



# Universal Credit - One Year On

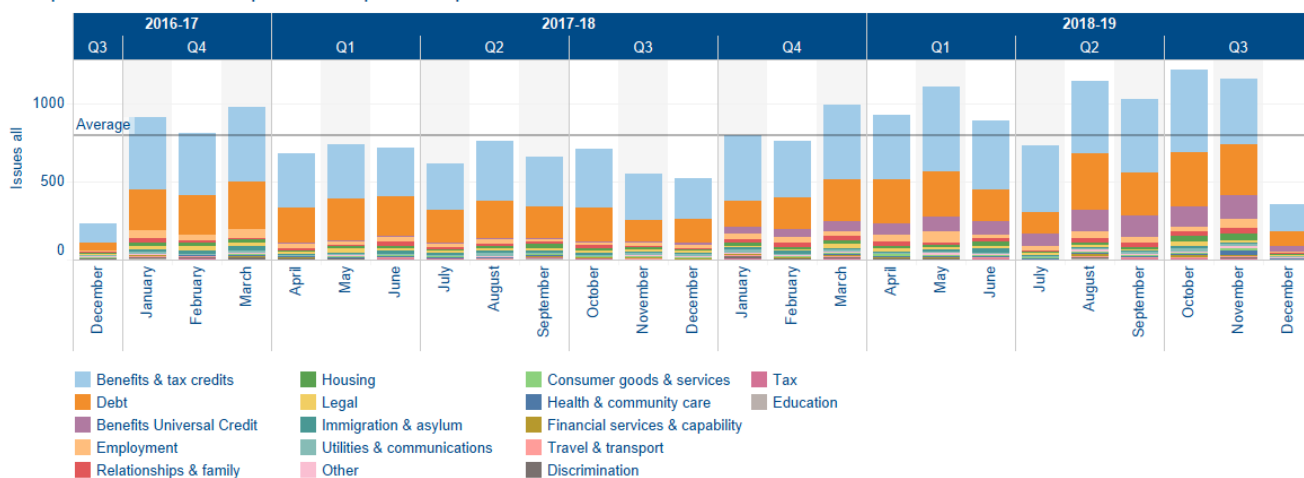
This report covers the period 13 December 2017 to 12 December 2018 in respect to Universal Credit (UC) queries handled by Citizens Advice Swansea Neath Port Talbot. This covers the period of one full 12 months since the roll out of the full service of UC in the City and County of Swansea.

## Introduction

We are gradually seeing more and more people who have problems with UC. Sometimes these people are the same ones who have issues with the 'legacy benefits' such as Employment and Support Allowance or Housing Benefit and a change in circumstances has led to a 'natural' migration onto UC. But our clients find the regime anything other than natural when for some, they face debt for the first time having to wait for payments and when they have to engage with an intransigent IT system that cannot cope for many individual's circumstances.

## Upward trend of Universal Credit and Debt issues presented

Graph of issues for last period and previous period



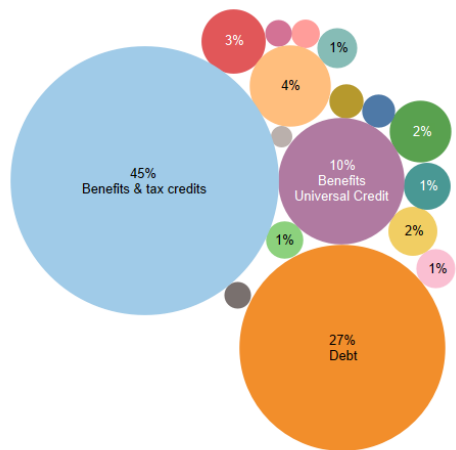
**Figure 1: Total demand areas for Citizens Advice Swansea Neath Port Talbot from 13 December 2016 to 12 December 2018 – The year since and before Universal Credit was rolled out in Swansea.** (Note: The main office was closed for 3 weeks during July 2018 due to an office move)

