

# Universal Credit: claiming during the coronavirus pandemic

## A survey of housing association tenants claiming Universal Credit in 2020/21

July 2021

### Overview

Universal Credit is the most significant change to the welfare system in decades. The Department for Work and Pensions (DWP) is rolling it out over a number of years, via a test and learn approach. It is gradually replacing a number of existing benefits, including Housing Benefit.

The system has been tested by the coronavirus pandemic, with increasing numbers of households needing to claim financial support. Latest figures show that the number of social housing tenants claiming the housing element of Universal Credit grew by 46% from March 2020 to February 2021. There are now 1,088,851 households living in social housing claiming the housing element of the benefit. We wanted to find out experiences of people claiming during the pandemic, particularly in relation to their experience of the service and the impact of claiming. The Social Housing White Paper calls for housing associations to act on the tenant voice. We wanted to put tenant voice at the heart of any discussion on changes to the benefit system, so conducted the largest ever survey of social housing tenants claiming Universal Credit.

This report highlights key findings from one of the largest surveys of people claiming Universal Credit since the benefit was announced in 2012. Over 3,500 people who were claiming, or had claimed Universal Credit, in the last 12 months responded to the survey. We make a series of recommendations for the government, the DWP and housing associations based on the findings and evidence gathered in the survey. The survey ran from 17 April to 19 May 2021 across eight housing associations, members of the National Housing Federation (NHF). Many questions repeated those of the NHF's previous survey on claimant experience with these housing associations, conducted in 2019 and reported on in ['No time to wait'](#).

[The executive report can be downloaded on our website.](#)

## Summary of this research

Our survey found many positives about the system and service received, but overall there was a very mixed experience. Some found claiming easy and straightforward, praised work coaches, and said the journal (part of the online claim where DWP staff and people claiming Universal Credit exchange and record information) was an easy way to manage their claim. Others found Universal Credit difficult. Claiming online was complicated or confusing, the journal slow and inflexible, and staff sometimes rude and unhelpful.

More worryingly, however, we found evidence of severe financial strains, including food insecurity and high levels of anxiety. While we cannot say that Universal Credit causes these strains, it was clear that many respondents were struggling while claiming Universal Credit.

## Thank you

A huge thank you to the eight housing associations who administered the survey and the thousands of their tenants who spent their time completing the survey and sharing their experiences. Special thanks to:

- Rachel Robertson and Matt Gibbins from Abri.
- James Place and Lewis Holloway from Accent Housing.
- Emma Owens from Curo.
- Justin Freeman and Nick Traynor from ForHousing.
- Liam Hodge, Nicky Mercer and James Dunmall from L&Q.
- Chris Parks from South Lakes Housing.
- Linda Tookey and Lisa Brenchley from VIVID.
- Stephen Jackson and Jo Woodcock from Wythenshawe Community Housing Group.

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## Introduction

The National Housing Federation (NHF) is the trade body for housing associations in England. We want to understand what impact Universal Credit is having on our housing association members and their tenants. This report outlines findings from one of the largest surveys of people who have claimed Universal Credit. Our housing association members provide homes for around six million people, and are driven by a social purpose: providing good quality housing that people can afford.

In total, 3,520 housing association tenants responded to the survey from eight different housing associations. All these people answered questions on the Universal Credit service, their experiences claiming (including what led them to claim), and the impact that this has had on them. The eight housing associations involved were: Abri, Accent Housing, Curo, ForHousing, L&Q, South Lakes Housing, VIVID, and Wythenshawe Community Housing Group.

## About this report

We have structured this report around five main sections:

1. **The claimant journey**, including the trigger for claiming, any delay to claiming, ease of claiming, and the wait for payment.
2. **What impact claiming has had on the respondent** financially and in terms of health and wellbeing.
3. **Moving (back) into work.**
4. **Experience of the Universal Credit service, from information and advice of staff at point of claim to managing their claim online and updating rent.**
5. **Experience with their housing association** in terms of support for claiming and what more housing associations could do to help.

We then consider some of the implications of the main findings for the £20 cut and support for people claiming before concluding with a summary of our findings and recommendations.

## Context

Since April 2013, Universal Credit has been introduced gradually, replacing income-based Jobseeker's Allowance, income-based Employment and Support Allowance, Income Support, Working Tax Credit, Child Tax Credit and Housing Benefit.

Universal Credit aims to simplify the benefit system and make it easier for people to move into work. As such, it is one monthly payment designed to mirror salaried employment and be easier for the government to administer.

Universal Credit is being rolled out over a number of years via a ‘test and learn’ approach. The next stage of Universal Credit rollout is the managed migration of claims from the legacy system. After the suspension of a managed migration pilot in Harrogate due to the coronavirus pandemic, the government is yet to confirm how and when managed migration will roll out.

There has been a huge increase in the number of people claiming Universal Credit since the start of the coronavirus crisis. The DWP data shows that the number of households in England claiming the housing element of Universal Credit in the social rented sector has increased by 46% from March 2020 to February 2021 (from 744,823 to 1,088,851 households). This represents 27% of all social renters in 2019-20, as measured by the English Housing Survey. The regions with the biggest increases in households claiming are the South East (56%), London (54%) and the East of England (52%).<sup>1</sup>

Due to the coronavirus crisis, the government has made a number of temporary amendments to Universal Credit to support those economically affected. This included a £20 per week uplift in Universal Credit (and Working Tax Credit) payments, suspension of the minimum income floor policy for self-employed people earning and claiming, suspending conditionality and suspending certain types of deductions. Conditionality and deductions began to resume from July 2020.<sup>2</sup> The £20 uplift, which is due to end in October 2021, means the standard allowance for a single person over 25 is currently £411.51 as opposed to £324.84 a month. You can find more about the allowance rates in the [Appendix](#).

## About the research

This survey is one of the largest of people claiming Universal Credit during the coronavirus crisis, and is the only survey to focus on social housing tenants. It aimed

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<sup>1</sup> Department for Work and Pensions, Stat-Xplore, Households on Universal Credit, Housing Entitlement - Tenure and National - Regional - LA - OAs by Month, 23 February release

<sup>2</sup> [Mackley, A., Hobson, F. and Kennedy, S. \(2021\) Research briefing: Coronavirus: Withdrawing crisis social security measures](#)

to understand social housing tenants' experiences of claiming, the service, and the impact that claiming had on them.

The NHF worked with eight housing associations to survey their tenants claiming Universal Credit. The eight housing associations were: Abri, Accent Housing, Curo, ForHousing, L&Q, South Lakes Housing, VIVID, and Wythenshawe Community Housing Group.

The housing associations each built their own version of the survey and were responsible for collecting responses from their tenants. While every effort was made to keep the surveys the same, the way it was administered (including different survey platforms) has resulted in some variation in the survey design, including question routing or logic, and question or answer choice wording. Where this is the case, it is highlighted in footnotes.

This was a repeat of the survey undertaken in 2019, the results of which are reported in our publication 'No Time to Wait'.<sup>3</sup> The survey was broadly the same as that designed by Curo in 2019, with some amendments and additions. Added questions related to understanding the impact of the coronavirus pandemic, financial impact of claiming, wellbeing, and employment and skills. Where possible, we have compared with previous results, though this is not possible for new or amended questions.

The survey was live between 19 April and 17 May 2021. Some housing associations encouraged participation through prize draws.

## About respondents

A detailed breakdown of respondents is in the [Appendix](#). In summary, we had 3,520 people from one of eight housing associations respond, all of whom had claimed Universal Credit in the last 12 months or were currently claiming.

- The majority of survey respondents had claimed Universal Credit for six months or more (79%, n=3,503).
- Respondents were older than the national population of people claiming, reflecting the older age distribution of housing association tenants according to the English Housing Survey.

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<sup>3</sup> [The National Housing Federation \(2020\) No time to wait](#)

- A fifth of respondents (20%, n=3,493) were affected by the removal of the spare room subsidy (colloquially known as ‘the bedroom tax’). This is in keeping with the national proportion for social housing tenants.
- Almost a third of respondents (30%, n=3,484) said they were affected by the household benefit cap, which is much higher than national figures (though we cannot break the national figure down for housing association tenants).
- We suggest the DWP review the effectiveness of the spare room subsidy on encouraging downsizing and the benefit cap for moving into work. During the coronavirus pandemic it was, at times, impossible to move to a smaller property, and many would have needed any spare room to work, self-isolate from the household, or study. The benefit cap was imposed at a time when many people could not work due to restrictions.
- Around two in five respondents were working (39%, n=3,022), which is broadly in line with national proportion of people claiming, where 37% (n=5,186,098) were in work in April 2021. Survey respondents who worked were largely in part-time jobs (57%, n=1,159) or full-time contracts (26%, n=1,159). Other workers were self-employed (9%, n=1,159) or on zero hours contracts (9%). A quarter of respondents were not fit for work (25%, n=3,022).
- In total, 67% of respondents who answered the question said they had claimed some type of benefit before (n=3,490), most commonly Housing Benefit or tax credits.

## 1. The claimant journey

### What leads to claims?

We asked claimants to select their main trigger for claiming Universal Credit. We based these on the themes identified in our last survey. A quarter of respondents to this question selected ‘Other’, with no further detail available. The second most common reason was that they or their partner stopped working due to ill health (13%, n=3,452) and the third was that they had a child (11%, n=3,452). Table 1 shows the breakdown in responses. Those who answered that they stopped working due to ill-health, had recently left employment, or their working hours changed were asked whether this related to the coronavirus pandemic – 26% confirmed it was (n=950).



Table 1 What was your main trigger for your Universal Credit claim?

Main trigger	Count	Percent
I or my partner stopped working due to ill-health	460	13%
I had a child	391	11%
My relationship ended	341	10%
I or my partner recently left employment (not because of ill-health)	306	9%
I moved house	179	5%
My/my partner's working hours changed	175	5%
I or my partner were furloughed	168	5%
I took on my first tenancy	103	3%
Bereavement	82	2%
My maternity leave ended/child reached school age	79	2%
I or my partner started working	79	2%
I or my partner was found 'fit for work' at my Employment & Support Allowance (ESA) review	67	2%
My partner moved in	63	2%
I or my partner went from being sick to in work	29	1%
I or my partner left education	25	1%
Other	905	26%
<b>Grand total</b>	<b>3,452</b>	<b>100%</b>

When it came to how prepared they were for Universal Credit, a quarter of respondents said they were completely unprepared (n=2,921). This might indicate that sudden and unexpected changes can lead to claims. Figure 1 shows the breakdown.

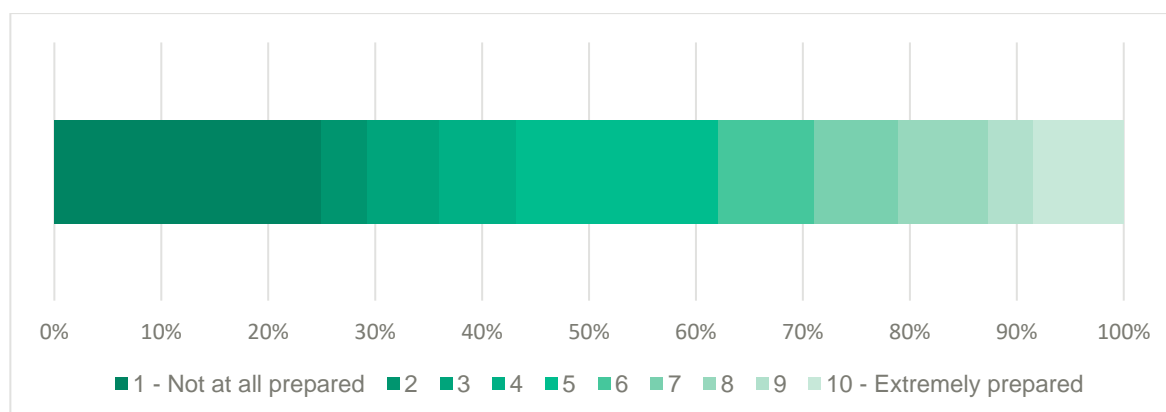


Figure 1 Responses to 'On a scale where 1 is extremely unprepared and 10 is extremely prepared, how prepared do you think you were for Universal Credit?' (n=2,921)

Respondents to the survey repeatedly asked to be treated as individuals. While each of their circumstances were certainly unique and their needs differ, some themes and patterns can very broadly segment claimants. People may fall into one or more of the following cohorts during their claim journey:

- Working claimants.
- Claimants who have just lost their job and expect to claim for a short period before returning to work.
- Furloughed or self-employed affected by the economic impact of the coronavirus crisis.
- Claimants in a state of crisis (e.g. fleeing domestic violence).
- Disabled claimants or those with limiting health conditions.
- Carers.
- Single parents.
- Long-term unemployed.

Cutting across many of these segments are people experiencing mental or physical health issues, those with dependent children, and those making joint claims. We did not have time to analyse differences by these suggested cohorts, but may explore later if the need arises.

## Delays to making a claim

The vast majority of those claiming did not delay their claim when their circumstances changed. 62% of those who answered the question said they did not delay (n=3,519).

Just over a fifth of respondents said they delayed making their claim (21%, n=3,519), with a further 17% saying they couldn't remember (with 82% of these claiming for six months or more, n=598). This is consistent with the DWP's own research, through the Universal Credit full service omnibus survey, which found around a fifth of claimants delayed making a claim for Universal Credit,<sup>4</sup> and slightly lower than our previous survey, which found 23% delayed.<sup>5</sup>

The most common reasons for delaying were that the respondent had heard Universal Credit was difficult, followed by thinking that they wouldn't qualify for the

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<sup>4</sup> [DWP \(2019\) Universal Credit Full Service Omnibus Survey](#)

<sup>5</sup> [The National Housing Federation \(2020\) No time to wait](#)

benefit. The latter point is interesting as many respondents commented that what would have made their claim easier was having more information and advice about what benefits they were entitled to. Personal circumstances also contributed to around a sixth of delays. More detail is in Table 2.

When examined by claim trigger, those who were furloughed (36%, n=168) or bereaved (33%, n=82) were proportionately more likely to delay.

Table 2 Reason given for delay to claim

Reason for delay	Count	Percent
<b>Had heard Universal Credit was difficult</b>	139	19%
<b>I thought I wouldn't qualify for Universal Credit</b>	134	18%
<b>Personal circumstances</b>	114	15%
<b>I didn't know what to do</b>	97	13%
<b>I thought my circumstances would change</b>	90	12%
<b>I thought I would get another job quickly</b>	82	11%
<b>I didn't know what Universal Credit was</b>	56	8%
<b>I thought my old benefits would start again</b>	20	3%
<b>Other</b>	7	2%
<b>Grand total</b>	<b>739</b>	<b>100%</b>

Our previous survey (which didn't include 'had heard Universal Credit was difficult' as an answer option) found that people most commonly delayed because they didn't know what to do (45%, n=780).<sup>5</sup> Universal Credit's reputation accounted for 1% of responses. As with our current survey, we don't know where the reputation came from. Judging by comments in our most recent survey, delays due to Universal Credit being difficult, relate to people who claimed previously, or tried to claim, but found it difficult making or managing the claim ("the process was long-winded and difficult" respondent aged 25-34, claiming for three months or more but less than six months). The media also played a part (see section on [bad press](#)). For others, it appeared to be word of mouth:

- “Everyone I know who switched over to universal credit warned me that it will provide substantially less support compared to the old system. Eventually, I had to report a change in circumstances whereby they will force you to switch over. It was very tough during the peak of the pandemic to have switched over and have support deducted.” (Respondent aged 45-54, claiming for six months or more)

Those claiming due to the coronavirus pandemic were more likely to say they delayed. 37% said they delayed claiming (n=247), with a fifth saying they delayed because they thought their circumstances would change (n=91).

For those who marked ‘Other’ (56 respondents), the majority were recoded to existing response options. Most (26) were recoded to ‘Personal circumstances’. These were numerous and covered:

- Health – “In hospital for spinal injury” (Respondent aged 45-54, claimed for six months or more).
- Mental health – “Poor mental health prevented me applying” (Respondent aged 25-34, claimed for three months or more but less than six months).
- Bereavement – “My husband died of Covid in March 2020, I was in shock for 2 months and didn't think about important things like my rent.” (Respondent aged 55+, claimed for six months or more).
- People living off other income (earnings, savings or inheritance).
- Waiting for appeal decisions on Employment Support Allowance.
- Perceived stigma of being on benefits – “Felt embarrassed to be on universal credit because I've always worked.” (Respondent aged 25-34, claimed for six months or more).
- Lack of identification (one due to Windrush).
- Student finance affecting Universal Credit.

Three respondents put off claiming due to the wait (“I knew I would have to wait a significant amount of time before a payment would be made” Respondent, age unknown, claimed for three months or more but less than six months).

## **The wait for first payment**

More than two thirds said they did not have money to cover the waiting period (69%, n=3,417). More than a third got into rent arrears during the wait (37%, n=3,419). In total 62% (n=3,419) borrowed money to pay rent, got into arrears or only paid part of

their rent over this period. While not directly comparable, due to changes in question wording, we previously found 84% (n=2,637)<sup>6</sup> did not have a final payment of wages to cover the wait and 59% (n=2,826) were not able to pay their rent.<sup>7</sup> As with our previous survey, the majority of respondents said they managed the wait by borrowing from friends and family or taking the Universal Credit advance (indicated in two thirds having deductions for an advance – see [Appendix](#)).

Borrowing from friends and family means that claiming Universal Credit affects the local economy, reducing the money flowing into local communities when borrowed money goes on essential bills. The government should re-examine the wait for the first payment in the context of the levelling up agenda. The DWP needs to better understand how people manage across this period and how they can be better supported. The economic effect of large numbers of claimants in communities appears twofold, affecting income for both those claiming and those lending. This also makes the local economy more vulnerable to shocks, should those who are lending need to claim Universal Credit. When looking at the increase in households receiving unemployment benefit during the course of the pandemic, Health Foundation analysis shows they were more likely to live in areas with high rates of receipt prior to the coronavirus pandemic.<sup>8</sup> The government should investigate the economic effects of the wait when relying on friends and family for loans.

Time and again, in comments on the wait for first payment, the desperation of people's circumstances came out. When asked how they managed the wait, people talked about how hard it was, how much they went without (from food to heating), and how they fell into debt. People had to make the choice between feeding themselves (or their children) and paying their rent or other bills. Due to the length of time respondents had been claiming (or delays), some of them would have waited longer than five weeks for their first payment:

- “Borrowed money. Fed my children and ate whatever was left. It was hard.”(Respondent aged 25-34, claiming on and off for several months)

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<sup>6</sup> Previously ‘Did you/do you have a final payment of wages equivalent to a month’s full time salary to help see you through the wait for your first Universal Credit payment?’ changed to ‘Without taking out a loan or advance, did you/do you have enough money to help see you through the wait for your first Universal Credit payment?’

