

Backdated Pay and Universal Credit

Universal Credit Payments May Stop or Reduce

If you receive Universal Credit, the amount you get changes if your take-home pay changes. This includes awards of backdated pay. If you get additional pay within a Universal Credit assessment period (month), your Universal Credit payment will either be less than you normally receive, or your income may be too high to qualify for a payment.

Universal Credit is calculated on your personal circumstances. Because of this we, as your employer, do not know how, or if, you may be affected.

The 2025-27 Local Government pay award is scheduled to be in place and paid with a backdated award of 4% to 1st April 2025 as follows. This will be followed with a further 3.5% in April 2026:

Pay Frequency	Pay Date
Fortnightly	11 th September 2025
Four Weekly	16 th September 2025
Monthly (0410MO)	25 th September 2025

This increase together with the backdated payment means you will either receive less Universal Credit than normal or you may even earn too much to qualify, and your Universal Credit claim will close. If your claim closes, you will see a message on your UC Journal telling you about this.

Will Universal Credit Payments Start Again Automatically?

No. If Universal Credit payments stop because you have had additional pay, you must start up your claim again. You should do this as soon as you can to make sure you do not miss out.

How Do I Reclaim Universal Credit?

Log into your UC journal and select the "Reclaim" tab. You will find this at the bottom of the screen. This will take you to a new screen where you will be asked to answer a few simple questions. If you have any problems doing this, contact your Work Coach or visit your local Jobcentre Plus.

You can access your UC Journal at www.gov.uk/sign-in-universal-credit
An overview of Universal Credit can be found at www.gov.uk/universal-credit