The graphic below demonstrates the comparisons with the two years to 13 December 2018 contrasting the nature of service demand at Citizens Advice Swansea Neath Port Talbot

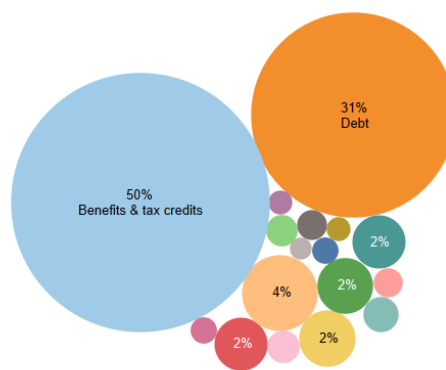
(CASNPT) prior to and after roll out of the full service of UC in Swansea.

**Part 1 issues % of all: Last Year compared to Previous Year**

Last year size part 1 issues



Previous year size part 1 issues



- Benefits & tax credits
- Benefits Universal Credit
- Consumer goods & services
- Debt
- Discrimination
- Education
- Employment
- Financial services & capability
- Health & community care
- Housing
- Immigration & asylum
- Legal
- Other
- Relationships & family
- Tax
- Travel & transport
- Utilities & communications

■ Issues all LY    ■ Issues all PY

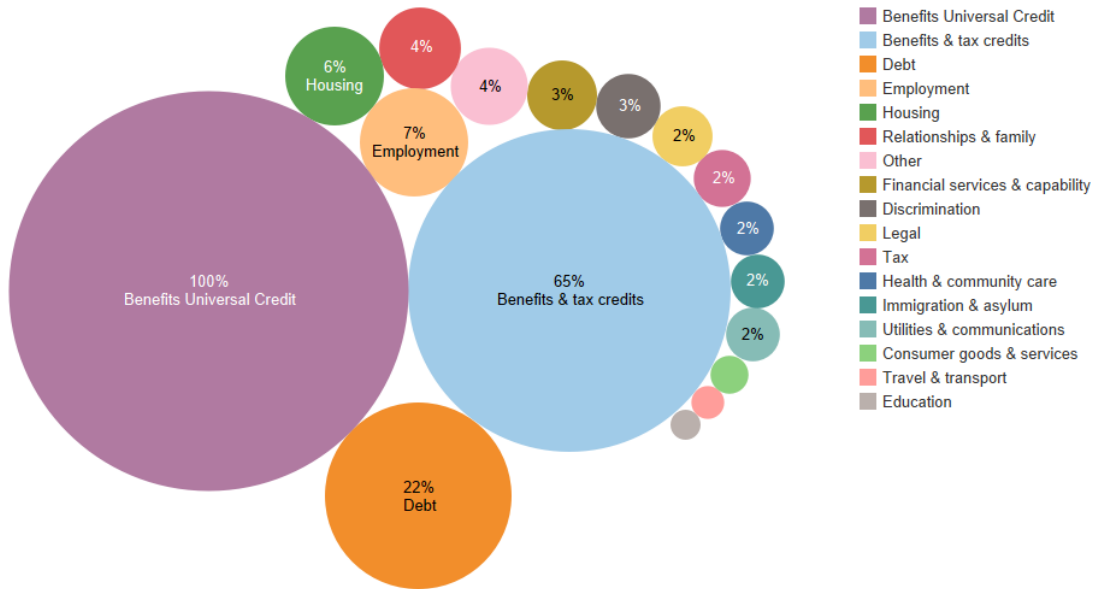
**Figure 2: Main issues presented to CASNPT in the years to 13 December 2018 and to 13 December 2017 (Swansea statistics only)**

As with a number of other issues people who face claiming or problems with UC payments also have other issues – like Debt or Family and Relationship Problems and of course, Housing. The next graphic demonstrates the interplay for clients with UC issues and the other problems they face.

