

Freedom of Information request 2501/2014

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Information request

'Under the proposed Universal Credit programme, please can you tell me how we will receive our benefits if we dont have a bank account (as bank wont give us even a basic account.

If prepay credit card is going to be used, how will I be able to get cash without paying a fee at the atm?'

DWP response

The majority of claimants in receipt of Universal Credit (UC) in live service areas do use mainstream banks or building societies. For those without a mainstream bank or building society account, all major UK banks already offer basic bank accounts, which do not require credit checks as part of the opening process.

Where a claimant is unable to access any other form of banking solution, the Department has the ability to make UC payments into a Post Office card account or via Simple Payment.

DWP has developed a range of tools and guides with the Money Advice Service to help claimants with choosing and opening a bank account for their Universal Credit payments. There is also further information on alternative methods of payment:

<https://www.moneyadviceservice.org.uk/en/articles/choosing-a-bank-account-for-your-universal-credit-payment>

Prepaid cards are one such alternative. The charges associated with prepaid cards are set by the provider and we recommend that claimants check these charges with the provider before they set up an account.