<sup>7</sup> Question same ‘While waiting for Universal Credit were you/are you able to pay your rent?’, but options changed from Yes/No/Other to Yes, all of my rent/Yes, some of my rent/No, I got into arrears/No, I had to borrow money/I didn’t have my own property at the time

<sup>8</sup> [Wilson, H. and Finch, D. \(2021\) Unemployment and mental health: why both require action for our COVID-19 recovery. The Health Foundation, 16 April 2021.](#)

- “I went skint after using my last money to pay rent. I had no heating for 2 months and ate 1 meal every other day. I had no money as such to manage only help from friends and family.” (Respondent aged 55+, claimed for six months or more)
- “bought less food, didn’t go anywhere, sat in the dark, wrapped up well to keep warm, used less electric, gas and water..” (Respondent aged 55+, claimed for three months or more but less than six months)
- “I lived off food banks, used extra blankets for warmth instead of putting heating on and used any little money I could borrow to put electric on to charge my phone. I then got an advance and managed better.” (Respondent aged 25-34, claimed for six months or more)
- “I paid all of my bills but had to join a food bank to be able to eat.” (Respondent aged 45-54, claimed for six months or more)
- “I went hungry and cold and so did my daughter I also have no family and her father left when she was young so not good at all.” (Respondent aged 35-44, claimed for three months or more but less than six months)
- “I had to get myself into Debt just to put food on the table for my children and myself after I suffered domestic violence from my ex partner. When he left I was left with no money, nothing, had to wait for my payment and that just about covers my bills and that’s it. I’m worse off on universal credit” (Respondent aged 25-34, claimed for six months or more)
- “I was forced on to UC after being raped and sexually assaulted, after spending the previous 3 years in employment. I then had to wait 6 weeks to receive a payment. Nothing would of made that process easier.” (Respondent aged 25-34, claiming on and off for several months)
- “I had no money for 6 weeks I got food bank then they refused me that because i had it 3 times before so 3 to 4 days of a week nothing.” (W159)
- “I never managed. i had no gas or electricity, i barely ate & only just fed my daughter. no other bills were paid” (Respondent aged 45-54, claimed for six months or more)
- “The 5 week wait is horrendous. Your prior benefits are stopped even if they were due the next day and then you are left with the option of trying to survive with what you have (which is probably nothing) for over a month or going into debt for about a year or more for an advance on what you are entitled to, which then means your monthly payments are reduced, leading to more debt as you inevitably borrow money anyway to make ends meet. No real choice at all. That needs to change, immediately. For the sake of everyone's mental health. It is immoral.” (Respondent aged 25-34, claimed for six months or more)



Claimants in the survey were reliant on informal networks of support from family, friends, and neighbours to see them through, as well as foodbanks. While the advance helped people to manage, it wasn't paid immediately and was not always enough to cover expenses.

- “It [the wait] was awful but helped by getting an advance.” (Respondent aged 16-24, claimed for six months or more)
- “I had to get an advance payment, which was easy and very helpful but was not enough to cover rent. Luckily, my housing association understood.” (Respondent aged 25-34, claimed for six months or more)
- “I had to take an advance. I also had to borrow off friends and my children and rely on food banks.” (Respondent aged 55+, claimed for six months or more)
- “I was fine, I had been on so few benefits previously (tax credits stopped) having a 50% advance was amazing.” (Respondent aged 25-34, claimed for six months or more)
- “It was hard we applied for an advance payment immediately but it took 3 weeks to come through. We only had £48 per week child benefit coming in and we had to borrow money from family.” (Respondent aged 35-44, claimed for three months or more but less than six months)

For some, the wait for Universal Credit had pushed them into debt for years, debt which some have yet to recover from. Paying back the advance sometimes added to debt and hardship.

- “i was forced to apply for an advance from my universal credit as i had to wait five weeks and I'm still five weeks money short after 18 months and still pay rent arrears.” (Respondent aged 55+, claimed for six months or more)
- “I had to use a payday loan to cover the rent. I'm still catching up with my rent arrears two years later and in masses of debt as a result.” (Respondent aged 35-44, claimed for six months or more)
- “I got into debt. I waited 6/7 weeks with no help. It was awful. I got into debt.. it then spiralled out of control. I was not in debt at all. Now I have a credit card maxed out and arrears on my rent as I have bills and 4 children to feed. I used food banks too and cried a lot...When you move from tax credits to Universal credit you do not get any financial help. Nor is it back dated. Because of this, 2/3 years on I am still playing catch up.” (Respondent aged 35-44, claimed for six months or more)

- “The change over from tax credits to universal credits had a huge effect on me financially even though I had saved as much as I could in preparation, I still had to borrow money to pay my bills and food which I think is poor planning on their part. To make people get into debt for it is just not acceptable.” (Respondent aged 25-34, claimed for six months or more)
- “I had to take out the maximum advance I could and then still borrow money to get all my bills paid. I'm still having issues with rent nearly 2 years later” (Respondent aged 25-34, claimed for six months or more)
- “Having to wait 5 weeks for my first payment put me in debt for 3 years and left myself and my children living in poverty !!” (Respondent aged 35-44, claimed for six months or more)

A handful of respondents even mentioned stealing to get by, which is a measure of how desperate they were:

- “I stole food, for the first months of claiming me and my partner were receiving 350pound a month, that was gone in the first day paying bills and arrears. The food bank was a great help but can only get once a month and only has a week’s worth of food (I'm not complaining they are brilliant) but I'm ashamed to say I stole food and other products to get through the month. When I claimed income support I got about £200 a fortnight as a single person. I moved in with my partner and had to go on his universal credit and we got less money as a couple than I did single.” (Respondent aged 35-44, claimed for six months or more)

Comments suggest this was sometimes compounded by a delay in claiming, but our results show over two thirds (69%, n=2,106) of those who claimed immediately following a change in circumstance did not have enough money to cover the wait, making up 62% (n=2,350) of those who said they had no money over the wait. This underlines how little savings those on low income have. The English Housing Survey, pre-pandemic, found 80% of social renters have no savings.<sup>9</sup> It also suggests delays are not the primary driver for financial struggles during the wait.

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<sup>9</sup> [English Housing Survey 2019-20, Figure 1.8: Proportion of households without savings, by tenure, 2019-20](#)



The proportion who didn't have money for the wait falls very slightly for working claimants (64%, n=1,171). Working claimants relied on family or friends help, borrowing money, or struggled, during the wait for a first payment:

- “By cutting back a lot. Not eating meals so my son could eat. Pay day loans all of which I'm still paying back years later. I was working and on universal credit but couldn't make ends meet.” (Respondent aged 25-34, claimed for six months or more)
- “I got out a private loan. Found whole process harrowing, my partner left me without warning and I was plunged into debt and having no childcare. I was so depressed and you had to fill out form online, hard to do and I had no phone so had to borrow a friends. Then I had to go to job centre for interview although I worked, do not understand that as I was not unemployed and going through all that when just had partner left was awful. Worst thing no one ever explained cut off each month, so I continue to have trouble with 2 payments in one month. If UC had told me to hold off applying for just 5 days I wouldn't have this trouble. Worst benefit ever continually stressed and upset through it, so much so that I have seriously thought about giving up work and I have always worked.” (Respondent aged 45-54, claimed for six months or more)

While comments in this section do not prove that the wait causes hardship, they raise the question of how appropriate it is to wait a minimum of five weeks for payment (in the most extreme case, one claimant waited 17 weeks) when people are in a crisis situation and are highly likely to have no money to see them through. While the advance was a much-needed help over this period, it could add to, rather than relieve, a difficult situation.

According to figures from the Trussell Trust in 2019, food bank use rose in the months following the roll-out of Universal Credit, by 30% after 12 months and by 48% after 24 months.<sup>10</sup> The most recent research by the Trussell Trust shows that 59% of households referred to food banks were claiming Universal Credit, or waiting for their first payment in mid-2020.<sup>11</sup> While this does not prove a causal link between claiming Universal Credit and use of food banks, the National Audit Office's Comptroller and Auditor General told the DWP Select Committee that:

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<sup>10</sup> [The Trussell Trust \(2019\) #5WEEKSTOOLONG: Why we need to end the wait for Universal Credit](#)

<sup>11</sup> [The Trussell Trust \(2021\) State of Hunger](#)

- “there is enough evidence to raise this as an issue for the Department to carry out further research on, because it does need to understand better exactly what the link is and why it is cropping up in the research so far”.<sup>12</sup>

We are pleased the DWP have expanded the sample for the Family Resources Survey and included questions on food bank use within existing questions on food insecurity.<sup>13</sup>

These comments indicate that Universal Credit adds to, and potentially causes, hardship for some people (but not all - see section [support at a time of need](#)). A number of respondents suggested the solution to this would be end the wait or receive payment upfront to cover the wait.

## Advice and help to claim

Nearly half of respondents claimed at home, either on a PC/laptop (25%, n=3,316) or on a Smartphone/Tablet (24%, n=3,316). Over a quarter claimed at the Jobcentre<sup>14</sup> (29%, n=3,316) and a tenth claimed over the phone. There were good experiences here, with particular staff members singled out for praise:

- “The staff at the job centre I applied through, specifically Ian at Alton GU34 job centre, are amazing and so helpful, and helped me through the whole process.” (Respondent aged 16-24, claimed for six months or more)

12% (n=3,309) said they received help from their landlord, with 2% (n=3,316) claiming at their offices (“Have to say the help I got from my housing people was much better than job centre”, Respondent aged 55+, claimed for six months or more). A further 2% (n=3,316) claimed at a friend or relative’s house.

There were repeated calls across the survey for more information on entitlement, including an advisor to help with making the claim or someone to talk people through how Universal Credit works for an individual’s circumstances. The latter included what they might be entitled to, how it is calculated, when they should claim, and how their other income (such as sick pay or wages) would affect their claim.

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<sup>12</sup> [House of Commons Work and Pensions Committee \(2020\) Universal Credit: the wait for a first payment: Third Report of Session 2019–21](#)

<sup>13</sup> <https://committees.parliament.uk/work/953/children-in-poverty-measurement-and-targets>

<sup>14</sup> Jobcentres were closed during the pandemic, though staffed and able to deal with emergencies. As such, it is likely that those who claimed at a Jobcentre claimed pre-pandemic.

Some of these requests to speak to someone relate to people finding Universal Credit complicated and lengthy to claim for (particularly providing supporting documents or information and proof of identification). People were confused about entitlements for their circumstances. For others, it was simply that they didn't like it being an online process. Some wanted more help and support with claiming, others said they had received lots of help.

Help with claiming is officially available through the Universal Credit helpline or the DWP-funded Citizens Advice Help to Claim service. Housing associations, local authorities and advice services also provide help, and independent benefit calculators are available. We did not ask about use of these services, but comments give some indication of awareness and experience. It is clear that many are not aware of help available ("Universal credit is hard to work out if circumstances change, and there isn't an online calculator to help." Respondent aged 35-44, claimed for six months or more). Some clearly had used the helpline when making a claim. While there were often good experiences with staff, some found helpline staff rude, judgemental or unhelpful, with discussion on entitlement hard:

- "Talking to someone about the claim and how to claim very hard when not knowing what you should be claiming" (Respondent aged 45-54, claimed for three months or more but less than six months)
- "I phoned for help as I struggle with forms and the advisor was rude and not helpful" (Respondent aged 25-34, claimed for six months or more)
- "I had a telephone appointment to confirm my application and go over all the details and information. The Lady I spoke with was very friendly helpful and informative and helped me understand it all." (Respondent aged 45-54, claimed for three months or more but less than six months)
- "They were so helpful when I made my claim. I explained my situation and the person I spoke to went through everything so clearly with me" (Respondent aged 45-54, claimed for six months or more)
- "My first phone call I spoke to a man called Paul he was very friendly so didn't make me feel too anxious. We spoke about options on advance when my first pay was due in etc. He told me a lot of things and made me feel reassured." (Respondent aged 16-24, claimed for one month or more but less than three months)
- "It was pretty easy to claim & the person in the phone was very easy to talk to, it was a very difficult phone call for me because of my circumstances." (Respondent aged 25-34, claimed for six months or more)

## Experience of making a claim online

Respondents generally had success first time with claiming – 78% (n=3,284) only had to make one claim before receiving payment, 6% two, with 12% not knowing or remembering.

There was a mixed response about whether people found it easy making their claim online. For many respondents, the process of making a claim was easy and straightforward. Some of these received help from their landlord to claim. Others found it difficult. This could be because they found doing things online challenging, they found forms and providing/uploading supporting information complicated or confusing, or because they didn't understand how the benefit was calculated (and what was included) or how it responded to their circumstances.

- “It's easy and quick to do. Always have a text message if there is anything that needs attention” (Respondent aged 45-54, claimed for six months or more)
- “Due to the coronavirus my claim was put through very quickly and our advance payment was made immediately. I find the amount we receive to be more than fair and adequate so I don't know why people knew complaining that they can't live on it. I've had zero problems.” (Respondent aged 55+, claimed for six months or more)
- “Claim was quite long but simple to do and i found the response was quick” (Respondent aged 45-54, claimed for six months or more)
- “I find it easy and everyone has been helpful and understanding with helping us” (Respondent aged 45-54, claimed for six months or more)
- “The DWP online application is utter rubbish and should be rewritten by someone who understands how people like to interact with software. It is not user friendly or easy to navigate. Maybe that's the intention, to make it difficult to claim support, which could seriously affect the vulnerable and those at the margins of society.” (aged 45-54, claimed on and off for several months)
- “Yes the questions were very tricky and when one question was not satisfactory to them I had to do the claim all over again. Then they would push the month and date back saying you have to make a new claim. While I'm struggling to make ends meet.” (Respondent aged 55+, claimed for three months or more but less than six months)
- “Step by step information as it was very difficult when claiming for the first time and it takes a long time before you receive your first payment” (Respondent aged 45-54, claimed for six months or more)

- “Help with forms as I am dyslexic and my child fills all these forms in for me” (Respondent aged 25-34, claimed for six months or more)

In such cases, they wanted more support upfront with making a claim – from helping with forms, supporting documents, or talking through the process of claiming (“having someone to talk to right from the start” Respondent aged 55+, claimed for three months or more but less than six months), what was best for their circumstances, possible entitlement, and what factors affect this. Many respondents felt making a claim would have been easier if they had been able to talk their claim through with someone or had better information, advice and support right from the start.

- “I don't think it's very clear as I'm someone who has never claimed benefits so I wasn't sure what I needed to do etc” (Respondent aged 35-44, claimed for six months or more)
- “I can't do it and have to get a taxi to and from my daughter's place and get her to do it. I just don't understand it and it makes me panic.” (Respondent aged 55+, claimed for six months or more)
- “I really struggle with forms and anything like that I was sent paperwork and asked to provide things for a DWP loan to help me but unfortunately I didn't get the paperwork in on time. I just wish someone could of called and gone through it or done it for me if I answered the questions. That would of really helped me and my son and I may not be in as much debt as I am now.” (Respondent aged 25-34, claimed for six months or more)
- “Understanding that working people suddenly unable to work due to serious illness do not have the knowledge of what benefit are available and do not have the physical or emotional strength to navigate the system.” (Respondent aged 55+, claimed for six months or more)

Verification was also frustrating for some. Respondents said it would have been easier not having to go to the Jobcentre for this, with requests to move this stage online. Where it was online, which happened during the coronavirus pandemic when Jobcentres were closed, people found this to be “excessive”. Respondents requested the DWP use existing information, through historic claims.

One suggestion to make claiming easier was free mobile data or internet, particularly when the system is online. This is evident in the number of people who said they couldn't access their account online at home or could only access it through mobile

phone data (29%, n=3,233) or who struggled to pay for internet while claiming Universal Credit (22%, n=2,989). One respondent summed up the issue as:

- “The reason I have a pay as you go phone is so that I only have to pay towards the phone as and when I can afford it, but the need to access my UC account online meant I would top up simply to check my universal credit account, where otherwise I may not have chosen to top up at that point due to finance.” (Respondent aged 45-54, claimed for six months or more).

## Easy vs difficult

Respondents were more likely, on the whole, to find the process of making a claim easy, with 48% (n=3,208) rating it 7-10 on a scale where 10 was extremely easy. Figure 2 breaks this down.

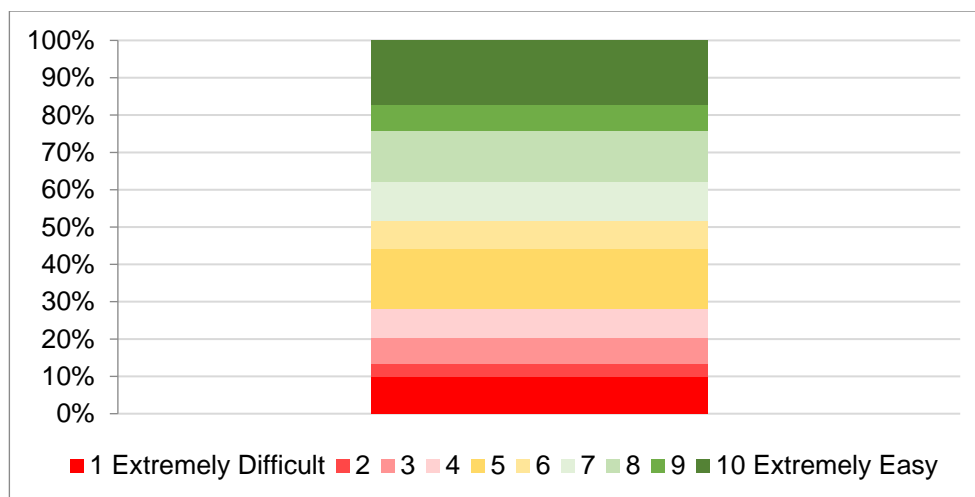


Figure 2 Thinking about the whole process from making your claim until your first payment, how easy or difficult has this been, on a scale of 1-10, where 1 is extremely difficult and 10 is extremely easy? (n=3,208)

Some of the differences in how easy or difficult people find it most likely relate to the complexity of their claim/circumstances (including any errors), their health/mental health, and personal situation. This was neatly summarised by one respondent “Depending on what you have to tell them, it can be quite complicated as to what to do in your journal”. Experience and training/advice of the DWP staff, and availability of alternative help to claim, also affect this. One respondent described claiming as a “fight”, a word that reoccurred in relation to correcting errors in claims. There were also complications with partners having to complete separate claims for joint claims and ‘untidy tenancies’ (a DWP term for an absent named tenant in a joint tenancy).