**Cluster report - Benefits Universal Credit part 1 issu..**



Office group	Issues (part 1)	Start date	End date
Swansea Neath Port..	Benefits Universal C..	13/12/2017	12/12/2018



**Figure 3. Cluster report – year to 12 December 2018 – the main issues clients brought to us in addition to their UC query**

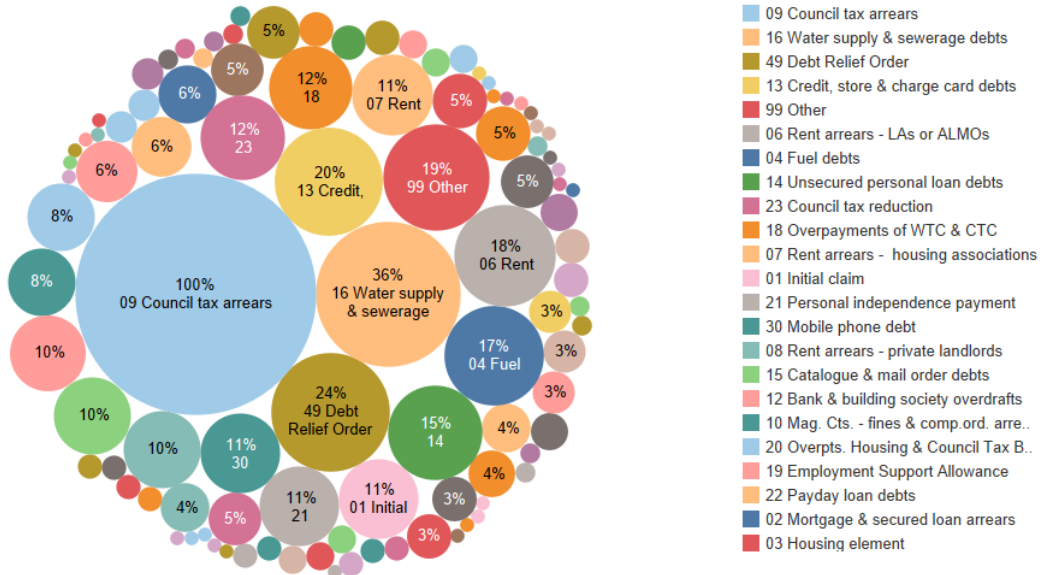
Of the 886 clients who presented with a problem in respect to UC, 577 of these had other benefit or tax credit problems and 193 had debt problems.

The following cluster report looks at those clients who presented with a Council Tax Arrears issue and the other problems they face (Note: Council Tax Arrears is a sub-category of the main Debt category).

**Cluster report - Benefits Universal Credit part 2 issu..**



**Office group** Swansea Neath Port.. **Issues (part 2)** 09 Council tax arrears **Start date** 13/12/2017 **End date** 12/12/2018

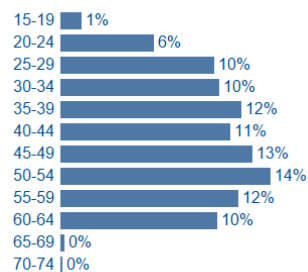


**Figure 4: Cluster of issues associated with clients bringing council tax arrears issues to our service (across all local authorities)**

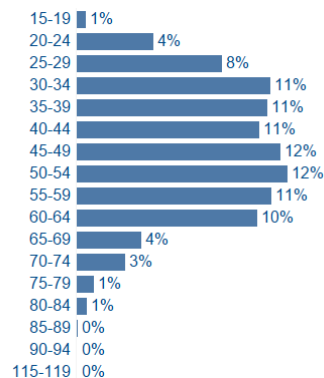
The data shows that 39% of people bringing a council tax arrears issue also had rent arrears and 36% water arrears.

