five years ago I decided to figure out what makes the difference between success and failure and last year I published the book that reveals what I found. It's called *I'm Ready – the 7 signs that show you're right for the work*.

It was inspired by people like Denise. She already had most of the signs switched on when I met her. She knew what she liked doing, she could talk with confidence to me as an employer, and she'd proven she was motivated by turning up to our 7 Signs training course. I could tell she had skills and she'd come for help with the rest.

"The 7 Signs training made me think about what I had to offer," Denise told me. "I recognised skills that I had taken for

granted or just didn't believe were of value. This enabled me to focus and by the end I had a clearer view of what I wanted to do.

"I found the confidence to believe in myself once again and felt more positive about presenting myself to employers. I felt very motivated."

We helped her identify skills and match them to what she liked doing, then she set a target for finding a job where she could have both. She worked out how to present her goals and find help if she wobbled. She just needed the chance to show she knew what employers wanted and how ready she was.

## LEVEL PLAYING FIELD

As an employer myself, but one who aims to employ long-term unemployed people whenever I can, I've come to realise the way many firms recruit is rubbish. They think





*"I found the confidence to believe in myself once again and felt more positive about presenting myself to employers"*

they create equal opportunities but it's only a level playing field for people who have been working and whose lives have always been straightforward.

The book, *I'm Ready*, is not a guide but is written as a story. It's like *The Breakfast Club* or *Dead Poets Society* and the characters learn as much from each other as they do from their teacher. But it's not fiction. It's based on the real-life stories of jobseekers who have attended our training.

When I meet jobseekers, I see the person they could become. I've worked with people with a very chequered past and there's nothing to be gained by looking backwards. By focusing on some clear vision about life as it could be, many see beyond the barriers.

For new UC claimants, it could be time to think of starting anew and beginning to do more to bring a little extra money in. For those who have had their benefits capped, or been sanctioned or hit by the Bedroom Tax, there's a new option to work off those setbacks.



## WIN Each month\*

We are giving away copies of *I'm Ready* – 7 signs that show you're right for the job. All you need to do is sign up to the Quids In Readers Club to receive our monthly money help emails and we'll enter you in a free draw. **Go to [qimag.uk/QIClubReg](http://qimag.uk/QIClubReg)**

\*While stocks last

# How much better off would I be *in work?*

Universal Credit is designed to make you better off in work. To see how much better off you would be, look at the work allowance tables below. This is the amount of extra money on top of Universal Credit you can earn each month without any deductions. After that limit is reached you still get to keep 37p in every pound.

If your Universal Credit award contains a Housing Costs element, your work allowance will be the lower work allowance in the table below. If it doesn't, your work allowance will be the higher work allowance.

**EXAMPLE** Sam is a single parent with two kids. Her monthly UC payments



**£564  
PER MONTH  
BETTER OFF!**

were £1,500 to cover everything including rent but she's just got herself a job. Now she's earning £1,200, so where does that leave her?

On the old system, she'd keep her wages but have almost all deducted from her benefits. To calculate UC, she initially loses all £1,200 from the £1,500 UC payment but now she also keeps a £192 allowance plus 37p in every pound after that (which comes to £372.96). So,

she'll have her wages and also receive the £300 difference between benefits and earnings plus £192 plus £372.96.

By the end of the month, she'll receive £2,064.96. She is £564.96 better off.

## HIGHER WORK ALLOWANCE - not claiming benefit for housing

<b>Single claimant</b> 	- not responsible for a child or qualifying young person	<b>£0</b>
	- responsible for one or more children or qualifying young persons	<b>£397</b>
	- has limited capability for work	<b>£397</b>
<b>Joint claimants</b> 	- neither responsible for a child or qualifying young person	<b>£0</b>
	- responsible for one or more children or qualifying young persons	<b>£397</b>
	- one or both have limited capability for work	<b>£397</b>