Due to the test and learn approach, the DWP have made a number of improvements to the Universal Credit system over the years. This means that some of the things



that respondents to our survey might have found difficult when they first claimed have since changed:

- “I have been on UC a long time, they've changed the things that were most difficult at the time.” (Respondent aged 25-34, claimed for six months or more)
- “When I claimed there wasn't much [of an] online services - only phones, which you had to wait forever to get through, and staff weren't very helpful. So much better now online service is available.” (Respondent aged 25-34, claimed on and off for several months)

The test and learn approach has also meant that those who moved onto the system earlier will have faced a six week wait for payment including an initial 'waiting time' week where there was no entitlement to any payment as well as no run-on of legacy benefits. Given the indicated cost of the wait, in terms of hardship and increased debt, the government should consider addressing the debt issues for these people. It is clear from responses that some respondents are still trying to pay back debt accrued during the wait years later. It seems fair, having used people to test a new system, to compensate them for approaches later deemed unworkable.

## Bad press

Linked to the issue of stigma, one issue that came up in responses was how claiming was not as bad as respondents had been led to believe by “others” and media stories.

- “Not reading bad stories [would have made claiming easier]” (Respondent aged 35-44, claimed for three months or more but less than six months)
- “Media coverage made us fear it would be difficult and put us in a bad situation, but we found this was not the case for us. It was very easy to apply, and the advance payment helped us to cover expenses until the first payment...it was nothing like we expected. We was in a sudden place where we had no income, and without Universal Credit, I don't think we'd be as stable as we are right now.” (Respondent aged 25-34, claimed for six months or more)
- “To be honest when I had to make a claim I was very scared and anxious after hearing people's horror stories but I was very surprised by how easy it was the long wait for first payment was awful and really should be reduced...what I love about uc is that you don't get overpaid like you use to with child tax.” (Respondent aged 25-34, claimed for six months or more)

There have been some positive stories on Universal Credit, particularly how it held up during the coronavirus pandemic.<sup>15</sup> It is clear that Universal Credit is not as bad as some people expect, though others describe it as the “worst benefit ever”, a “shambles” and “an absolute nightmare”. Further positive stories to prevent delays could be not cutting the £20 per week uplift and ending the five-week wait. If the wait can’t be ended, the DWP should include more circumstances where claims can be backdated to point of entitlement and extend the run-on of legacy benefits to five weeks (rather than the current two-week run of housing benefit<sup>16</sup> and other income related DWP benefits<sup>17</sup>).

We also do not think that the DWP talk enough about improvements made and how they respond to user feedback. Comments from respondents show that the system has improved since launch and it would be good to discuss these publicly more, particularly the role of user testing.

## 2. The impact of claiming

### Paying for the essentials

Our survey found that 53% (n=3,050) of households who had claimed Universal Credit agreed with the statement ‘Universal Credit is an adequate safety net to ensure no one struggles with the basics in life’ (33% tending to agree and 20% strongly agreeing). 39% tended to disagree or strongly disagreed – see

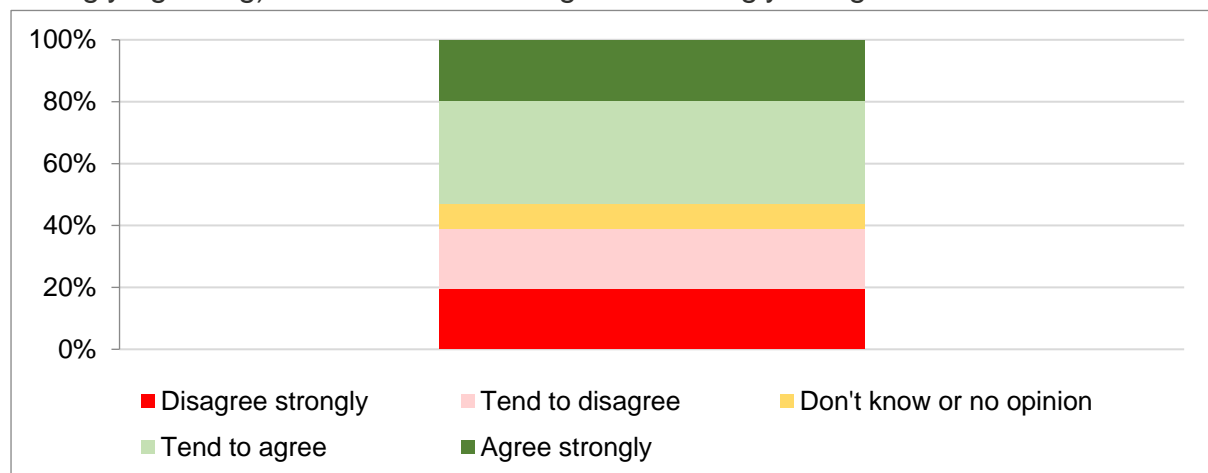


Figure 3.

<sup>15</sup> [Universal credit: the benefit that kept Britain from the brink, The Times, 13 September 2020](#)

<sup>16</sup> Since 11 April 2018

<sup>17</sup> Claimants moving onto Universal Credit after 22 July 2020 from means-tested JSA, ESA or Income Support receive a two-week run on of benefit to help manage the five-week wait for first payment.



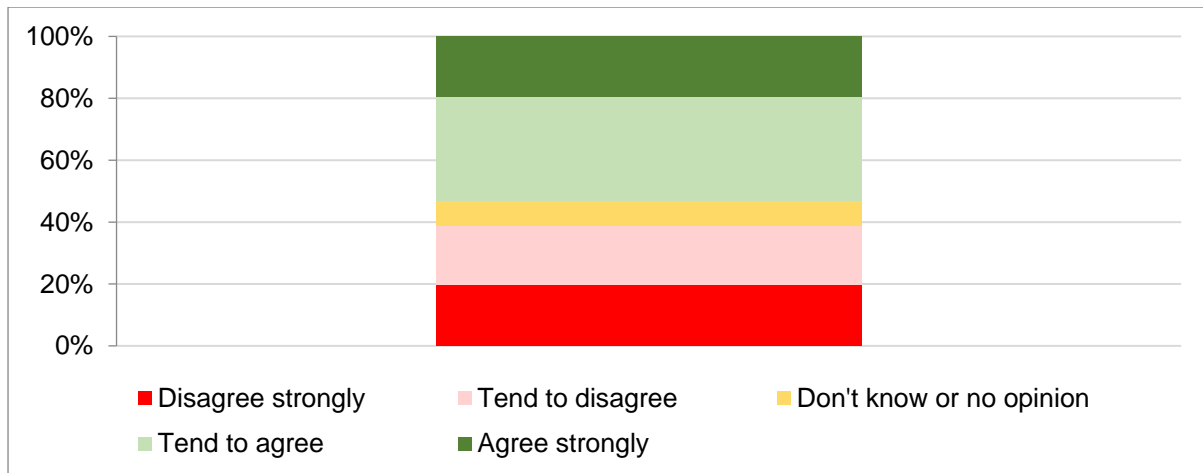


Figure 3 To what extent do you agree or disagree with the following statement 'Universal Credit is an adequate safety net to ensure no one struggles with the basics in life'. (n=3,050)

Table 3 sets what essentials respondents reported struggling to pay for when claiming, with 79% (n=2,989) of respondents reporting that they had struggled to pay for at least one essential item when claiming. Respondents were most likely to report having problems paying for food with 43% reporting that they struggled to pay for food (n=2,989), followed by gas/electricity (41%, n=2,989), clothes (38%, n=2,989) and council tax (38%, n=2,989). Table 3 shows this is a smaller proportion than our previous research, which may be a result of the £20 per week uplift. The proportion of people who have struggled to pay for at least one essential expense when claiming rises for those who took advances. 87% (n=1,308) of those with a deduction for an advance said they had struggled to pay for at least one essential expense when claiming.

Table 3 Response to 'Have you struggled to pay for any of the following when claiming Universal Credit' broken down by overall response and, for four main responses, those who had money to see them over the wait. (N.B. Multiple choice, totals will not sum to 100%). Comparison to 2019 provided where possible.

Essentials	Count	Percent (n=2,989)	% of those who managed over wait	% results from 2019 (n=2,994) <sup>1</sup>
<b>Food</b>	1,276	43%	18% (n=1,273)	55%
<b>Gas/electricity</b>	1,231	41%	19% (n=1,225)	52%
<b>Clothes</b>	1,135	38%		-
<b>Council tax</b>	1,125	38%	20% (n=1,122)	48%
<b>Water</b>	873	29%		-
<b>Rent</b>	868	29%	20% (n=866)	44%
<b>Toiletries</b>	693	23%		-
<b>TV Licence</b>	690	23%		-
<b>Phone</b>	685	23%		34%

<b>Internet</b>	665	22%		31%
<b>Travel</b>	589	20%		-
<b>Prescriptions or medical equipment</b>	269	9%		-
<b>Childcare</b>	195	7%		11%
<b>All of these<sup>2</sup></b>	488	16%		-
<b>None, I have not struggled to pay for things on Universal Credit</b>	575	19%		-
<b>None of the above</b>	55	2%		-

<sup>1</sup> [The National Housing Federation \(2020\) No time to wait](#) – the survey samples may not be independent of each other

<sup>2</sup> 206 respondents ticked 'All of these' along with some, but not all, of the other options. We cannot be sure of true response.

Our previous research indicated the struggle households on Universal Credit have keeping up with rent, with three in every five households on Universal Credit behind on rent, with average arrears of £610.<sup>18</sup> Research funded by the DWP on direct payments of housing benefit suggested increased arrears related to tenants' financial vulnerability, particularly accommodating unexpected expenses.<sup>19</sup> Tenants were "making difficult financial decisions in the face of unexpected circumstances and low incomes" (Hickman et al, 2017; 1117). There has been no research into the impact of direct payments for Universal Credit claimants. We urge the DWP to undertake more research into this, particularly around drivers of rent arrears, as recommended in our report '[Universal Credit in a time of crisis](#)'.<sup>18</sup> The financial struggles indicated by respondents to our survey suggest that many had to make choices about which essential expense to prioritise.

There is a strong indication of a link between deductions (for advances, overpayments, arrears etc.) and struggling to pay for essentials. Of those who said they have deductions, 86% (n=2,017) struggle to pay for one or more essential expense, compared to 70% (n=853) of those with no deductions.

Just under a third of survey respondents report using a food bank (31%, n=3,007). Clearly, food insecurity is an issue for those on Universal Credit, whether causally linked or not. There was evidence of hardship and calls to increase the allowance across the survey:

<sup>18</sup> [The National Housing Federation \(2021\) Universal Credit in a time of crisis](#)

<sup>19</sup> [Hickman, P., Kemp, P.A., Reeve, K. and Wilson, I. \(2017\) The impact of the direct payment of housing benefit: evidence from Great Britain, Housing Studies, 32:8, 1105-1126](#)

- “Bring back tax credits for workers. I have never been so poor. I struggle so much to exist, particularly as I pay £100 in travel expenses to get to work, cannot even afford internet and I go hungry.” (Respondent aged 45-54, claimed for six months or more)
- “I cannot live on what I get. I don’t know how I manage month to month. I’m always hungry but my child has to eat so I go without so she can go with.” (Respondent aged 25-34, claimed for six months or more)
- “The money is not enough for everything, I only pay all my bills, no money left for food.” (Respondent aged 35-44, claimed for six months or more)
- “The amount does not cover all my outgoings so I am juggling bills and skipping meals to ensure my children have food.” (Respondent aged 35-44, claimed for three months or more but less than six months)

We do not know how much struggling to pay for essentials was during the wait for first payment. We can see from Table 3 that those who managed over the wait are proportionately less likely to have struggled with paying for food and other key essentials, and that those who took an advance are more likely to be struggling to pay for essentials. This suggests, but does not prove, a link between struggles and the wait. Still, around a fifth of those who had money to cover the wait for payment have struggled to pay for essentials when claiming.

We cannot conclusively say what difference the £20 per week uplift might have made to people’s ability to pay for essentials. As stated, fewer people as a proportion reported having issues paying for certain essentials when compared to our last survey. When we look at how many people have struggled to pay for something by length of claim, a fifth of those claiming for less than six months (who would only ever have received the uplifted amount) say they have not struggled to pay for anything (21%, n=439). This is the same proportion as overall (21%, n=2,989) and for those who have claimed for over six months (20%, n=2,517). This means 79% (n=439) of respondents who have only ever received the uplifted amount have struggled to pay for essentials whilst on Universal Credit.

Some respondents commented on the additional £20, including how they expected to struggle once it was removed:

- “I am better off claiming Universal Credit so I prefer it to the legacy benefits (Housing Benefit and Jobseeker's Allowance) I was previously claiming but it is still not enough to cover basic living costs (and I expect to struggle to make

ends meet when the £20/week uplift ends in September).” (Respondent aged 55+, claimed for six months or more)

- “Should not deduct the extra £20 a week as it really is not enough to get by after paying for food and bills.” (Respondent aged 45-54, claimed for six months or more)
- “Even with the uplift, I struggle to have enough money for food and have to resort to charitable food banks and friends donated excess. Fuel poverty is a struggle as prices continue to soar. I desperately need clothes and bedding and charity shops cannot always provide for my needs.” (Respondent aged 45-54, claimed for six months or more)
- “The universal amount money have been increasing a bit since covid 19, it helps to buy extra food and other things which I was struggling a lot financially with the small amount of payments monthly although it doesn't cover the cost of all my expenses especially to pay for my rent arrears which at times I need to ask for financial support through the money adviser!!!” (Respondent aged 45-54, claimed for six months or more)

For service improvements, there were multiple comments on the issue of rent, including not having rent over the wait period covered upfront or backdated, being charged rent weekly or being due at the beginning of the rent period with Universal Credit paid monthly in arrears. This caused tenants stress as they received notification of rent arrears even when they were getting help with housing costs from Universal Credit. Due to financial strain, many requested that advances be available at all points of a claim (once the initial advance period was over and the claimant was receiving their full allowance).

- “[Improve] Direct payments to landlords if requested. I am more than capable of paying my rent each month but HA are not happy with me paying in arrears. This throws my anxiety most of the time.” (Respondent aged 35-44, claimed for six months or more)
- “Having rent paid direct to landlord is great but when rent goes onto account weekly you are made to look like you're in arrears and can't move.” (Respondent aged 25-34, claimed for six months or more)
- “I can't see why the housing element isn't paid directly as it was previously. . Just unnecessary and messy idea all together. And why do they not backdate your rent???” (Respondent aged 55+, claimed for six months or more)

Moving costs, including furniture, flooring and white goods were also an issue. This demonstrates known issues of furniture poverty.<sup>20</sup> Increasingly, housing associations are using hardship funds, starting furniture/carpeting schemes, or helping tenants access grants to help with moving costs.<sup>21</sup> For example, one claimant commented on how they had “used the £150 decorating card from Accent housing” (Respondent aged 35-44, claimed for one month or more but less than three months). Additional struggles to pay related to debt repayments (e.g. credit cards), paying off catalogues, and business expenses. Households claiming Universal Credit also report going without TV (“it is a luxury, not a requirement”), holidays, personal care (e.g. hairdresser) and activities for their children. They also struggled to pay for unexpected expenses or school-related expenses.

## Managing finances

One in three respondents said they always run out of money before the end of the week or month (35%, n=3,040), with a further quarter saying they do most of the time (25%, n=769). 31% (n=1,055) of those who always run out of money are working. In total, 83% (n=3,040) of respondents sometimes, most of the time or always run out of money before the end of the month. This rises to 88% (n=1,881) for those with deductions, 89% (n=918) for those subject to the benefit cap and 90% (n=166) for those aged 16-24 years (who receive a lower allowance of £344 compared to £411.51 if over 25, which includes the £20 uplift). This compares to 41% of unemployed and 45% of (economically inactive) sick/disabled people nationally, April 2018 to March 2020, according to the Wealth and Assets Survey.<sup>22</sup>

The picture around anticipation of keeping up with everyday expenses, bills and credit commitments in the next six months is more mixed – see Figure 4. 15% (n=2,925) of respondents said they expect to have real financial problems and 15% (n=2,925) said they anticipate keeping up with all expenses, bills and credit cards. Two fifths expected broadly to keep up, compared to just under two fifths who expect to have severe to moderate financial problems (37%, n=2,925).

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<sup>20</sup> [End Furniture Poverty \(2021\) No place like home.](#)

<sup>21</sup> [The National Housing Federation \(2021\) Universal Credit in a time of crisis](#)

<sup>22</sup> [Table 4.19, How often run out of money before the end of the week or month in the past twelve months, by economic activity, Great Britain, Wealth and Assets Survey](#)

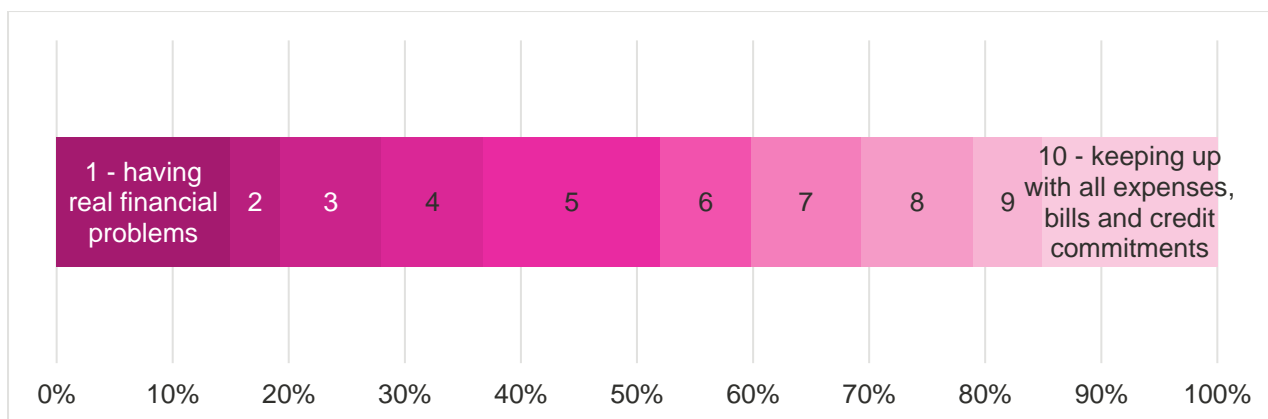


Figure 4 How do you anticipate keeping up with your everyday expenses, bills and credit commitments in the next six months? n=2,925

Again, this appears substantially higher than the last available national estimate for Great Britain, from the Wealth and Assets Survey. This showed that 6% of unemployed people and 5% of sick/disabled people nationally reported that they were having real financial problems pre-pandemic, in April 2018 to March 2020.<sup>23</sup>

Respondents were asked about whether they had needed to use different types of financial help when claiming. 84% (n=3,007) had needed some kind of financial help. The most common response, reflected in how people told us they managed the wait, was to borrow from family and friends (52%, n=3,007). Advances were used by 46% (n=3,007) of those who responded. Higher interest options were credit cards (21%, n=3,007) and payday loans (8%, n=236). Worryingly, 89 people had used a loan shark.<sup>24</sup> A full breakdown is available in Table 4.