**So who are the most affected?**

**All UC clients in Swansea**



**All clients in Swansea**



**Figure 5: Age Profile – Calendar Year 2018**



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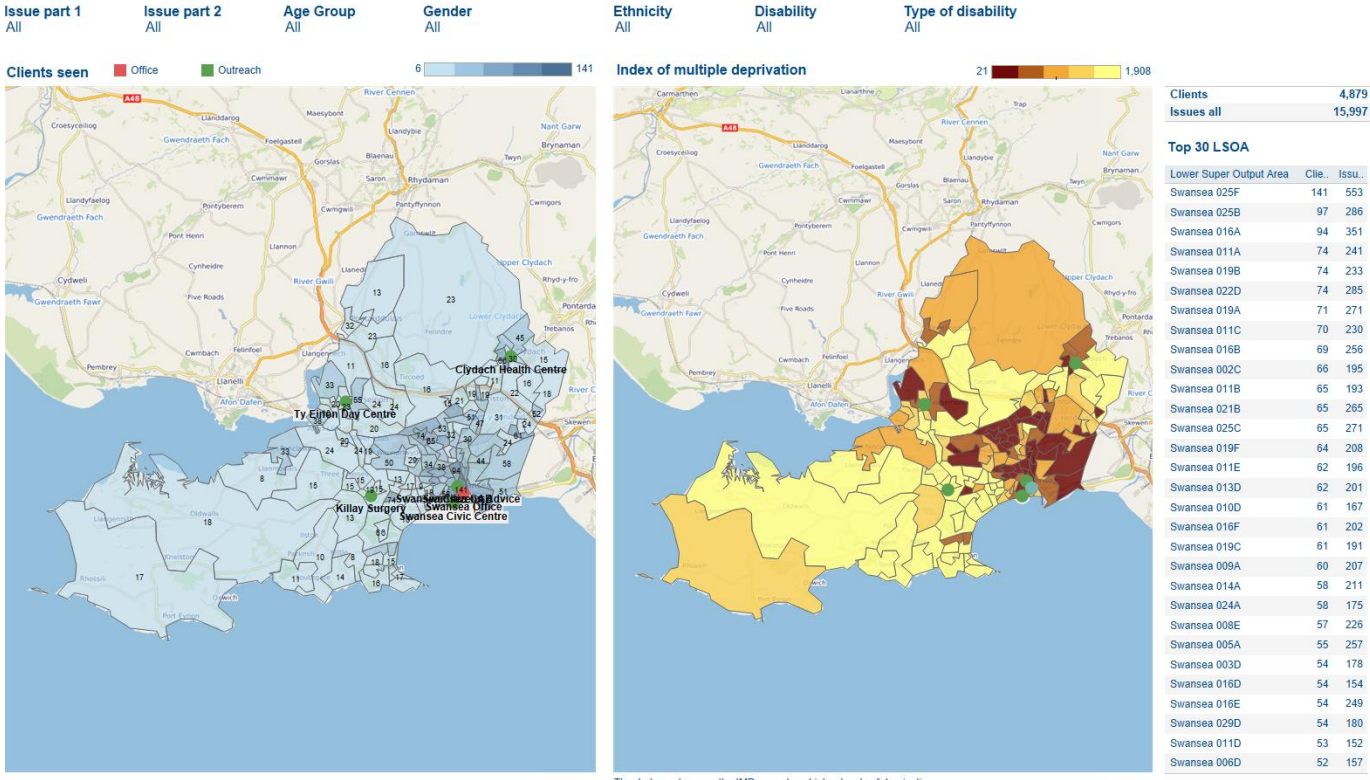
Not surprisingly the age profile is much more condensed for clients with UC issues compared to all our clients - centring around working age - though there are some smaller outliers such as over 65s.

59% of all clients from Swansea indicate they have a long term health condition or disability compared to 55% for clients claiming UC. The same proportion of female clients feature for UC clients specifically as for the whole client population from Swansea at 54%.