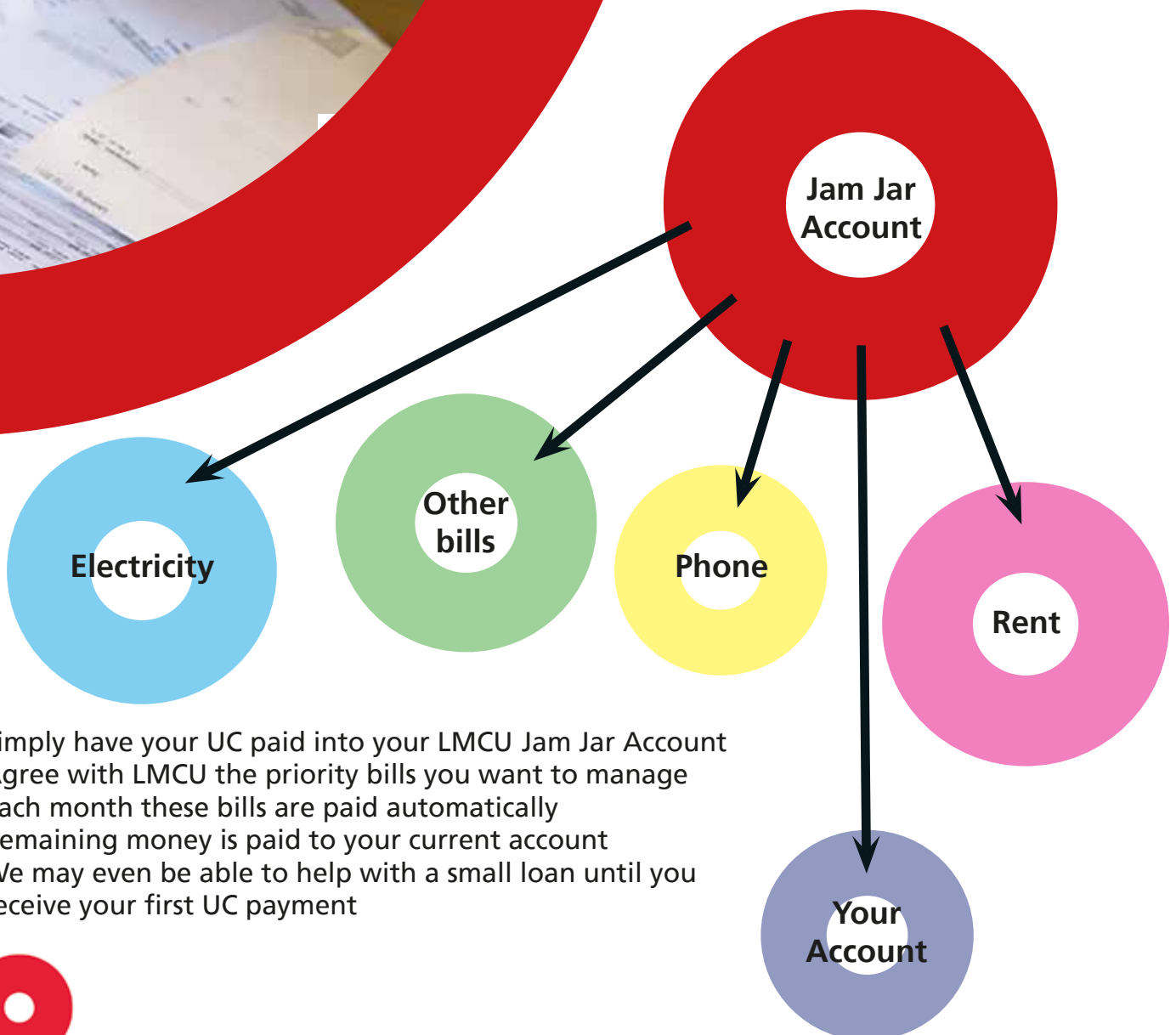
## LOWER WORK ALLOWANCE - claiming benefit for housing

<b>Single claimant</b> 	- not responsible for a child or qualifying young person	<b>£0</b>
	- responsible for one or more children or qualifying young persons	<b>£192</b>
	- has limited capability for work	<b>£192</b>
<b>Joint claimants</b> 	- neither responsible for a child or qualifying young person	<b>£0</b>
	- responsible for one or more children or qualifying young persons	<b>£192</b>
	- one or both have limited capability for work	<b>£192</b>



# Is Universal Credit making you worried about managing your bills?

The Jam Jar Account from London Mutual Credit Union can help you keep things simple



- Simply have your UC paid into your LMCU Jam Jar Account
- Agree with LMCU the priority bills you want to manage
- Each month these bills are paid automatically
- Remaining money is paid to your current account
- We may even be able to help with a small loan until you receive your first UC payment



**London Mutual**  
Credit Union

[www.creditunion.co.uk](http://www.creditunion.co.uk)  
Tel: 020 3773 1751 Email: [info@creditunion.co.uk](mailto:info@creditunion.co.uk)