Table 4 Financial help needed when claiming Universal Credit

Type of financial help	Count	Percent (n=3,007)	% results from 2019 (n=2,994) <sup>1</sup>
<b>A loan from family/friends</b>	1559	52%	56%
<b>An advance payment of Universal Credit</b>	1398	46%	47%
<b>Food bank</b>	941	31%	27%

<sup>23</sup> [Table 4.4., Keeping up with bills and credit commitments, by economic activity, Great Britain, Wealth and Assets Survey](#)

<sup>24</sup> Members are working with respondents who identified using them, as well as referring cases to Illegal Money Lending teams and receiving training from specialist providers, Stop Loan Sharks.



<b>Overdraft</b>	680	23%	-
<b>Credit card</b>	637	21%	20%
<b>Payday lender/short-term loan</b>	236	8%	10%
<b>Doorstep lender</b>	193	6%	7%
<b>Credit Union loan</b>	154	5%	3%
<b>Fuel vouchers</b>	149	5%	-
<b>Bank loan</b>	113	4%	5%
<b>Loan shark</b>	89	3%	3%
<b>All of these<sup>2</sup></b>	28	1%	-
<b>Have not had to use any of these</b>	478	16%	9%

<sup>1</sup> [The National Housing Federation \(2020\) No time to wait](#) – the survey samples may not be independent of each other

<sup>2</sup> Seven respondents ticked 'All of these' along with some, but not all, of the other options. We cannot be sure of true response. Respondents told us they used credit cards to manage the wait for payment, leading to debt beyond the five weeks (“I had to use my credit card, which I now have trouble paying back.” Respondent aged 55+, claimed on and off for several months). One respondent specified that they had “6 credit cards in total” (Respondent aged 55+, claimed for six months or more).

There were frequent calls, all across the survey, to increase the payment amount of Universal Credit. We cannot argue from the data that there is a causal link between claiming Universal Credit and financial issues. Respondents took responsibility for their finances. Some respondents admitted their struggle to pay for essentials was caused by their being bad with money (“[I’ve struggled to pay for things] But that’s not to say that’s their fault, I’m bad at budgeting money” (Respondent aged 35-44, claimed for six months or more)).

It is clear from the precise figures given in comments that some respondents are very good with money and budget very precisely and yet still struggle with how low their Universal Credit income is, particularly if something unexpected happens (including their allowance changing). Existing debt added to hardship, with one respondent commenting that this should be accounted for when claiming.

- “Amount of money is not enough to live on, I’m now in debt since switching to uc.... And due to physical and mental illnesses I cannot work” (Respondent aged 16-24, claimed for six months or more)
- “I can have difficult months but that’s life. I work flexi shifts so sometimes I earn more so receive less universal credit the month I receive less pay and more universal credit the month I receive more universal credit. I try and save monthly too, so that I have money aside for the unexpected bills. On the

whole, I do not struggle because I manage my money well.” (Respondent aged 35-44, claimed for six months or more)

- “Sometimes during the month it is a struggle to pay everything on time as different bills etc are paid at different points in the month but that’s just down to me to make sure universal is saved and spread across the month.” (Respondent aged 25-34, claimed for six months or more)
- “From personal experience of being an alcoholic (I am in recovery) getting a large sum of money every month is like winning the lottery so there is always the temptation to have some fun and dip into rent money.” (Respondent aged 45-54, claimed for six months or more)
- “I think the payments for rent should be made straight to the landlord, unfortunately for me my cooker broke during the first lockdown and I used some of the money to fix it rather than save it and hit myself into arrears, I wish I hadn’t but as it was in my bank available I did” (Respondent aged 25-34, claimed for six months or more)
- “Can't live on £342 a month, it's a joke” (Respondent aged 16-24, claimed for six months or more)
- “I get £327 per month and because of bedroom tax and arrears arrangement have to pay £120 leaving £207 minus £70 gas/electric - £137 left not much to survive on and pay for other bills/food, will be even less in October with universal credit decrease.” (Respondent aged 45-54, claimed for six months or more)
- “People who make the rules & decisions need to come & spend a month in my shoes to see how I struggle with everything. The benefit does not cover enough. My 1st few payments were £900...my rent was £700 but I was expected to pay for all my food bills with the £200 left over. My mobile phone & internet is £80 a month.” (Respondent aged 45-54, claimed for three months or more but less than six months)

Having deductions taken at the same time as advances were being paid back also made it harder to manage finances as it reduced the monthly allowance substantially.

- “I was paying back an advance and then they decided to take out tax credit repayments for 2 months also it would have been nice to have the option to stagger it out as there was a month when money was tight due to repayments totalling over £150.” (Respondent aged 25-34, claimed for six months or more)



Some respondents made clear that the only reason they hadn't struggled to pay for things was due to very strict budgeting, family help, or other income, such as receipt of other benefits, redundancy payments, savings or wages.

There is a particular challenge for those working and paid twice (or more) in one assessment period. This issue reoccurs across the survey comments:

- "I get paid fortnightly from my employer, and sometimes I'll get paid again just before the end of the month (3 times basically). This gets added to that month even though it could be a day or two and it means the following month I get no universal credit as it thinks I've earned too much, but my overall salary doesn't change. So that can make a couple months in the year seem hard and long." (Respondent aged 25-34, claimed for six months or more)
- "I have been in lots of debt since December due to childcare and me being on a 4 week pay from work, I wasn't told they added wages together in December of the 2 previous months so I ended up with 400 pound for Christmas, shopping, childcare, rent , other bills, and not to mention car insurance due in the 1st of January. Universal credit is a nightmare!" (Respondent aged 25-34, claimed for six months or more)

People wanted more information on this at the start so they could time their assessment period to prevent a clash, as well as flexibility over payment frequency and payment date/assessment period to prevent this. While it is only a recent policy change, the DWP should review communications to working claimants to ensure they are aware that, as of November 2020, they can request a mandatory reconsideration.<sup>25</sup> Housing associations should also continue to advise tenants of this change in policy, given the number of respondents who face this issue.

When asked what would make their claim easier, the most common response was ending the five-week wait. For others who mentioned finances, there were calls for increased frequency of payments, increased allowances, and changes to the advance, such as making repayments smaller, a freeze on repayments for the first three months, or not having to repay it at all. There were also calls to be paid housing costs in advance to avoid falling into arrears.

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<sup>25</sup> [Following a successful legal challenge by the Child Poverty Action Group, working claimants can report errors in awards where paid monthly and two monthly payment dates fall within one Universal Credit assessment period. Those paid fortnightly or four weekly and facing the same issue should also seek a mandatory reconsideration.](#)

## Support at a time of need

There were positive experiences and gratitude for the help given by Universal Credit. When asked what they liked about Universal Credit, people talked about it helping them at a time of need or being a safety net. Some of these comments related to a need for financial support during the coronavirus pandemic:

- “It helped me in time of need when my business collapsed over covid.” (Respondent aged 55+, claimed for six months or more)
- “UC took me from a homeless mentally ill man living in a garage to a tenant being treated and recovering.” (Respondent aged 55+, claimed for six months or more)
- “When I applied for universal credit I didn’t think I would be eligible to receive it but then 1st lockdown started and then second happened and my payments [have] been a great support to me - when the lockdown finished I think my payments will stop and when that happens I will be in financial difficulties.” (Respondent aged 55+, claimed for six months or more)
- “I like the fact that I’m able to get help when I am stranded. Without the help from universal credit, I wouldn’t have been able to pay my rent.” (Respondent aged 25-34, claimed for six months or more)
- “I don’t enjoy being on benefits of any kind but they have helped me so much” (Respondent aged 25-34, claimed for six months or more)
- “Helped me survive when my marriage ended.” (Respondent aged 55+, claimed previously but not currently claiming)
- “I was made redundant and although found another job very quickly, the salary is much lower. I am grateful for the UC payment to help. Absolutely no way I could survive without it at the moment. It’s all very simple to do and the people I’ve spoken to have been very friendly” (Respondent aged 35-44, claimed for six months or more)
- “Pulls you out the gutter when you have no idea what’s going on” (Respondent aged 25-34, claimed for six months or more)

Even when asked what they liked, however, a quarter of respondents said ‘nothing’ or talked about something they disliked. Respondents talked about how they felt “let down” by Universal Credit. This linked to the amount, which, across many different questions, respondents indicated was not enough to live on (see [Appendix](#) for rates) and indicates the impact that cutting the £20 per week uplift would have:

- “Having a quicker decision on whether I was entitled to anything, the waiting time for first payments in some personal situations that claimants find themselves in can be stressful as it is, not knowing where the next penny is coming from can make this worse!” (Respondent aged 45-54, claimed for six months or more)
- “I was signed off with anxiety and depression at the time that universal credits were needed most and felt completely let down and mental health suffered even more as a result. I am getting better now but UC added and made worse a situation they should have been there financially to support me through.” (Respondent aged 45-54, claimed for six months or more)
- “If i didn’t have the incapability to work payment, which took over 6 months to sort, i would be struggling. How can someone live on £600 a month, when their rent is more than half of that. The amounts paid do not reflect living costs and the majority of people on UC, are claiming through no fault of their own but have to live in poverty.” (Respondent aged 25-34, claimed for six months or more)
- “Nothing because I am not receiving anything from them after they did their deductions I am left with £0.00 from them. So there's nothing I like or understand about Universal credit.” (Respondent aged 35-44, claimed for one month or more but less than three months)
- “Did not cover even half of housing costs whilst I was unable to work full time due to ill health as I was too young to receive the full housing payment. Was forced to live in abusive household until I was well enough to work, even then was into my overdraft every month and did not ever turn the heating on in my previous privately rented flat as I could not afford to. In addition, now I am working full time (NHS) Universal Credit treats my mileage expenses (usually around £300 a month) as income, which I believe is appalling.”<sup>26</sup> (Respondent aged 16-24, claimed for six months or more)
- “What is to like? I don’t understand how when I've paid towards my rent and council tax you expect me to live on £300 a month for bills and food. I've worked all my life and now due to long covid I can't work.” (Respondent, no details about age or length of claim)

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<sup>26</sup> Universal Credit regulations allow expenses that are wholly, exclusively and necessarily incurred for the job, including travel and subsistence expenses, to be deducted from income for Universal Credit purposes. Claimants need to tell work coaches or case managers about employment expenses as otherwise it could lead to a lower award as earned income for Universal Credit purposes is assumed to be higher.

It may be that many of the complaints about slow responses by the DWP advisors to messages from claimants (see section [online and feeling fine?](#)) relate to support people need during their claim. Anxiety of those claiming, the importance of the benefit payments to them (and so need for a quick response), and the financial stresses involved also play a part. As does the mismatch between expected response time from claimants to the DWP and the DWP response times to claimant enquiries. One respondent summed this up neatly:

- “It’s absolutely pointless using the journal as you never get a reply the same day the wait for messages to be responded and actioned to us far too long for people who are literally in immediate need of assistance and require answers or advice immediately.” (Respondent aged 35-44, claimed for six months or more)

## Health and wellbeing

A total of 10% of respondents (n=2,959) said that hardship while being on Universal Credit had given them a new health condition with 38% (n=2,959) saying it had made an existing condition worse. This is broadly the same as our previous survey, though with a slight improvement on the proportion who say it has made an existing condition worse.<sup>27</sup> More than half, 57% (n=1,371), of those whose health had been affected had been to see their GP. Health conditions, where details were given, were primarily mental health conditions, particularly anxiety and depression, but included physical conditions worsened by stress, such as heart troubles, skin conditions (such as psoriasis), diabetes, and high blood pressure.

Respondents reported being prescribed medication or having their existing prescription increased. As with the previous survey,<sup>28</sup> a handful mentioned how the lack of food, or having to limit their diet for budget reasons, had exacerbated their health conditions.

As with food bank use, we cannot conclusively say that claiming Universal Credit worsens people’s health. In many cases, it wasn’t clear how Universal Credit had affected their health (e.g. hospitalisations, coronavirus, or brain injuries).

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<sup>27</sup> When looked at by respondents to the question, 13% reported that hardship under Universal Credit had given them a new health condition and 53% that it had made an existing health condition worse (n=1,411). 34% said ‘not applicable’, so either had not suffered hardship or their health had not been affected.

<sup>28</sup> [The National Housing Federation \(2020\) No time to wait](#)

Furthermore, Universal Credit could be one of a number of contributing factors – a small number of people mentioned coronavirus (“My bouts of depression has got more frequent since covid” Respondent aged 45-54, claimed for six months or more), bereavement or other crisis situations (“not so much UC fault just how the past year has been” Respondent aged 16-24, claimed for three months or more but less than six months) contributed to health issues.

What is very clear from responses is that money worries, including rent arrears, was taking a big toll on claimants’ mental health. It made some people feel suicidal and, for one respondent, consider an abortion. This is very concerning for individual people’s lives. It also indicates increased demand for medical attention, and so costs to the health service, due to Universal Credit.

- “I suffer with anxiety and depression as I worry every day how I will survive and how I’m going to pay bills, if I get too stressed I end up having a mini stroke” (Respondent aged 25-34, claimed for six months or more)
- “it has caused me to feel like taking my own life on more than one occasion” (Respondent aged 25-34, claimed for six months or more)
- “I suffer with stress and anxiety, I now have chest pains every day, the doctors said it’s stress, I do stress about money not being able to pay the bills” (Respondent aged 35-44, claimed for three months or more but less than six months)
- “Depression has got worse since being on uc when I was on tax credit I knew what I was getting and didn’t struggle like I am now” (Respondent aged 35-44, claimed for six months or more)
- “Considered termination of 3rd pregnancy due to 2child limit and depression over money worries” (Respondent aged 25-34, claimed for six months or more)
- “My partner struggles with day-to-day living if his mental health conditions deteriorates, he has now come under the mental health services and has a primary diagnosis of Bipolar, ADHD and mild schizophrenia. He became extremely agitated over the Christmas period 2020 when the over payment was taken from our pay and no one could explain to us, who was taking charge of this over payment. We were simply told it happened and we had to pay it back. I had to ring the mental health crisis line several times because he reached breakdown point.” (Respondent aged 35-44, claimed for six months or more)
- “I have a lifelong health condition. I now have pretty bad anxiety and depression, where I contemplate can I continue like this, but I’m unable to

claim anything extra but I'm unable to work to make more money. I can't see any way to make things better" (Respondent aged 45-54, claimed for six months or more)

We wanted to understand more about the wellbeing of claimants from our survey. As such, we asked one of the four questions set by the Office for National Statistics to measure national wellbeing about levels of anxiety experienced yesterday. The question asks respondents to rate how anxious they felt yesterday on a scale of 0-10, with 0 "not at all anxious" and 10 "completely anxious". Nearly a fifth of respondents (19%, n=2,980) reported feeling completely anxious yesterday, see Figure 5. The average score was 6.1. While 141 respondents reported a health issue with anxiety, the number of people who scored themselves 10 is substantially more than this (559).

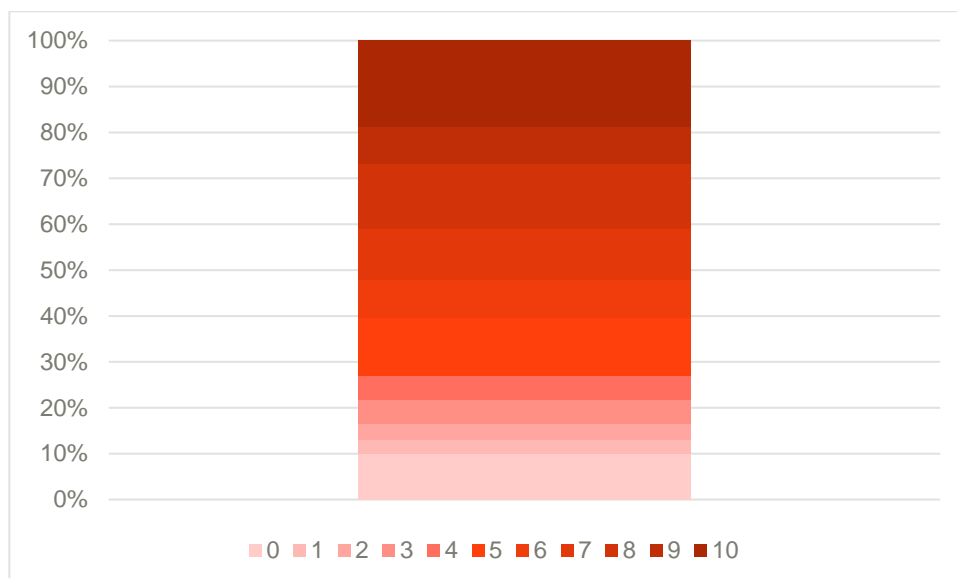


Figure 5 Anxiety ratings for respondents (n=2,980) – 0 not at all anxious, 10 completely anxious

We found higher levels of anxiety than that of the English Housing Survey resilience survey.<sup>29</sup> In November-December 2020, social renters had an average score of 4.5 (out of ten). The survey showed that anxiety increased across all tenures between 2019-20 and June-July 2020, and that anxiety differed by income. The resilience survey found that those in the lowest income quintile report higher anxiety than those in the higher income quintiles. For the lowest income quintile, the average anxiety score was 4.3 compared to 3.7 to 3.8 for the other income quintiles. In November-

<sup>29</sup> [Ministry of Housing, Communities and Local Government \(2021\) English Housing Survey, Household Resilience Study, Wave 2 November-December 2020](#)



December, anxiety scores of those in the lowest and highest income quintiles increased.<sup>29</sup>

We examined anxiety by length of claim and experience of the benefit cap or spare room subsidy. Proportions were largely the same, except for the benefit cap. Those who said they subject to the benefit cap were slightly more likely, as a proportion, to say they were completely anxious yesterday, and were less likely to say they were not at all anxious.