### **Case Study 1 – Extreme Hardship caused by deductions for overpayment**

Client had previously had a ‘live’ service claim which had been migrated to the digital ‘full’ service and therefore subject to the delays in monthly payments. He took up a couple of advances to keep him going but when he got his first payment he was only left with £96 to live on for the month. This was due to a shortfall on his rent payment of £100 despite living in a one bedroom flat and lack of alternatives (something he could afford when working). He had recovery for a previous advance repayment and Housing Benefit overpayment which he had been struggling to understand with the council for several years. DWP had agreed to suspend recovery of another advance but if that kicks in he will be on half of the £96 per month. Client is very desperate to know how he will cope.  
**Swansea West**

**We are now in discussion with the Manager responsible for Housing Benefit Overpayment Recovery in respect to a measured approach to collection of historical Housing Benefit Overpayments this will inevitably help to prevent a lot of hardship specifically for those moving from the legacy benefits to UC through natural or managed migration.**



**Figure 6: Where Citizens Advice Swansea Neath Port Talbot clients come from in Swansea (Data for calendar year 2018)**

The above figures show where all our clients from Swansea come from. The Figure below looks at where those with UC and the following figure where clients with Debt problems come from.

The Top Lower Super Output Area (LSOA) for each data set is Swansea 025F for UC and all clients the second top is Swansea is 025B but for Debt the second highest LSOA represented is 011C.

