



DWP use of PAYE reported in
real time in the administration of
Universal Credit

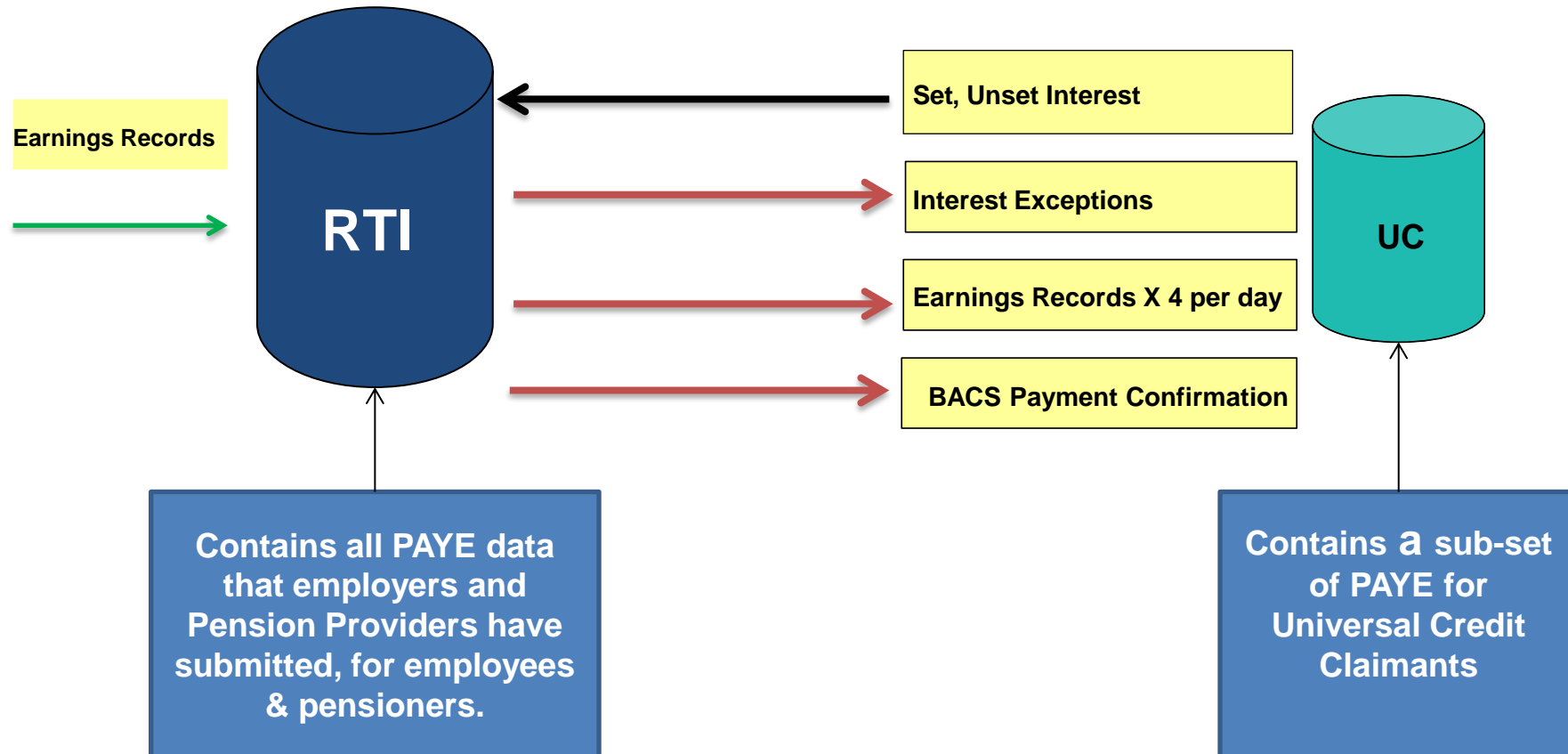
Universal Credit – Six Benefits into One

- Before
 - Income Support
 - Job Seekers Allowance
 - Employment and Support Allowance
 - Working Tax Credit
 - Child tax Credit
 - Housing Benefit
- After
 - Universal Credit

Universal Credit Roll-out Plan

- Continue to roll out the service in a careful and controlled way
- From May 2016 to Feb 2017 we have introduced the full-service into a minimum of 5 jobcentres per month
- At this point there will be no new claims to any existing benefit which Universal Credit replaces in that locality
- From July 2017 we will expand to 30 job centres per month, scaling up from October 2017 with the full service across the whole of Great Britain by September 2018.
- The managed migration of existing benefit claims will start July 2019 and complete March 2022

How do RTI and Universal Credit work together



The RTI / UC story so far

It works

- The vast majority of PAYE real time data is received in Universal Credit in a timely manner.
- The vast majority of this PAYE real time data is correct.
- PAYE RTI data is used in nearly half of Universal Credit award calculations

However, we cannot be complacent and you can help us to help your employees

Examples of Data Items causing minor issues

- Data quality (Employee Personal Details)
- Employee Start and End Dates not being completed correctly or left blank
- Irregular Payment Indicator
- Occupational Pension
- Tax – Year to Date figures being re-set
- Pension – Relief at Source (RAS) – Year to date figures same as this period
- Benefits In Kind – Year to date figures same as this period
- Payroll ID / Works Number

Non or late Submission of RTI data

Actually paid	x a x x	x x x b	x x x c	X x x x
Reported paid	x a x x	x x x	b x x x	X x x x

a = RTI reported late, but doesn't impact claimant's UC award.

b = RTI reported late but does impact claimant's UC, because it is received in the next AP.

c = a payment made, but which is never actually separately reported via RTI.

X = The next RTI submission in which the YTD figures include the missing payment paid at c

The implications of getting it wrong

- Employees not receiving the amount of Universal Credit to which they are entitled;
- Employers and pension providers receiving unnecessary and unwanted contact:
 - Personal data issues
 - Tax deduction issues
 - Benefit entitlement issues
- And - of course – employers and pension providers will not be meeting their statutory obligations...and therefore running the risk of incurring penalties