We appreciate that a number of those on Universal Credit suffer an anxiety disorder, and that claims can occur at a time of crisis. Also, that this does not conclusively show Universal Credit causes anxiety. Nevertheless, there is an argument over whether the DWP has a duty of care to investigate the impact of claiming on health and wellbeing. Anxiety is linked to income, with higher scores for those with lower income. It is extremely concerning, when read alongside respondents' comments on considering suicide and indications of hardship, that anxiety levels of claimants are so much higher than for the social rented population in general.

## Stigma

Across the survey, there was an indication that some people felt stigmatised for claiming benefits. Where indicated, it could be that they themselves did not want to be on benefits or they felt staff at Jobcentres or on the helpline were judging them (and, in one case, their housing association). This included respondents feeling there was a culture amongst the DWP staff of not believing claimants.

- “I would remove the physical practice of degrading new claimants. It’s true we are despised but don’t deserve to be treated the contempt that the service displays.” (Respondent aged 25-34, claimed for six months or more)
- “I believe that some staff are judgemental and don’t tell what help in claiming benefits could be your right.” (Respondent aged 55+, claimed for six months or more)
- “Didn’t want to be on benefits as I find it demeaning” (Respondent aged 55+, claimed for six months or more)
- “Nicer people to answer the phones who don’t pre judge” (Respondent aged 25-34, claimed for six months or more)
- “Feel like you’re getting judged” (Respondent aged 25-34, claimed for six months or more)

- “[I don’t like] the lack of customer service support I used to work in the jobcentre so I know the stigma on both sides, whilst I was working there I would support each customer treating each as important regardless of who sat in front of me.” (Respondent aged 45-54, claimed for six months or more)

While this is not true for all respondents, with many finding staff helpful and understanding, stigma acts as a barrier to claiming.<sup>30</sup> The extremely mixed experience of service is also worrying, showing that claimants will experience a different journey based on staff or Jobcentre. These issues should be addressed by the DWP through clear and simple graphics on the claimant journey and possible scenarios/case studies, promoting a culture of listening and tailored support amongst staff, and making the different help available to talk through a claim clearer.

### 3. Work and moving (back) into work

Universal Credit aims to mirror work, with the taper rate designed to make it simpler to work more hours. We asked three questions about experiences around employment support in the survey.

The first question asked about people’s confidence in finding a job in the next six months. Only respondents who said they were still looking for work answered this question. Respondents were more likely to be neutral or negative here (see Figure 6), but there were indications of differences by age (though sample size is too small to draw anything conclusive from this). Those in 16-24 age group were much more likely to rate their confidence 5, whereas those in the 55+ age group were more likely to say they were not at all confident.

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<sup>30</sup> [Welfare at a Social Distance \(2021\) Non-take-up of benefits at the start of the COVID-19 pandemic](#)



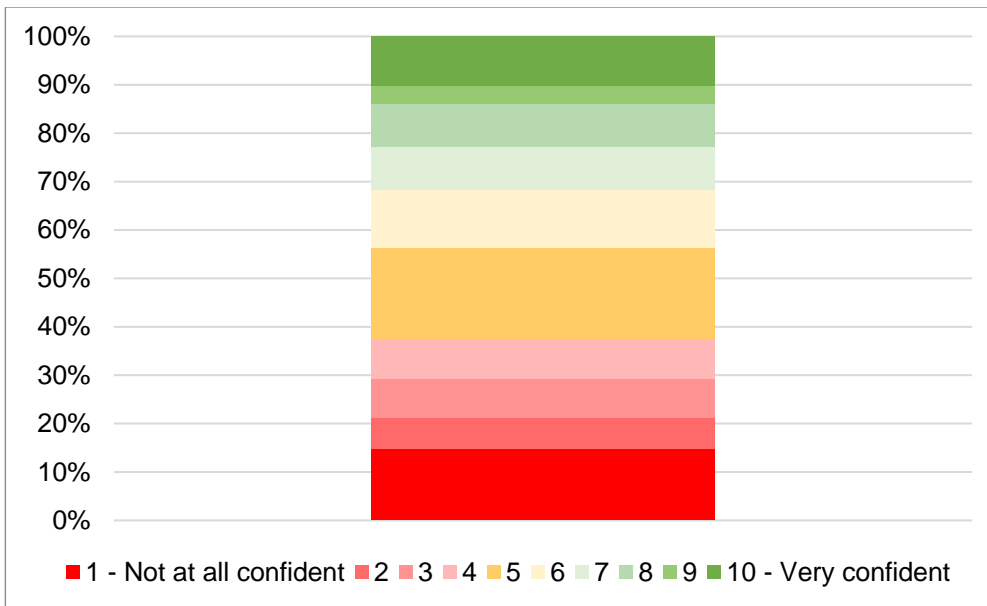


Figure 6 Confidence in finding a job in the next six months (n=451)

In general, as seen in Figure 7, those looking for work did want more help with starting a new qualification/training (21%, n=434), finding work (15%, n=434) or both (21%, n=434). A substantial minority said they didn't want more help.

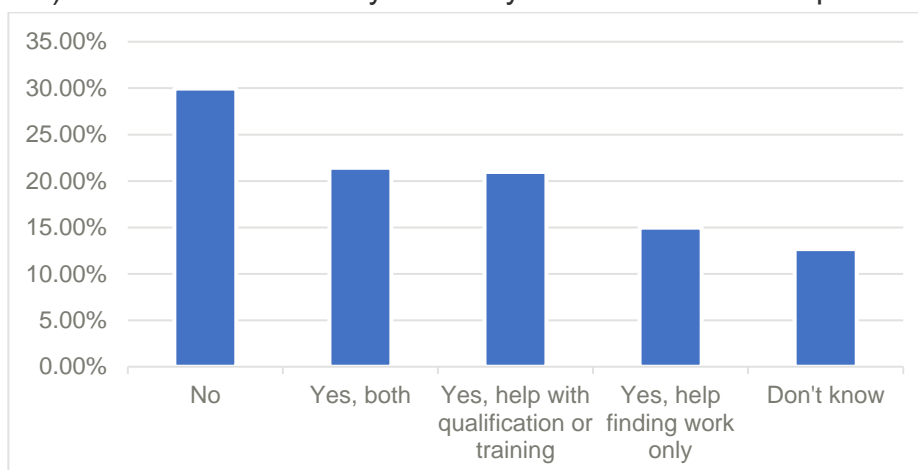


Figure 7 If looking for work, would you like more help with finding work or starting a new qualification/training? (n=434)

Overall, for all respondents (whether looking for work or not), work coaches were seen positively when it came to their employment and skills support. Over half of respondents rated them good (31%, n=2,009) or very good (23%, n=2,009). 30% said neither good nor poor, with 16% saying poor (7%, n=2,009) or very poor (9%, n=2,009). Encouragingly, positive ratings rose for respondents still looking for work: nearly three fifths rated the employment and skills support from their work coach good (36%, n=414) or very good (22%). 27% said it was neither good nor poor. 7% said poor and 8% very poor. Of those who said they didn't want more help with

looking for work or qualifications/training the proportion who rated their work coach highly was even greater – 67% (n=121) said they were good or very good.

Respondents were more likely to say they were prepared for their claimant commitments than not, as shown in Figure 8. A quarter of respondents (25%, n=2,535) said they were completely prepared for claimant commitments. A fifth said they were neither prepared nor unprepared (20%, n=2,535).

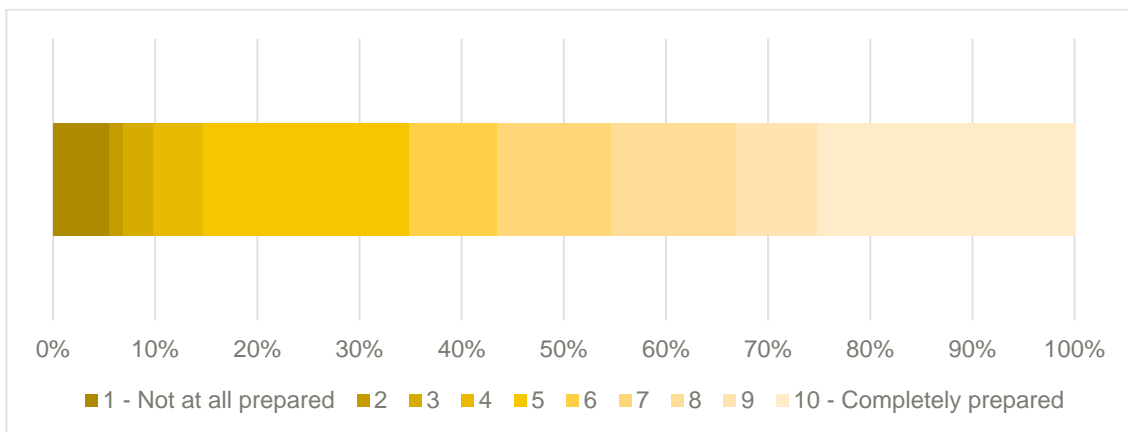


Figure 8 Preparedness for claimant commitment (n=2,535)

We didn't ask for specific comments about employment and skills support through Universal Credit, but these were raised in response to other questions. Childcare, health, and mental health difficulties were cited as barriers to returning to work. While most were happy with their work coach and help provided, including helping with CVs and being sent on courses, other respondents wanted help with costs of finding or starting employment, such as courses, training, upfront payments for childcare, and equipment.<sup>31</sup> There were also negative experiences, which underline the important role of the work coach in encouraging and supporting claimants with their search:

- “The work coach I had at the jobcentre was amazing as well as her colleague who helped me re do my CV and ultimately helped me get my current job which I've since been promoted twice in :) They were super supportive and I think understood that the UC system isn't perfect. The entire approach to helping people get back into education and/or work and supporting them financially through that process needs to be re thought. It's about helping people to help themselves and UC doesn't really do that. It could be a lot

<sup>31</sup> These are available through Flexible Support Funds, but the mixed experience of Universal Credit service indicates issues may occur with granting discretionary funds.

more comprehensive instead it's quite a clinical feeling system.” (Respondent aged 25-34, claimed previously but not currently claiming)

- “I hope the work coaches start to tailor plans to find a job for each person instead of giving one plan for all claimants.” (Respondent aged 16-24, claimed previously but not currently claiming)
- “My job coach was changed without my knowledge and my current coach is unhelpful. He’s been my coach since December and has only sent me three job adverts, all of which has expired because he didn’t bother to check if they were still live or not. He’s demotivating and frankly doesn’t seem up to the task of ‘coaching’ people and encouraging them to find employment.” (Respondent aged 25-34, claimed on and off for several months)

Respondents looking for work wanted more help with accessing training: “No incentive to finding long-term careers or help with courses available for better opportunities.” (Respondent aged 35-44, claimed for six months or more). One respondent talked about the excellent employment support they receive from their housing association to find jobs: “LQ signposted me to the Employment side, which is amazing. A lady called Debbie has been fantastic in supporting me when I did not get help from Universal Credit” (Respondent aged 45-54, claimed on and off for several months). Other comments were how much people wanted to move off the benefit into work because the amount each month was “hard to survive on” (Respondent aged 25-34, claimed on and off for several months).

For those in work, many liked how Universal Credit topped up their income, adjusting to their work hours: “If my income lowers, I get topped up to help me” (Respondent aged 55+, claimed for six months or more). For some of those eligible for the work allowance, they felt encouraged to work while claiming. Others said they were worse off when compared to legacy benefits:

- “I think it is fantastic that I can earn up [to] £292 without losing any of my Universal Credit payment. This really encourages me to work and I tell anyone who will listen that they are much better off working when they are on Universal Credit.” (Respondent aged 35-44, claimed for six months or more)
- “It's frustrating that 63p in every £1 I earn is deducted from my uc. Therefore some months I don't have enough from uc to cover my full rent. Only working 16 hours makes me possibly worse off than people on unemployment benefit, plus the 5 week months are killers! I'd much prefer it if my full rent was covered and I paid all my other bills from the wage I earn.” (Respondent aged 45-54, claimed for six months or more)

- “I get an email if I need to check anything Before I had to update tax credits and housing every month with my payslips but UC just updates automatically through inland revenue which is much easier My son has a claim separate to mine and they have sent him course etc to get back into work which boosted his confidence and got him a job.” (respondent aged 35-44, claimed for six months or more)
- “I am between £200 to £300 worse off a month being on universal credit then I previously was getting by my tax credits paid and housing benefit paid before universal credit existed” (Respondent aged 25-34, claimed for six months or more)

The taper rate did come in for some criticism: “you reduce payments so much when working more hours so it’s a lot of work put in for a little wage” (Respondent aged 35-44, claimed for six months or more). Some, however, commented that it was a more efficient system than previous benefits, being automatically linked to earnings so less chance of issues with overpayment “UC is far more efficient in dealing with low earners and people with a fluctuating income.” (Respondent aged 45-54, claimed for six months or more). The respondent quoted above who felt encouraged to work suggested the taper rate reduce to 50p per £1 to incentivise increasing hours.

There were calls for more understanding of health or disability issues, with less pressure on claimants to find work where their health is suffering or disability prevents them from working (though others commented on staff understanding here, showing, again, that service is mixed and depends very much on the member of staff or what the claimant has shared).

- “There’s very little good about it, my work coach has no understanding of my disability or the lack of help available using the equally useless 'access to work' scheme which was meant to help me get to work but doesn’t. My coach has never given me anything useful and they have no idea what it is like to be disabled with a non-visible disability in a rural area with no transport.” (Respondent aged 45-54, claimed for six months or more)
- “The disability were really good and understood that I needed extra help.” (Respondent aged 45-54, claimed for six months or more)
- “They always phone on time and through my own experience they have listened and have been understanding with my mental health issues.” (Respondent aged 55+, claimed for six months or more)

A few carers or respondents with limited capability to work (or waiting for an assessment) indicated there was confusion about them conducting job searches, with some indicating they felt pressured to do so. Others who were already working, or who were looking after children, felt pressured into finding work or more hours:

- “How I get hassled to find work even though I tell them I’m not ready and hand in sick notes” (Respondent aged 35-44, claimed for six months or more)
- “not having to wait nearly 10 months for the disability assessment. Waiting for the assessment meant stress trying to find a job knowing most were unattainable due to disability.” (Respondent aged 45-54, claimed for six months or more)
- “I don’t like the fact that I am working and trying to get work but was being forced to apply for work at any job I could.” (Respondent aged 35-44, claimed for six months or more)

A minority of people who previously worked also had a feeling of paying into the system and that they deserved more as a result (“i have worked all my life and i cannot get a decent payment, which is wrong” Respondent aged 45-54, claimed for three months or more but less than six months).

We recommend that the DWP reconsider its approach to employment and support, tailoring work plans to individuals, considering their employment history and any health (including mental health) issues. Many housing associations offer employment and skills service<sup>32</sup> and can help with tailored support.

## 4. Experience of the Universal Credit service

### Getting the information right at point of claim

We asked respondents to tell us about the advice they received at point of claim around advances, time of payment, responsibilities for rent, and making a separate claim for help with council tax. Table 5 provides a breakdown of responses.

Respondents reported that they were least likely to be advised about making a separate claim for help with council tax, with 41% (n=3,283) not being advised. We have not compared to 2019 figures as either the question was not asked or ‘don’t know’ was not an answer option, which skews results.

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<sup>32</sup> [The National Housing Federation \(2021\) Universal Credit in a time of crisis](#)

Table 5 Advice at point of claim

Response	Told about advance – percent (n=3,311)	Told when to expect payment – percent (n=3,290)	Made clear will have to use for rent – percent (n=3,202)	Advised to make separate claim for council tax - percent (n=3,283)
<b>Yes</b>	66%	59%	59%	41%
<b>No</b>	34%	21%	21%	41%
<b>Don't know</b>	-	20%	20%	18%

This is reflected in comments of issues with council tax support being separate or people not being aware until they got a final reminder (e.g. “They do not inform you about council tax and therefore I got into arrears” Respondent aged 35-44, claimed on and off for several months. “I wasn't told to claim Council Tax separately. Everyone should be given this in writing at claim outset in what is a hugely stressful time.” Respondent aged 55+, claimed for six months or more). Housing associations are aware of this issue, with evidence that they inform tenants of the need to do this: “I also got the information about the council tax from Abri, who rang me after I made my claim. That call was much more helpful than the website.” (Respondent aged 35-44, claimed for less than one month).

These findings indicate that there may be an inconsistent approach to advice given at point of claim. It could also be that people are told, but don't remember given the stress of their situation. The DWP should conduct more user testing to understand how best to communicate these key issues, particularly council tax and the advance, to those claiming. A graphical process map of the claimant journey and reviewing notes on the journal may also be useful.

## The nuts and bolts

When it came to the basics of the Universal Credit service, receiving the correct amount on time, respondents reported broadly positive results here. 89% were paid on time (n=3,207) and 67% (n=3,209) said their first payment was correct. This is an increase compared to the last survey, where 80% (n=2,648) said they received their payment on time and 50% (n=2,644) said the amount was correct. According to DWP statistics, the proportion of new claims receiving all the first payment on time



was 90% in January 2021. This is higher than the 86% of new claims receiving all their first payment on time in March 2020, before the coronavirus pandemic.<sup>33</sup>

Perhaps reflecting confusion over entitlement, respondents were proportionately more likely to say that they didn't know if their first payment was the correct amount compared to whether it was paid on time. 22% (n=3,209) said they didn't know if the amount was correct, compared to 7% (n=3,207) for whether it was paid on time. 81% (n=3,125) of those for whom it was applicable also received their housing costs in their first payment. Again, this is an improvement on the last survey where 75% (n=2,681) said their first payment included housing costs.

## Frequency and reliability of payment

A positive for many respondents was the regularity and reliability of payment. For those who liked this, they appreciated having one payment, found it easier to manage monthly bills like this, valued the allowance flexing with hours worked, and (as mentioned) liked that they didn't have to report their earnings or overtime as the information was automatically linked to wage data (avoiding overpayment issues or annual reassessments). Being able to see what they would receive each month also helped with budgeting.