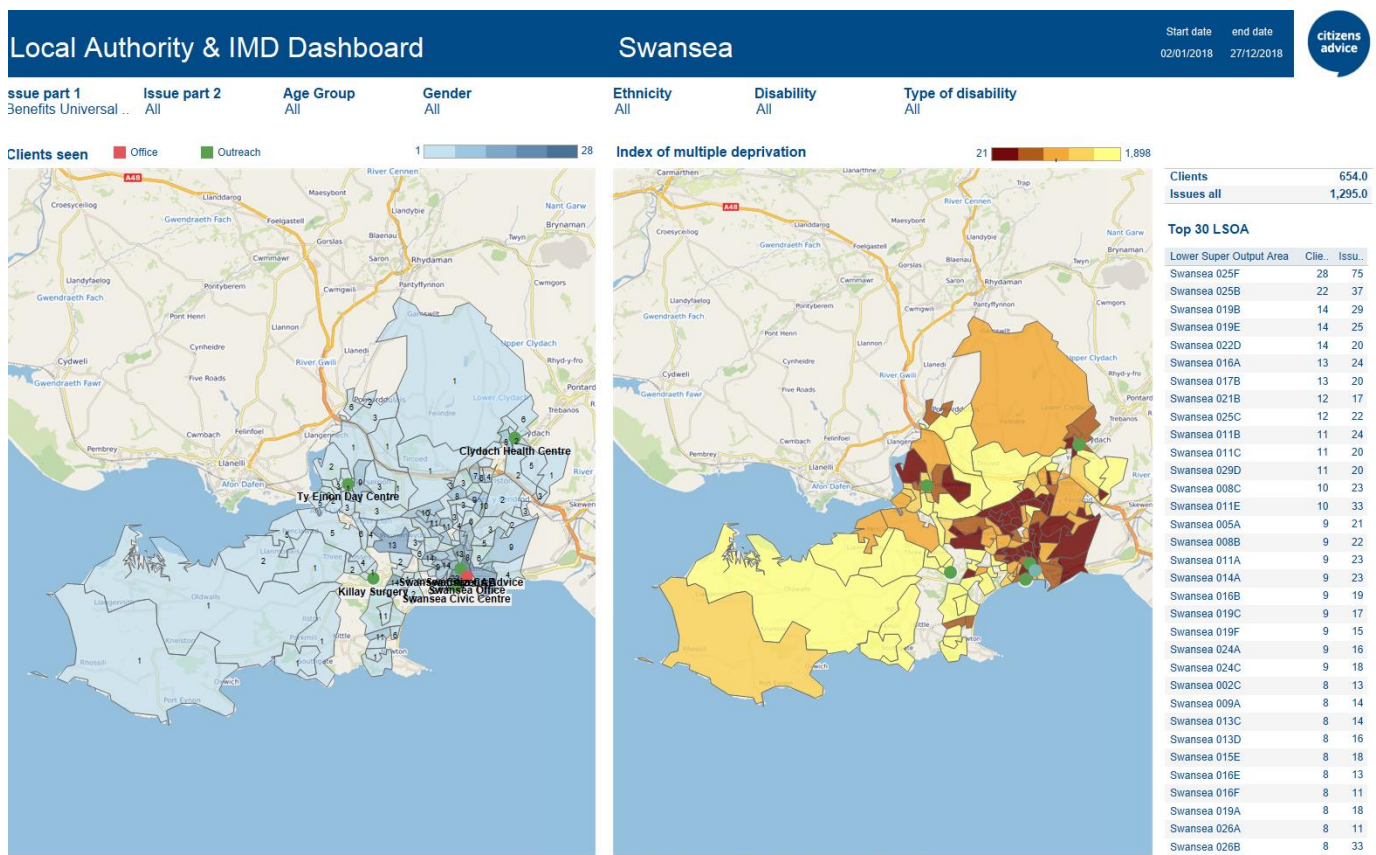


**Case Study 2 – Zero Hours contract**

In the period we have had a number of enquiries in respect to UC and varying income including supporting individuals who are on Zero Hours Contracts:

Client visited us in August 2018. He and his partner live with their 2 year old daughter in social housing. He works on a zero hours contract. His hours and pay vary each month. In July he made a UC claim. His journal indicates that his payment is made up as follows:

Standard allowance: £317.82 (single, partner not eligible); Child element: £277.08 and Housing costs: £412.23. Following deductions for advance payments, and rent arrears, client was only paid £250.56 towards his housing costs. He also didn't receive anything in the first month towards his living costs. He now has debts including over £1,000.00 of rent arrears as a result. **Swansea East**



**Figure 7: Where Universal Credit clients come from in Swansea (Data for calendar year 2018)**

**Case Study 3 – Additional layers for getting rent payment direct to landlord**

Client came to our drop in service, because he had not received his first UC payment promised on 28 June. He has received an advance payment. Client very impatient, threatened to go up to Bangor to 'sort them out'. The adviser phoned UC 0800 328 5644 and after about 20 minutes spoke to L. After security questions to client (getting more angry) she explained that there had been a request for rent to



