

Universal Credit

... With Some Exceptions

A
*Management
Summary*

Universal Credit is a single social security payment that replaces and combines six pre-existing means tested benefits. It is claimed online, and it is paid monthly. Amounts range from £251.77 to £498.89 for a couple aged over 25: these may be enhanced by elements for children, housing and disability, for example.

The “Full Digital Service” was introduced in Sedgemoor in May 2016, and it generated a large “spike” in our workloads. But the 90% of people who’s lives have changed little since then still claim legacy benefits – they are expected to migrate in the next year or so. This is a huge concern for Citizens Advice Sedgemoor.

In February 2019, 5,342 families claimed Universal Credit in Sedgemoor.

More than a third of claimants (38%) have dependent children – so at least 88 children in Sedgemoor have been affected in May to July 2019.

More than half of our clients (this is also true of Universal Credit Clients in particular) are disabled, or have long term health conditions.

More than one in eight (>12%) have mental health issues. This is 90 people (April to July 2019).

About a third of Local Assistance Scheme Applications (most of which are for access to the Food Bank) relate to Universal Credit.

Clients main problems with Universal Credit are:

- An online claim assumes that the claimant has access to the equipment and the connections, and that he or she has a degree of IT literacy. Broadband is still not available throughout Sedgemoor; and a significant proportion of our clients (26 to 51%, depending on the criteria used) lack the skills.
- The delay of five weeks between application and the first payment.
- Allowance rates have been capped since 2012. A basket of goods costing £100 in 2012 would now cost £113.01. Prices are rising, but benefits are not.

Citizens Advice Sedgemoor is not opposed to the concept of Universal Credit. But we wish that its implementation was simpler and more sympathetic.

Help To Claim has been a positive influence, but it does not go far enough. Three quarters of the UC work is outside its definition and therefore is not funded.

At the same time as this sea change in benefits, core local authority funding from Somerset County Council has been withdrawn from Citizens Advice Sedgemoor. Funding has reduced for the food banks; and libraries, post offices and banks are withdrawing from rural areas. Which makes this something of a perfect storm – for the organisations, and more importantly for our clients.

We Make Five Recommendations

Recommendation 1 – Digital By Default ?

Citizens Advice Sedgemoor strongly and urgently recommend that the assumption that clients can apply, and maintain their application online should be reviewed in the light of declining public transport in rural areas, and the withdrawal of libraries in rural areas.

Recommendation 2 - Boundaries of Help To Claim

We recommend that the scope of Help To Claim, and the associated funding must urgently be increased. Ongoing matters should be within the definition, such as:

- Changing Circumstances – such as adding or removing a partner, or the arrival of children
- Appeals and Mandatory Reconsideration
- Housing
- Fit notes and recording them
- Debt advice and budgeting support
- IT problems such as logging in to the Claimant's Journal
- Hardship payments
- Deductions issues
- Overpayments
- Sanctions

Recommendation 3 – Support for Food Banks

We strongly and urgently recommend that for the sake of adults and children in poverty, funding for food banks must be restored to support those whose poverty is pushed to desperation by UC.

Recommendation 4 – Link Rates to Inflation

We strongly and urgently recommend that the Benefits Cap be lifted in order to mitigate the worst of the poverty, including child poverty, that is associated with UC. UC should be linked to the Consumer Price Index.

Recommendation 5 – Severe Disability Issues

We strongly and urgently recommend that the Department of Work and Pensions resolve and clarify the workings of the processes for Severe Disability benefits.

We recommend that the Local Authority commission Citizens Advice Sedgemoor to give advice and support in this and other UC matters to vulnerable people in accordance with Section 4 of the Care Act 2014.

Recommendation 6 – Implications of Universal Credit



Sedgemoor

We recommend further research to establish the links between UC and poverty, vulnerability, homelessness and mental health; and to establish whether instances of cases with those links are increasing.