- “I like that the amount you get is based on how many hours you've worked that month, it's been helpful when doing temp agency work or zero hours contracts better than the old system.” (Respondent aged 35-44, claimed for six months or more)
- “We get paid just like we would if we were working so helps us budget better with our money” (Respondent aged 35-44, claimed for six months or more)
- “I can find out how much I will be receiving each month and when the payment is due so I can work out my Bill's before the actual date.” (Respondent aged 35-44, claimed for six months or more).
- “Its monthly like wages from job and know exactly which day of month it gets paid and helps me budget better” (Respondent aged 25-34, claimed for six months or more)
- “It covers all eligible benefit payments in the one payment which is always paid on time on the same day each month and it's easy to log into my account and read through the breakdowns of each element and to know how much I'll

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<sup>33</sup> [DWP \(2021\) Universal Credit statistics, 29 April 2013 to 8 April 2021](#)

be paid in on my payment date if anything has changed regarding my situation or claim.” (Respondent aged 35-44, claimed for six months or more)

- “I like the fact that I don’t have to constantly contact them when I do overtime at work as it runs through the system automatically unlike working tax credits” (Respondent aged 35-44, claimed for six months or more)

There were, however, equally as many people who disliked payment on a monthly basis. People disliked moving from weekly or fortnightly payments to monthly, which related to difficulties budgeting on a low income and months with five weeks in them. They also disliked the inability to select or change the monthly payment date or assessment period. Issues around payment frequency and budgeting linked to a major complaint about the system not paying enough to live on (see rates in [Appendix](#)).

- “I don't like been paid monthly as there are a lot of 5 weeks in a month throughout the year” (Respondent aged 55+, claimed for six months or more)
- “Budgeting is harder on universal credit rather than having the weekly payments by tax credits and fortnightly payments by income support” (Respondent aged 25-34, claimed for six months or more)
- “Being paid monthly is difficult. Budgeting is only possible if you have sufficient money to actually be able to budget” (Respondent aged 55+, claimed for six months or more)
- “Not enough money to live on during the month. I also don’t like when you have a 5 week month on a 4 week pay, even when I try to budget for the 5 week month.” (Respondent aged 25-34, claimed for six months or more)
- “Not enough money to pay the basic things and let alone pay for the main things and waiting too long puts you in debt. Universal credit should be paid on a weekly basis not monthly. People like myself find it hard to budget monthly as if you have to pay more out one month then you have to wait a whole month before you’re paid again which is so stressful if they did it weekly then i believe families like myself would be able to budget better.” (Respondent aged 25-34, claimed for six months or more)

One respondent said their landlord had helped them with payment dates for Universal Credit by changing the date of expected rent payment. A few respondents also talked about how they had received their split Universal Credit allowance into two payments, which helped them to budget. This is allowed under Alternative Payment Arrangements More Frequent Payment on a case-by-case basis. Respondents do not appear to be aware they can request this and so may not have

raised it with work coaches. It is also at the discretion of work coaches or case managers. Given the mixed experience of staff, this may mean acceptance of a request will differ depending on the decision maker.

- “I would have liked the payment on a different date but vivid have allowed me to change my payment date, which was really helpful and took the worry off me.” (Respondent aged 55+, claimed for six months or more)
- “That you can have it split into 2 payments a month makes it easier to keep up with bills” (Respondent aged 16-24, claimed for six months or more)
- “[Like that] it paid 2 weekly as we were struggling at 30 days payment” (Respondent aged 25-34, claimed for one month or more but less than three months)
- “I hate the monthly payment as I am left broke after my first week after all the bills are paid for. I requested fortnightly payments twice but was ignored.” (Respondent aged 35-44, claimed for six months or more)

Those who worked also found it difficult to budget when their hours fluctuated and Universal Credit payments were paid in arrears, based on the previous month’s earnings. They found it difficult to work out what payments might be in such cases:

- “With tax credits and housing benefit I had the same amount paid to me every month regardless of earnings, so I knew where I was. Universal credit is hard because of the cut off dates. For example, one month I could earn £600 and the following earn £300 but universal uses the previous months earning so essentially I am left short the following month and it’s hard to put money back because that £600 I earnt could have covered all my bills the following month a lower uc payment and earnings can leave me short” (Respondent aged 25-34, claimed for six months or more)
- “Shortage of payment due to wages.” (Respondent aged 35-44, claimed for six months or more)
- “Never know how much I’m going to receive as my work hours change every month” (Respondent aged 45-54, claimed for six months or more)
- “I don’t know until two day before what money I get each month as I work part time and the money has never be the same any month don’t understand it” (Respondent aged 55+, claimed for six months or more)

## Online and feeling fine?

When it came to managing the account online and using their journal, the majority found this easy. 35% (n=3,109) thought it was extremely easy (rating it 10 on a scale where 10 was extremely easy), with a further 37% giving it a broadly positive rating (from 7-9). Easy and straightforward were the two reoccurring positive phrases in relation to online claim management.

Three in five respondents check their journal every day, every few days or once a week, with an additional third checking it less frequently than once a week. This suggests the system has good engagement from respondents. Table 6 gives a complete breakdown of responses.

Table 6 Response to question on frequency of checking journal

Response	Count	Percent
Every day	303	10%
Every few days	794	26%
Once a week	785	25%
Less frequently than once a week	1,023	33%
Don't access journal	48	2%
I don't know/can't remember	160	5%
<b>Grand total</b>	<b>3,113</b>	<b>100%</b>

Respondents liked text messages alerting them to look at their account. They found it easy to ask questions and liked the speed of response. Some preferred it to the old benefit system:

- “I found it straightforward and any comments I have left in my online journal, have always been responded to by the Universal Credit Team. I much prefer it to the old system of Job Centre interviews and Housing Benefit claims.” (Respondent aged 45-54, claimed for six months or more)
- “It’s user friendly, application is straightforward and easy to understand. The response on the journal to any entries is SO quick! So pleased I don’t have to go through housing benefit / tax credits any more, they were hard to keep on top of and mistakes were made constantly. Universal Credit is much easier and trustworthy.” (Respondent aged 25-34, claimed for three months or more but less than six months)
- “Universal credits is good at sending text messages to check the journal that’s where we are told if we need to update anything or any appointments. The

sections on there are easy to follow.” (Respondent aged 35-44, claimed for six months or more)

- “It is very straightforward forward and someone always answers on the journal quickly.” (Respondent aged 35-44, claimed for six months or more)
- “I like the fact I can see clearly and concisely what I shall receive a few days before payment is due and exactly how they have worked it out.” (Respondent aged 45-54, claimed for three months or more but less than six months)
- “It is so much easier to ask a question or report something on my journal rather than phone. I find they usually reply the same day.” (Respondent aged 55+, claimed for six months or more)

Others found it difficult, slow, confusing, inflexible, and impersonal. While many reported that queries through their journal were resolved instantly, others said they have to wait days (in one case, two months) for a reply to messages on their journal. Respondents also felt they had to complete an action requested on the journal quickly or be sanctioned, yet when they requested an action of the DWP, the response was slow and “I find myself constantly prompting them” (Respondent aged 45-54, claimed for six months or more).

Respondents reported issues with replacing equipment that made it difficult to access their journal, particularly in lockdown, or affording the internet, with lockdown or ill-health limiting alternatives (“all my phone lines have been disconnected due to lack of payments” Respondent aged 55+, claimed for six months or more). Even with IT skills and equipment, one respondent felt you needed “patience and problem solving skills to troubleshoot any issues” (Respondent aged 45-54, claimed for three months or more but less than six months).

Where they found it difficult or requiring improvement, the main reasons for this were respondents:

- Didn’t like managing it online and wanted to speak to someone.
- Didn’t have internet or equipment (such as a smartphone).
- Got frustrated at the length of time taken to reply to messages.
- Thought messaging was impersonal, made complicated queries difficult, or meant their query often wasn’t answered or understood.
- Wanted to message the same advisor about an issue, rather than notes read by different staff who didn’t appear to read the conversation history.
- Found the journal was inflexible or difficult to navigate when it came to sections and updates.

Those who rated it very difficult mainly commented on issues logging in, slow response times, and not having internet.

It also appeared that respondents found updates had to be confirmed or inputted more than once and email reminders did not always come through. Such issues caused payments to be lower than required and meant people had to regularly check their journal in case there were required actions.

Suggested improvements included:

- An online chat function rather than messaging: “If there was some sort of Chat option if you needed to deal with an actual person but didn't want to spend 45minutes on the phone.” (Respondent aged 35-44, claimed for three months or more but less than six months)
- More explanation and overview of what is in each section: “The online portal is really useful but a brief overview of what is contained in each section would be useful so you don't have to enter it to see if you're updating the right section” (Respondent aged 25-34, claimed for six months or more);
- An app: “It would be great if they had an app that would send notifications on when i receive a message or when this month's payment has been worked out, instead of having to regularly log in and check.” (Respondent aged 35-44, claimed for one month or more but less than three months), and
- A general question section in the journal for if a query or document doesn't fit into one of the set sections.

When it comes to online claim management, there were also calls for more accessibility, such as an app compatible with a screen reader, to support the visually impaired, dyslexic, autistic, or those suffering poor mental health.

## Helpline

Three in five respondents had contacted Universal Credit by phone (60%, n=3,190). The majority, 60% (n=1,787), waited between less than five minutes and less than 30 minutes. A quarter of those who could remember wait time said that they waited over 30 minutes but less than an hour to get through (25%, n=1,787). Figure 9 gives more detail. When asked about improvements to the service, there were multiple comments on improving the wait time on the helpline. One respondent said they spent £75 on their mobile when using the Universal Credit helpline.



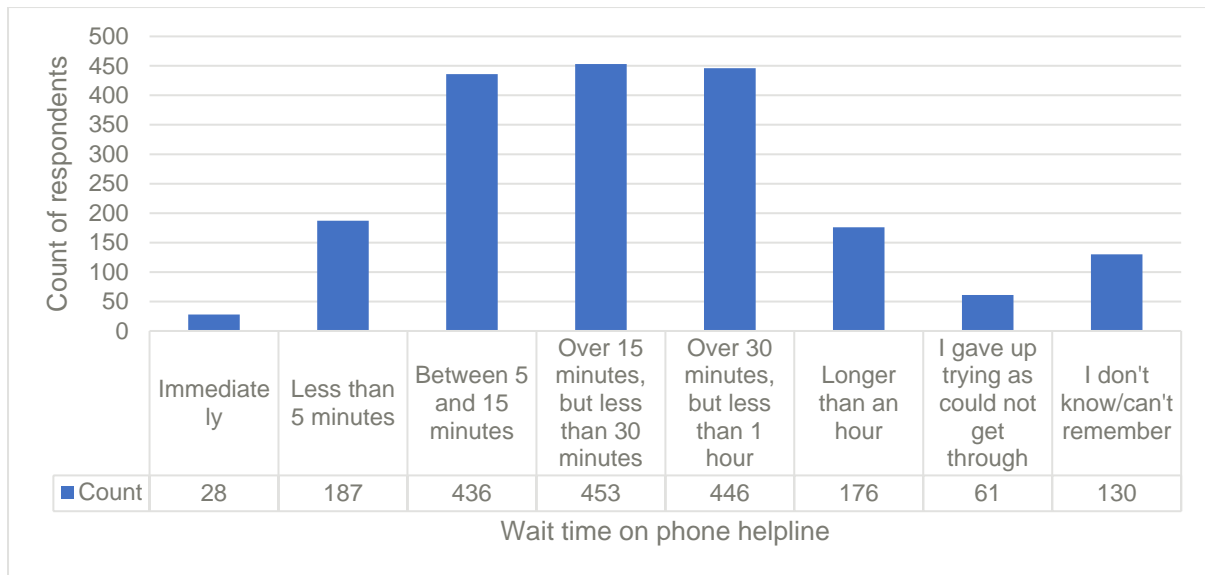


Figure 9 Breakdown of response count to question on wait time for phone helpline (n=1,787)

When it came to helpfulness of the phone helpline, the most common response (17%, n=1,913) was to rate as highly as possible (10 – extremely helpful). Many sat in the middle with 16% rating the helpline five (out of 10). Figure 10 shows the range of responses to this question. This is supported through comments where many commented on the helpfulness and politeness of staff, whereas others found some staff were rude and didn't know what they were doing.

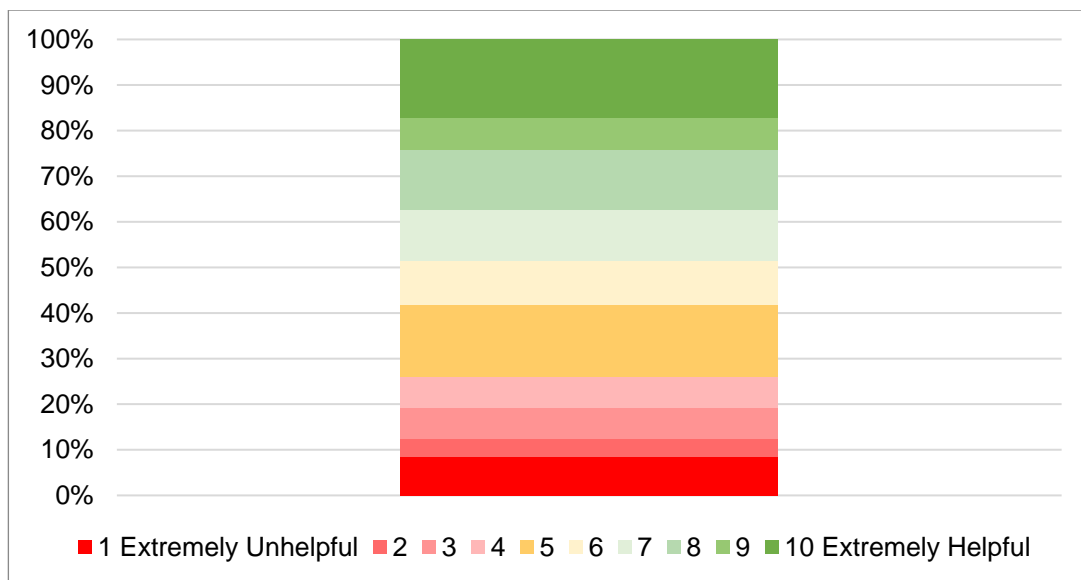


Figure 10 Helpfulness of phone helpline

A small minority of claimants reported managing their account over the phone (3%, n=3,233). One respondent who managed their account over the phone requested an address for posting documents. Regardless of whether managing by phone, there were reports that phone appointments were not always kept: “when work coach said

they were going to ring you but then don't phone on agreed time and then myself have to trace it" (Respondent aged 35-44, claimed on and off for several months).

## Updating rent

The vast majority (90%, n=2,993) of those for whom it applied updated their rent in the last year. This is likely to be after a rent increase by all eight housing associations in April 2021, as the survey came out in mid-April. As the question on journal comments came after a question on updating rent, there were a number of remarks relating to this process.

Many felt updating rents, after the increase in April 2021, was "simple" or "easy", though, somewhat inevitably when over a million households in social housing claim the housing element of Universal Credit, there were some issues.

Respondents found it hard to make updates on their journal because, as detailed in the previous discussion on [online claim management](#), it wasn't always clear the update had been accepted, or it disappeared:

- "When I logged on a few days later the rent on my account had not changed from 2020's rent prices. I had to change the rent and service charges again." (Respondent aged 25-34, claimed for six months or more)

Respondents wanted the ability to update their rent details ahead of time, which may be because they received advanced notification of the new rent from their housing association and wanted to do it on receipt of this. It appeared a lot of people had to do it twice, either because they did it ahead of time or because they did it as a change of circumstances when they should have responded to a 'to do' (tasks on online accounts that claimants will need to do).

- "It was difficult. I tried to update it the week before the changes and UC refused to accept this change. I then had to wait until after the rent change to tell them and even then UC had the incorrect details. I had to wait for Accent homes to update my housing costs" (Respondent aged 55+, claimed for six months or more)
- "There was no reminder to make rent changes in April until the day before it was due" (Respondent aged 35-44, claimed for six months or more)

- “Updated my claim then 2 days later it asked again to update rent amounts even though it had already been done via the change of circumstances.” (Respondent aged 35-44, claimed for six months or more)

Some wanted more notice of rent updates as they were only told the day before. Respondents felt they had to cover the shortfall from the increase with Universal Credit paid in arrears. Others struggled to find their rent amount. We are not sure why this is, but perhaps it is due to the difference in weekly rent charge periods for housing associations and monthly assessment periods for Universal Credit, or because respondents couldn't find the breakdown of rent and service charges. Respondents requested that their housing association breakdown rent and service charges the way Universal Credit asks for information. Housing associations should work with partnership managers and claimants to ensure that rent and service charges are broken down in this way.

When asked about what would make their claim easier later in the survey, respondents felt three-way communication between themselves, the DWP and their housing association led to issues, such as all parties not seeing information shared or rent entered not matching housing association verification. Updating rent was particularly confusing for some who had Alternative Payment Arrangements, with the rent going straight to their housing association, as they thought the housing association would update the amount, not the claimant. A handful of claimants also raised issues of 'untidy tenancies' issues reoccurring after the update. Untidy tenancy is a term used by the DWP to describe where a joint tenant of a property is no longer resident.

- “It takes ages to get a response. I have always been classed as being in an untidy tenancy until last week and every month I had to request the other half of my rent then over Christmas it was all messed up for a few weeks with no extra payment I had to borrow more money to pay my rent it was sorted out until this month I had to again request my rent and its frustrating response time is awful sometimes I didn't even get a response I hate being on UC but I am a loan parent with no help ... and find it hard to find a job that will make me better off rather than worse off” (Respondent aged 25-34, claimed for six months or more)
- “The breakdown letters from L&Q could be based more around the way universal credit asks for the information, making it easier to update files without calling L&Q” (Respondent aged 25-34, claimed for six months or more)

- “I found updating the rent online frustrating, purely because the numbers I gave never matched the ones Abri submitted so had to do it a couple of times before Abri inputted the correct numbers (I rang Abri in the meantime to check my numbers were correct).” (Respondent aged 25-34, claimed for six months or more)

Due to difficulties with the system, some people didn’t want the responsibility of updating their rent, wanting their housing association to do it. Under the current system, it is not possible for housing associations to update rents, which must be completed by the claimant. Respondents felt it was important as, if there was a mistake, they could be without money for rent and end up in arrears:

- “Found it difficult [to update rent] & ended up wiping out my housing claim for 3 months and having to fight to get it back.” (Respondent aged 45-54, claimed for six months or more)
- “why did we have to manually tell UC about the rent change when you as a company could of done this without hassle” (Respondent aged 16-24, claimed for six months or more)
- “I was scared to make a mistake, and still am” (Respondent aged 25-34, claimed for six months or more)

We are pleased the DWP will be reviewing the approach to annual rent changes. The NHF and the eight housing associations who administered the survey will be sharing the survey data to support the review.