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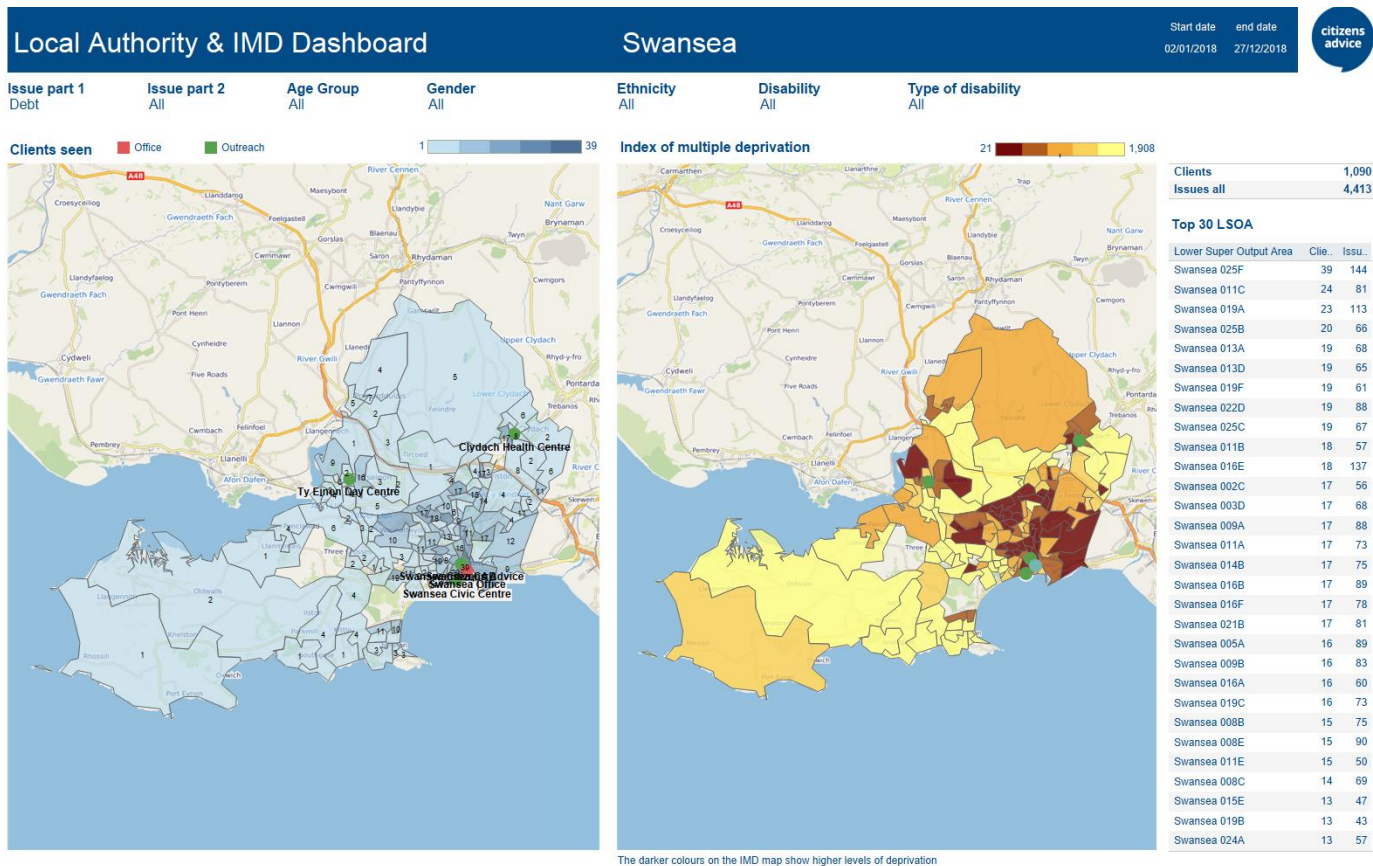
be paid directly to landlord, but landlord had not submitted the correct form (UC47 form). Client showed the adviser the letter from landlord to UC requesting this. Explained this to client, who says that UC had previously accepted this. Client said that landlord was currently away on holiday.

We advised client that he could expedite payment by cancelling his request for direct payment to landlord on his journal. Then when landlord has returned put in new request for direct payment and ensure that landlord uses online form. Client reluctantly accepted this. Offered to add this payment request to his journal. Client agreed. Log in to client's journal and add the following, under category Payment. *'Please cancel my request to make direct payment to my landlord and release my first payment.'*

Client said that he would go straight to the Job Centre. Subsequently client came back to CA, saying that JC not helpful. Asked adviser to phone UC again. After usual menus etc got through to L2. Explained situation. L2 wanted to ensure that client would pay rent and that client contacted landlord on his return to complete UC 47 form. Then L2 actioned the request. Asked when he would receive payment: before midnight today. **Client happy.**

**Swansea**

**East**



**Figure 8: Where clients with Debt problems come from in Swansea (Data for calendar year 2018)**

**Case Study 4 – Three children error**

Client lost his job on 10 July 2018. He received Child Benefit for three children under 18 and partial Housing Benefit (£227 of £ 550 rent). He was informed by the Job Centre that he should submit a UC





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claim. He completed the online process and was issued a claim number. When he attended the job centre on 24 July 2018 he was told he could not make a UC claim as he has three children. Client has therefore lost two weeks whereby he could have claimed Job Seekers' Allowance and other benefits to support himself and his family. **Swansea West**



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### **The impact on our service**

Taking the figures for just November 2018 alone we found that this was our busiest month so far with UC issues now in third place after Personal Independence Payment and Employment and Support Allowance as top benefit problems brought to us. Given the desperate circumstances individuals find themselves in it is not surprising that stress levels for frontline staff are increasing.


