

Checklist for Employer Engagement

Based on experiences within the Pathfinder this is a checklist of areas to discuss when engaging with employers about Universal Credit. This can be as part of your normal course of business, presenting Universal Credit as part of the breadth of DWP Offers within Your Business: Our Business, using existing employer forums or for live service areas, specific Universal Credit forums during the initial months of live service.

The ending of the 16 hour rule

The current JSA 16 hour rule can be restrictive for employers who in today's fluctuating markets need greater flexibility. Many employers cannot guarantee a minimum number of hours and those on Universal Credit can take up the offer of a part time/temporary job without the fear of losing all their benefits at once. When an employer offers more hours the employee can increase their hours and their payment will reduce gradually as take home pay increases. Particularly relevant for sectors such as care, agencies and vacancies with zero hours contracts.

PAYE in real time information (RTI) what is it and why is it relevant?

Universal Credit payments for claimants in work are linked to information captured through the new PAYE in real time system (RTI) which was introduced in April 2013 for employers, and automatically adjusted accordingly. More than 99% of employers are now reporting their employee PAYE to HMRC in real time. Read the [RTI factsheet](#) before sharing this information and links with employers.

How Universal Credit is paid

Universal Credit claims are made on line and paid monthly into bank accounts – in line with how the majority of the UK's employers pay wages. This will help claimants to become work ready – developing their budgeting and IT skills. The [personal planner](#) can help people to develop these skills before they are affected.

How Universal Credit will affect the current workforce?

Many people are unaware that as Universal Credit rolls out, Working Tax Credit claims will stop and those currently claiming Tax Credits will move over to claim Universal Credit. For many employers this will be a large proportion of their existing workforce, so Universal Credit will affect their employees. Many employers welcome this as they find some staff on Working Tax Credit are reluctant to increase hours during busy periods as Tax Credits are not adjusted monthly so overpayments can occur.

Good News Stories

Identifying good news stories may be more difficult to identify as claimants do not sign off Universal Credit when they start work, therefore maintaining contact with employers is even more important. Do ask them to let you know their views on taking on a Universal Credit claimant, so we can use this to promote Universal Credit to other employers.