## Errors with claims

Inevitably, with a national system, errors occur. This could be errors by the claimant, the DWP, the housing association (when confirming rent or tenancy details), or by employers (when inputting wage details to HMRC).

The survey asked respondents about how easy or difficult the DWP had made it to resolve mistakes. A good finding here is that 30% (n=2,925) of those responding said this question was not applicable, which may indicate they have not experienced an error or mistake. Where mistakes had happened, proportionately more people found the DWP made it easy to resolve them (42% rating 7-10, where 10 is extremely easy, compared to 33% rating 1-4, where 1 is extremely difficult; n=2,076).

The issue is the impact these errors have on people who are already living on a very tight budget. It caused a lot of stress and made managing a claim more difficult. There were reports of errors taking a long time to resolve or not being easy to report, which caused a lot of stress, though, again, others talked about how errors were easy to resolve when reporting through the journal. Respondents reported worrying about making updates in case they accidentally filled something in wrong that then affected their future allowance:

- “Make you feel like a number, and if you make a mistake, they make you pay, and if they make a mistake they make you pay. No winning, be glad to find full time work and leave the system,, if I can leave Universal Credit that's probably going to be the hardest of all the processes.” (Respondent aged 45-54, claimed for six months or more)
- “My bedroom payment is made manually every month due to me being a foster carer and UC making a mistake, but I have to remind UC to pay me manually” (Respondent aged 45-54, claimed for one month or more but less than three months)
- “The first time I updated my rent in 2019 I inadvertently became muddled and stated that I was in sheltered housing as opposed to "independent living housing". This resulted in a horrific nightmare of my housing element being withdrawn and it took about 6 weeks to rectify, causing me to go into arrears with my rent (something I have never done). U.C. were evasive and unhelpful during the very stressful time I had trying to sort out and rectify my genuine mistake.” (Respondent aged 55+, claimed for six months or more)
- “Universal credit deducted 81.98 for rent arrears in error, was not requested by my landlord which left me in hardship, made no apology” (Respondent aged 35-44, claimed for three months or more but less than six months)
- “Once mistakes have been made it can take many months before they are rectified. The mistakes are usually over payments from Universal Credit or not repaying childcare costs.” (Respondent aged 45-54, claimed for six months or more)
- “L&Q made one mistake, which complicated our case. Under East Thames Housing Group, I lost my wife and remarried. I took my wife and two daughters to East Thames and registered them as Occupants with me. After merging with and becoming L&Q, L&Q omitted the name of my wife in their records but retained our daughters and UC used that as their first excuse for not including our housing element costs in their calculation.” (Respondent aged 55+, claimed for six months or more)

- “[I dislike] That it can be withdrawn without a proper reason or that they will find a way to claim that you have been overpaid and demand to return the money. I have been forced to pay back even when I was honest with all my information. Put me in miserable condition, which I'm still recovering from.” (Respondent aged 35-44, claimed for six months or more)

In certain cases, it appeared that the information available through the breakdown in the journal (if accessed) allowed respondents to identify errors: “I was wrongly charged for bedroom tax but I got a payment back. Only saw it because I clicked on further info on payment.” (Respondent aged 55+, claimed for six months or more). This might not always help, however, as many respondents did not understand how their payment was calculated. The same respondent who identified this error neatly summarised how they found it difficult to challenge suspected errors in Universal Credit payments because they didn’t understand it: “It’s confusing and you can’t contest what you don’t understand. Still don’t know why they took £108 from my payment”.

Respondents talked about their housing association helping them with claims, sorting errors, and requesting backdated payments:

- “I had help from Curo and without them it would of been so difficult, as I wasn't being paid the correct amount of benefit.” (Respondent aged 55+, claimed for six months or more)
- “I got to the state that I was not going to be able to pay the rent and is when I called Abri and thanks to Tina (excellent lady who helped me), who managed to make U.C. to pay me for the rent. Now I am claiming the two months retrospective...Tina is also helping me with this claim.” (Respondent aged 55+, claimed for three months or more but less than six months)
- “They take months to sort things out, got my payments wrong every time until a lady from VIVID helped me complain.” (Respondent aged 55+, claimed for six months or more)

## Empathy and accuracy

Survey comments make clear that what respondents want from staff, and many report getting, is empathy and accuracy, including listening, understanding, support, and consistent advice. As with many other aspects, however, there was a mixed experience. As one respondent says “The service one receives from Universal Credit is dependent on [the] Service provider, I am extremely fortunate in that I have an



excellent rapport with my advisor, very helpful.” (Respondent aged 55+, claimed for six months or more).

The mixed experience of staff influences people’s experience and their claim journey. Where it went well, people felt listened to and supported: “My advisor was very helpful and polite, understanding my circumstances and made me feel more relaxed and my stress levels were also reduced.” (Respondent aged 25-34,). If it went badly, it led to increased anxiety in relation to a claim: “Every time I get a notification from my journal I get into a massive panic” (Respondent aged 45-54, claimed for six months or more). Respondents also reported feelings of worthlessness, and, in extreme (but, thankfully, rare) cases, feeling suicidal: “I was struggling to cope with depression and anxiety and feeling suicidal after this one call [to the helpline]” (Respondent aged 35-44, claimed for three months or more but less than six months). Some people found staff rude, felt judged, talked down to and “treated like scum”.

There were many comments about advice differing depending on who you spoke to or messaged and “service advisers who constantly get things wrong” (Respondent aged 25-34, claimed for six months or more). This only added to confusion and made respondents feel that staff were trying to make things deliberately complicated or be obstructive to withhold entitlements (“they do not want to give you information regarding money that you may be entitled to” Respondent aged 35-44, claimed for six months or more) or support (“if you don't ask for the right advice, you are not given it, they know all the rules and all the different help they can give just if you don't ask you don't get” (Respondent aged 35-44, claimed for six months or more). This conflicting experience led many people to comment on the need for more staff training:

- “My coach is amazing! Kind and considerate.” (Respondent aged 45-54, claimed for six months or more)
- “Your experience is based on who answers the phone. Invest in training, call operatives at the bottom should understand the system just as much as their managers. Different staff will advise different advice and sometimes it’s cost the claimant. This lack of knowledge within ones work weighs heavier than the average job so it should be essential to get the same serve or close to from everyone.” (Respondent aged 25-34, claimed on and off for several months)
- “The management of your account is good; information regarding benefits is poor; as a carer I’ve been confused about working/not having to work because I’m a carer and the benefits I’m entitled to; I had to contact citizens

advice; I found work coaches unfriendly and not particularly knowledgeable or helpful in my situation.” (Respondent aged 55+, claimed for three months or more but less than six months)

## Flexing to the individual

Throughout the survey, it was clear that people wanted their individual circumstances considered and respected. There was a feeling that Universal Credit did not account for their circumstances and “people get lost in the system” (Respondent aged 55+, claimed on and off for several months). This might be because of health, disabilities, autism, language barriers, or employment status. This included reports of feeling pushed into work when it wasn’t appropriate (see section on [work and moving back into work](#)). Respondents wanted “Each claim made should be viewed on the individual’s circumstances and assumptions set aside” (Respondent aged 45-54, claimed for six months or more).

People wanted a more personalised approach. This included more tailored job plans, understanding different claimants’ circumstances (such as full-time carers and single parents), support for those with health issues, a single point of contact for each claimant (“continuity of care”), greater support for domestic abuse, and increased compassion and understanding:

- “The whole service need drastic improvement. Especially communication... There needs to be continuity of care. Having to ring or write journal entries and being passed from pillar to post all the time becomes very frustrating when you feel like no one is listening to you and you’re fed up having to go through everything from the beginning each time you speak to someone or someone else answers your journal entry as it's not ways your work coach who responds. They also need to make it easier for claimants to question an overpayment. It’s currently taking 4 months plus to recover almost £400 that UC have mistakenly deducted from our account and even though they acknowledged this as their mistake in November 2020...I'm still waiting for mine after 4 months and it has been extremely challenging getting my point across to them for them to see that they are taking £90 per month from us that we do not owe in the first place.. No one follows the journal so, when you do speak to them directly, you have to go through everything from the start. Many people would have just agreed without questioning it. I'm sure I'm not the only person this has happened to but I bet many people would have given up because of how hard and stressful it has been trying to recover this money.” (Respondent aged 45-54, claimed for six months or more)

- “Yes. Improve the fluidity of the system. Make payments to people based on their circumstances, rather than just a generic process.” (Respondent aged 45-54, claimed for six months or more)
- “I want them to listen to the people. Like us work over 17 years, something happened to you, you expect help.” (Respondent aged 55+, claimed for six months or more)

This lack of flexibility extended to the journal, when it came to discussing or proving circumstances. Respondents said it didn’t give the option of adding comments regarding changes, or requested an option for "other updates and information" to update or ask a question as “sometimes it doesn't fall under the right section what is available.” (Respondent aged 35-44, claimed for six months or more). For disabled people, who have case managers but no work coach, one respondent said:

- “When using the journal it would be nice to have an other option rather than message your work coach, silly I know but when I first used the journal I didn't use the message my work coach as I am disabled and do not work” (Respondent aged 35-44, claimed for one month or more but less than three months)

There were a handful of reports of lengthy waiting periods for work capability assessments, which caused stress and anxiety for those involved.

- “I had a work capability assessment 12 months later after providing a sick note monthly to my work coach. That was stressful for 12 months and most confusing. I get no advice from the job centre and everything is like a scripted reply to my questions.” (Respondent aged 55+, claimed for six months or more)

The desire for a more personal approach is also reflected in requests for more regular payments. Claimants want the Universal Credit system to treat them as individuals and respond to their circumstances and needs. As discussed, for those working there was an issue with two payments falling in one assessment period and wanting to avoid this by changing their payment date or increasing payment frequency. It also didn’t account for different family set ups, for example, parents who were separated from each other and shared custody of their children:

- “I do not like the fact that i recently found out that if your like me and are paid every 4 weeks and not monthly then there will be an assessment period

where the UC system will record 2 pay checks in one month this means that every year once a year i will be subjected to a massive reduction payment or a NIL payment and find myself in need of support from friends and family. Because im paid 4 weekly i have no choice budgeting on this time scale meaning that month every year i find me and my family in financial difficulties. Every other claimant in my shoes are the same and feel the same UC should work with us and offer to pay our benefits and do our assessment periods alongside our payday cycles.” (Respondent aged 25-34, claimed for six months or more)

- “I had my children living with me for two weeks this month..but I have not been paid any money for that..after I pay my rent and council tax..I will have nothing for a month.” (Respondent aged 45-54, claimed for six months or more)

There were examples of flexibility, such as a claimant sent letters instead of having to use the journal (“I don’t have journal but they send letters every month”, (Respondent aged 45-54, claimed for three months or more but less than six months), managing claims over the phone, and increased payment frequency.

## **What claimants say about the service**

As with other areas of the survey, when asked about how respondents would rate their happiness in the Universal Credit service overall, responses were somewhat split though the general trend was positive. This is an improvement on previous survey results – a third of respondents in 2019 rated their happiness from 7-10,<sup>34</sup> which Figure 11 shows has increased to 48% (n=2,956) in this latest survey.

We briefly compared proportionate responses from those who had claimed as result of the coronavirus pandemic and previous benefit history. This indicated that those who had never previously claimed benefits were less likely to give a negative rating when compared to the overall sample. Those who claimed due to the coronavirus pandemic or who had previously claimed benefits were broadly in line with the overall response.

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<sup>34</sup> [The National Housing Federation \(2020\) No time to wait](#)

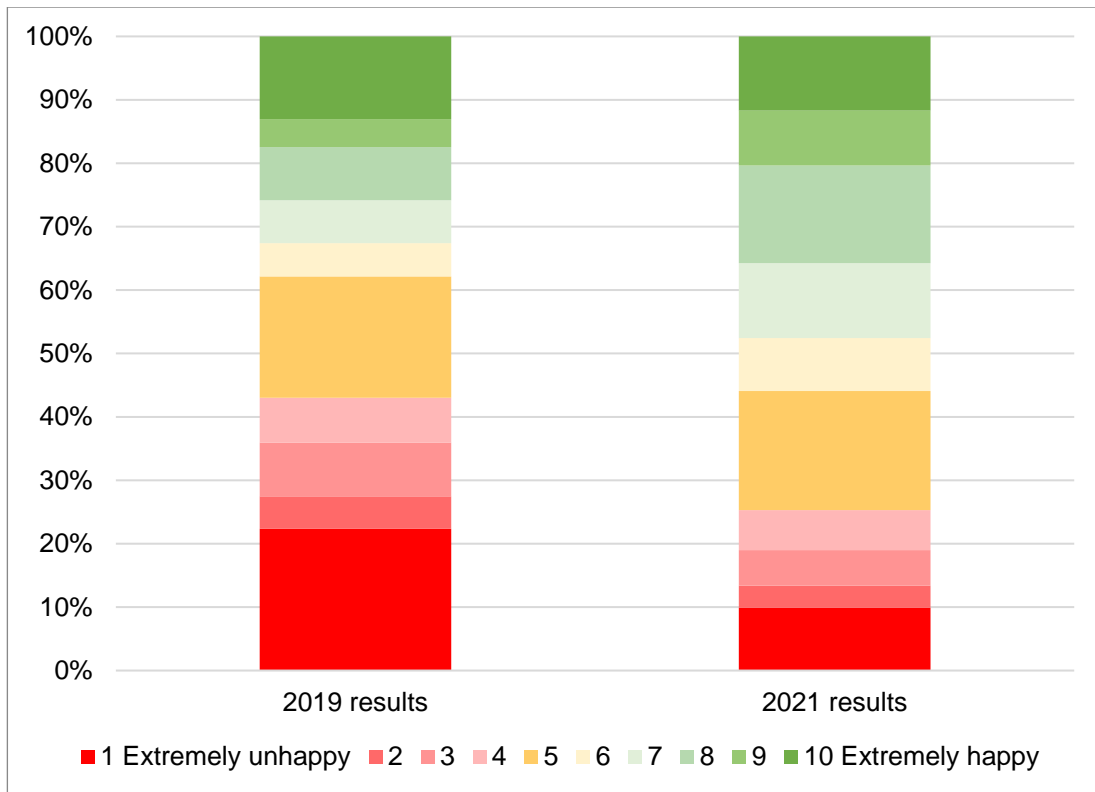


Figure 11 Responses to question 'On a scale where 1 is extremely unhappy and 10 is extremely happy, how do you feel about the Universal Credit service overall?' (2019: n=2,740; 2021: n=2,956)

## 5. What more housing associations could do to help

When asked to rate how helpful their housing association had been (Figure 12), 58% (n=1,634) who had spoken to their housing association said they were helpful or extremely helpful (rating 7-10), with only 9% (n=1,634) saying they were extremely unhelpful. Ratings were broadly similar for likelihood of recommending the service to friends and family (Figure 13). There was an improvements in the proportion of respondents who said they would recommend their housing association’s service on Universal Credit when compared to our previous survey.

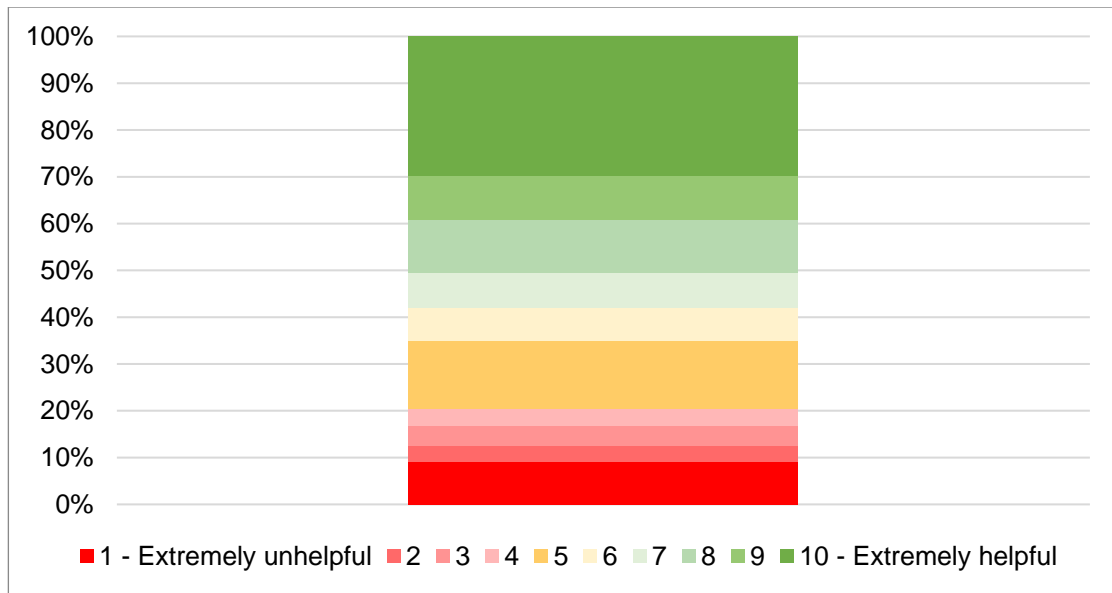


Figure 12 Respondent ratings for how helpful landlord had been in assisting with Universal Credit (n=1,614)

N.B. Excludes those who did not respond or marked 'Not applicable - I have not spoken to my landlord' for question on whether they would recommend their landlord's Universal Credit service. Comparison to 2019 not possible due to change in question wording.