The following indicates the proportion of people with specific problems who presented with a new issue in November 2018. (Our December figures are not a true month reflection given the seasonal shutdown from Christmas Eve to 2 January)



**1 in 2** of our clients had a problem with Personal Independence Payment



**More than 1 in 4** clients had a problem with Employment and Support Allowance



**More than 1 in 6** clients had a problem with Universal Credit and demand is rising

As well as our advice giving role we have been active in the last 12 – 18 months in research and collecting evidence to campaign for a fairer Benefits system as well as specifically for UC changes. Collectively with nearly 300 or so other Local Citizens Advice offices and other welfare organisations we have seen some changes in various aspects of UC – a Freephone line, clear escalation routes within the DWP for intractable cases, reduced waiting times, access to advance payments, continuation of Housing Benefit for people moving onto UC from a legacy benefit for two weeks, changes in the way social landlords respond to rent arrears and local authorities to the collection of council tax and an acknowledgement that the amount of recovery for advance payments and overpayments should be reduced.

In the last year we have completed a report assessing the value of our own Personal Budgeting Support service offered in Neath Port Talbot and drawn out client experience of whether they were or were not in debt prior to going onto UC. This report is available for download here: <https://citizensadvicesnpt.org.uk/wp-content/uploads/2018/10/Universal-Credit-The-Impact-of-Personal-Budgeting-Support.pdf>

We have contributed to the Public Accounts Committee Inquiry following the National Audit Office report both as an individual service and collectively as part of a national Citizens Advice Service response. Our response can be found here:



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**<https://citizensadvicesnpt.org.uk/wp-content/uploads/2018/07/CASNPT-PAC-Enquiry-UC-July-2018.pdf>**

We have contributed to the Social Security Advisory Committee's (SSAC) consultation in respect to the Managed Migration regulations for moving those people from the 'legacy' benefits to UC and were pleased to hear their robust recommendations to the DWP that managed migration should not take place until further 'fixes' to the system are achieved. Our response can be found here: **<https://citizensadvicesnpt.org.uk/wp-content/uploads/2019/01/SSAC-Submission.pdf>**

We contributed to the Welsh Government's response to their consultation around the eligibility for free school meals for people on UC. Our response can be found here: **<https://citizensadvicesnpt.org.uk/wp-content/uploads/2019/01/Free-School-Meals-v2.pdf>**

We recently contributed to the Department of Work and Pensions Committee's Inquiry in respect to the current state of the 'welfare safety net.' Our response can be found here: **<https://citizensadvicesnpt.org.uk/wp-content/uploads/2019/01/UK-Parliament-Work-and-Pensions-Committee-safety-net-Inquiry-2018.pdf>**

### **Conclusion**

Collectively all services are pulling together to assist people harshly impacted by the UC regime. On a monthly basis our national Chief Executive meets the Minister for DWP and other colleagues in the national research and campaigns team meet ministers in between and attend SSAC scrutiny meetings – providing evidence collected from local services such as our own. This has led to the agreement with DWP for Citizens Advice nationally to deliver a new UC Support Service offer from April 2018. Plans are being put into place for a District wide Best Practice Lead who will work with individual local authority, DWP and welfare partners to disseminate good practice but cascade changes ahead and generate evidence for further change to Central Government via the national body. Alongside this there will be support for individuals in making a claim, gathering the evidence to support early payment and to ensure individuals have someone to turn to during the period of waiting for a UC payment – some of this will be based in Job Centres, some in our main Swansea office (including additional IT) some over the telephone and through webchat.

We believe we are in a unique position to both assist individuals but also to raise the main hardships and problems with the current UC system configuration and argue for further improvements over the coming 12 months.

We look forward to continuing to work with colleagues across the local authority, in other not for profit organisations and with the Department of Work and Pensions, specifically Jobcentre Plus staff in the local offices.

Copies of these responses and other campaigning documents can be found on our website: **<https://citizensadvicesnpt.org.uk>**



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