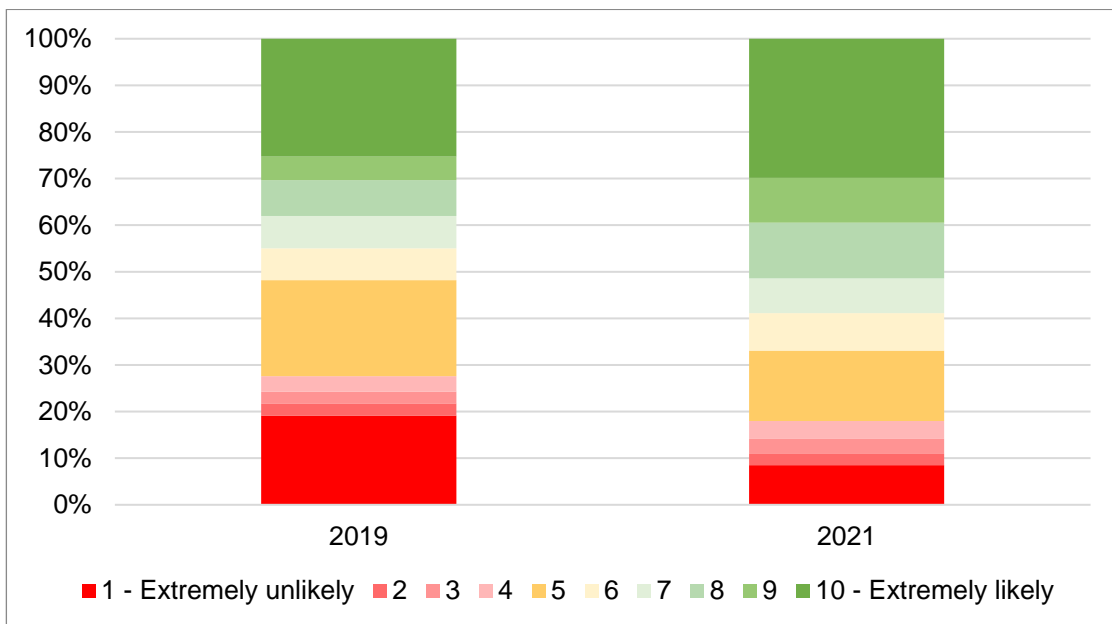


Figure 13 Respondent ratings for likelihood of recommending landlord's Universal Credit service – comparison between 2019 survey results (n=1,729) and 2021 (n=1,634)

N.B. Excludes those who did not respond or marked 'Not applicable - I have not spoken to my landlord' for question on how helpful their landlord had been with assisting with Universal Credit.



However, over a third of respondents had not spoken to their housing association about Universal Credit (38%, n=2,948),<sup>35</sup> and it's clear from the comments that they did not know their housing association had a service offer in this area. In the case of smaller housing associations, this might be a referral service to Citizens Advice 'Help to Claim' or signposting to benefit calculators, but larger housing associations often have dedicated teams to advise on benefits and budgeting.<sup>36</sup> This is double that of our previous survey, where 16% (n=2,551) said they had not spoken to their housing association.<sup>37</sup> There could be a number of reasons for this, but whatever the case, it shows the importance of housing associations continually encouraging tenants on Universal Credit to get in touch with them if they are having difficulties paying rent or other essentials.

Many respondents had nothing to add about what more their housing association could do to help, or said they did not want help. Where comments were provided, they can broadly be split into four categories:

- Those who were extremely happy with the service they had received.
- Those who had no awareness of the service or weren't offered help (reflected in the 38% (n=2,948) who said they had not spoken to their housing association about Universal Credit).
- Those who were struggling financially, for a number of different reasons including rent arrears, spare room subsidy, benefit cap, errors in payment or claim, cost of everyday living expenses.
- Those who wanted a change in service – this could be more, or less, help, advice or information.

In the main, people felt supported by their housing association and there were good examples of this:

- “Thanks to Geraldine your Welfare Officer who gave me the confidence to apply for Universal Credit. Just so good to have a lovely Abri home & secure

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<sup>35</sup> There were some inconsistent responses here – 186 respondents who said they had not spoken to the landlord in the question about rating of service answered the question about whether they would recommend the landlord service (i.e. they rated the service instead of again selecting 'Not applicable – I have not spoken to my landlord'). 179 people said they had not spoken to their landlord in the question on recommending the service, but had not indicated the same in the question on rating service. These respondents, and non-respondents, have been excluded from results on ratings.

<sup>36</sup> [The National Housing Federation \(2021\) Universal Credit in a time of crisis](#)

<sup>37</sup> [The National Housing Federation \(2020\) No time to wait](#)

place to live Thank you so much.” (Respondent aged 55+, claimed for six months or more)

- “No, it's the system that's hell. For housing actually make it tolerable telling you ways they can support you instead as universal credit is useless when you speak to them.” (Respondent aged 25-34, claimed for six months or more)
- “You were brilliant when I rang up crying over council tax.” (Respondent aged 35-44, claimed for six months or more)
- “Curo are great, universal credit is the problem. It seems designed to keep people in poverty.” (Respondent aged 35-44, claimed for six months or more)
- “I think L&Q were brilliant from the beginning with sending me all my rent and service charge info getting me in touch with pound advice by dealing with my rent arrears with kindness so I wasn't too overwhelmed I'm able to communicate with them during my good n bad times an extra plus is now I'm on the website for my rent and payments with it better for me than the balance text I feel that I've finally reach a manageable point which in term will give me better mental health and ability to deal with all my bills thank you” (Respondent aged 55+, claimed for six months or more)
- “You guys are doing an fantastic job as well as sorting out food banks when needed.” (Respondent aged 16-24, claimed for six months or more)

Across all housing associations, many people commented that they either weren't offered help or weren't aware of the service. This might be explained by the length of time since first claiming and whether the housing association provided a service at that time. While we know many housing associations have an in-house service to advise on benefits and support tenants in claiming, smaller housing associations may not have this, but will refer to advice services, such as Citizens Advice. There were also a handful of comments saying that respondents had reached out to their housing association for help and not received it.

Our survey results suggest housing associations need to review whether they are doing enough to continually and proactively promote any services they offer, and help available, around Universal Credit. This might include contact at rent verification stage, and information in any emails, phone calls, newsletters, letters, payment portals, customer service calls, texts, and on their websites and social media.

A common theme of comments, connected to finances, was stress and anxiety caused by demands for rent and rising arrears when claiming. This includes stress of reminders for rent or payment of arrears when the housing association was aware

that the claimant was on Universal Credit, or rent was paid directly to the housing association yet the claimant still received arrears' letters (“the letters are overwhelming and I'm just in tears when I get them” respondent aged 25-34, claiming for six months or more). Some made a particular point about the stress of rent being due at the start of the rental period and Universal Credit paid in arrears, or difficulty building up credit on their rent account. Other people commented that their housing association had been very understanding about arrears.

One respondent noted that a change in tone of communication would help with rent arrears, which is reflective of our recent research [Universal Credit in a time of crisis](#) and [policy briefing on tenancy sustainment](#). These talked about more supportive approaches to income collection adopted during the coronavirus pandemic. As previously stated, it would also help claimants update rent if rent and eligible service charges were broken down in the same way requested by the journal.

Some people clearly want more help to claim, and for their rent to be paid directly to their housing association. When asked directly, 46% (n=3,050) said they would like their rent paid to their housing association, with a further 19% saying this was already in place. Others called for more control and agency, such as direct payment to the claimant. This reflects the discussion in the section on Universal Credit to [flexing to the individual](#).

There were a number of specific issues raised in relation to individual people's claims, including requests to check entitlements and errors by housing associations and the DWP. Many people called for a more personalised/person-centred advice service from their housing association, including greater understanding from staff, more communication of rent changes, proactive contact (such as check-in calls), increased phone service, and tailoring services to individuals' needs.

Non-Universal Credit comments were also made, centred on issues with individual properties, affordability of rent, and bringing back legacy benefit systems.

## Considerations

### Don't take away £20 a week from claimants

Around two fifths of respondents expect to have severe to moderate problems keeping up with their expenses, bills, and credit commitments in the next six months. This is substantially higher than national (pre-coronavirus pandemic) figures. 79% (n=2,989) of respondents have struggled to pay for at least one essential expense since claiming. Just under a third of survey respondents report using a food bank (31%, n=3,007). It is clear that many are struggling, including “starving” and going without heat or light. This cannot and should not be acceptable. The government must not cut £20 a week to ensure that people claiming Universal Credit are not plunged further into poverty. Modelling by the Joseph Rowntree Foundation (JRF) indicates that if the Universal Credit and Working Tax Credit payment increase ends, then around 6.2million families will face an overnight income loss equivalent to £1,040 a year. Half a million people, including 200,000 children, will be pulled into poverty overnight.<sup>38</sup>

More than two thirds said they did not have money to cover the waiting period for first payment (69%, n=3,417). Respondents reported being in debt, often years later, even with an advance. The five-week wait must end. We repeat calls made in our report on income collection and Universal Credit to end the five-week wait.<sup>39</sup> If it cannot be ended, more must be done to ensure those who don't have savings or wages can cover their critical expenses, such as rent. Additional measures could include a one-off payment, paid directly to housing associations after rent verification, to cover rent over the wait, or changing the advance to a loan that the claimant pays back when they enter work.

The cap for deductions should also be lower. 86% (n=2,017) of respondents with deductions struggle to pay for one or more essential expense, compared to 70% (n=853) for those with no deductions. We support the Chancellor's Spring Budget 2021, bringing forward the reduction in the deduction cap from October 2021 to April 2021. From April 2021, the maximum rate of deduction reduced from 30% to 25% of the standard allowance.<sup>40</sup> But more needs to be done. The Work and Pensions Committee recently recommended that the cap should not exceed 10%, given that

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<sup>38</sup> [Maddison, F. and Porter, I. \(2021\) Keep the lifeline: why the Government should keep the £20 uplift to Universal Credit](#)

<sup>39</sup> [The National Housing Federation \(2021\) Universal Credit in a time of crisis](#)

<sup>40</sup> The survey went live on 19 April 2021, so early respondents would not have received an allowance with the lower deduction rate

welfare is already set at subsistence levels.<sup>41</sup> If taking an advance, we believe deductions should not start until the advance period has ended so that deductions are taken from full monthly awards. The DWP need an urgent review of the system to ensure people can meet their own basic needs while meeting their obligations to creditors.

The welfare system should provide support to those who need it. A life event should not lead to rising debt or increased hardship due to an inability to cover everyday expenses. This is particularly true if there is no delay in claiming Universal Credit upon a change in circumstances.

## Being upfront about costs

It is interesting that despite one of the aims of Universal Credit being to encourage people to work, some respondents reported being discouraged from working. A lot of this seems to stem from the issue of two payments in one assessment period, which mean they are worse off, the perception that the taper rate of 63p per £1 earned is too high, and paying for childcare upfront. Given the lack of savings indicated by respondents, it is clear many cannot afford upfront costs for expenses necessary for work, such as childcare. While advances and flexible support funds (FSF) are available to help with upfront costs, paying back advances can create cycles of debt for those on low incomes with no savings.

Child Poverty Action Group (CPAG) analysis indicates that FSF are underfunded and inaccessible for many families on Universal Credit looking for help with upfront childcare costs.<sup>42</sup> A recent High Court judgement in January 2021 found the Proof of Payment rule both discriminatory, because women are substantially more likely than men to be denied access to childcare costs, and irrational, as it could be based on proof of charges, such as an invoice.<sup>43</sup> The DWP is appealing this decision. The DWP should consider amending the system in light of this judgement, evidence of hardship, and it acting as a barrier to work. Universal Credit aims to give claimants more responsibility than previous benefits, therefore, it should treat people as responsible and not assume they are trying to defraud the system.

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<sup>41</sup> [House of Commons Work and Pensions Committee \(2020\) Universal Credit: the wait for a first payment: Third Report of Session 2019–21](#)

<sup>42</sup> [Lee, T. \(2019\) Upfront for families? Childcare costs in Universal Credit, CPAG](#)

<sup>43</sup> [Leigh Day \(2021\) Working mum wins claim challenging rule for Universal Credit parents to pay childcare costs upfront](#)

## Support

There were some positive examples of where help from organisations or people outside of the DWP had helped with a respondent's claim or resolving an issue. This was particularly true of housing associations (understandable given the sample and distribution of the survey), but included social services, mental health support workers, Citizens Advice, and family members.

Some respondents clearly need more support than others in making and managing a claim, especially completing forms and providing supporting information. The DWP provide help to make a claim through the Universal Credit helpline, as well as funding support from Citizens Advice through 'Help to Claim', but there were some reports of unhelpful or judgemental DWP helpline staff, as discussed in the section on the [helpline](#) and [empathy and accuracy](#).

Where more help was required, comments suggest people want more information about entitlement and how their allowance is calculated, as well as talking through the forms with someone (which many said they found complicated with multiple or confusing questions). For many, the coronavirus pandemic prevented face-to-face support. Many housing associations make computers available in their offices to help with claims, but most offices closed during the coronavirus pandemic,<sup>44</sup> as did Citizens Advice.<sup>45</sup>

It might help to introduce pop-up boxes or new welcome pages when someone starts a claim online that alerts people to the telephone numbers of the Universal Credit helpline or Citizens Advice. The DWP could do some further user testing of their website with claimants to check what is most effective, both in terms of alerting people to support and the claim process.

A consistent and supportive service is important. Staff at Jobcentres and on the helpline could respond to the desire for claimants to be treated as individuals by communicating more on what help is available or what can be done to help with budgeting or increasing an allowance if someone is struggling. The DWP should continue to train staff and monitor cases to ensure that support is consistent across the service. Clear graphics showing claimant journeys, alongside existing benefit entitlement calculators, would also help to orientate people who are new to the benefit and do not know what they are entitled to.

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<sup>44</sup> [National Housing Federation \(2021\) Universal Credit in a time of crisis](#)

<sup>45</sup> [Citizens Advice \(2021\) Coronavirus - changes to our service](#)



## Testing finances

We understand why the DWP has approached such significant changes to welfare reform via a test and learn approach. It does seem, however, that people have suffered during the early rollout of the benefit. The Department has made a number of system improvements in response to early testing. Most significantly improving payment timeliness and policy changes such as reducing the wait for first payment from six to five weeks and introducing the run-on of some legacy benefits. Payment timeliness in 2018 was, on average, 76.4% of new claims receiving full payment on time. This rose to 90% of new claims for the assessment period covering 14 January 2021.<sup>46</sup> Policy changes were the result of evidence around the financial impact of the wait. For those who claimed before introduction of these changes, however, may still be suffering the economic consequences. We would like to see the DWP compensate those early claimants still claiming. The DWP should also extend circumstances that allow for backdating of claims to the point of entitlement.

## Combined benefit

The survey results raise questions about whether Universal Credit is truly a combined benefit, or is seen as such by those claiming. Respondents felt the system was too rigid and didn't flex to reflect their circumstances:

- “Not to be kept being told it's one benefit but every circumstance is different and I never felt it fit” (Respondent aged 45-54, claimed for six months or more)
- “Not all one payment, as we still get carer's allowance, thought UC was going to make it all one benefit? It's paid by Carer's allowance then taken off as income from UC.” (Respondent aged 55+, claimed for six months or more)
- “The constant work focus calls when I'm long-term disabled knowing I can't work” (Respondent aged 35-44, claimed for six months or more)
- “It's not really set up for people on furlough” (Respondent aged 35-44, claimed for three months or more but less than six months)
- “I've worked all my life. What I didn't like was going to the Jobcentre to prove it was me. When I was there, I just felt like people looked down their noses as if I didn't work” (Respondent aged 25-34, claimed for six months or more)

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<sup>46</sup> [DWP \(2021\) Universal Credit statistics, 29 April 2013 to 8 April 2021](#)

There were comments suggesting respondents did not feel it was a combined benefit (“[it would have been easier] the universal part actually being universal”), because it didn’t include child benefit or because of the need to make a separate claim for council tax support, or perhaps because Personal Independent Payments and Carers Allowance were separate.

Another issue, linked to orientation and entitlement when making a claim, was that some people weren’t clear who Universal Credit was for. It was associated with not working (“I didn’t know one could claim it even if working...thought it was only for the unemployed [people]” Respondent aged 55+, claimed previously but not currently claiming). This was also linked to stigma around claiming. As one respondent put it, they felt “everyone is lumped in together” and even though they work hard and are not lazy “you are treated like you are”. They found it “very embarrassing to be on it and as soon as work picks up, I will stop” (Respondent aged 45-54, claimed for six months or more).

## Mental health

The survey findings raise concerns about the mental health and wellbeing of respondents. People’s anxiety levels were much higher than nationally for social housing tenants. A number of respondents highlighted how their mental health affected both their ability to search for work and their ability to make and manage a claim, as well as being affected by managing their claim, including:

- “If you have mental health problems and you're trying to find a safe and productive way to be part of the world, access to therapy and group sessions and charities who create services for people wanting to both address their mental health and retain the skills to someday get back into work is vital. I know first-hand that is not possible in London or the South of England. Subsidised local travel for claimants with commitments to getting themselves both mentally AND financially stable is needed.” (Respondent aged 25-34, claimed for six months or more)
- “Nothing is laid out or in black & white, for someone with mental health issues, I find this very frustrating and irritating as I have no idea what benefits I'm entitled to and who I need go tell when I move, there’s far too many sections to this. People with very specific needs get looked over and forgotten by the system because it's now so vague and from my experience the people suppose to be helping sort out all the different benefits are unhelpful and rude.” (Respondent aged 16-24, claimed for six months or more)

- “You never know where you stand. You can't budget for anything at all because you never know until 3 days before you're paid what you're actually getting. You could think you're getting more than what you are because of your payment from the previous month but somehow this all manages to change for one reason or another. This has left me most months with nothing left the day I'm paid so I'm living off nothing for the next month, which then has an effect on the following month and so on... this leaves me in extreme financial difficulty constantly never knowing where the next meal is coming from, continually worrying, panicking and getting into more and more debt which doesn't help my mental health, which in the end makes it worse for me to be able to return to work.” (Respondent aged 25-34, claimed for six months or more)
- “I became severely depressed more than usual and could not see the point in living and, trying to find a job at my age seemed near impossible.” (Respondent aged 45-54, claimed on and off for several months)
- “There is a massive discrimination for mental health and have to go through several doctor appointments to tell them how bad it is and they still say that I'm fit to work even though I'm going through massive stage of anxiety and depression.” (Respondent aged 16-24, claimed for six months or more)
- I have mental health issues and updating on this journal account triggers my mental health i find it extremely difficult to understand and always need help when updating (Respondent aged 45-54, claimed for six months or more)

Research into the longitudinal survey Understanding Society has suggested that the introduction of Universal Credit leads to an increase in psychological distress (a measure of mental health difficulties). Some of those individuals who were eligible for Universal Credit may have even reached the diagnostic threshold for depression.<sup>47</sup> As the Health Foundation recently discussed as part of their coronavirus inquiry, the relationship between mental health and unemployment is bi-directional.<sup>48</sup> They suggest ways that the welfare system can support people with poor mental health through:

- Providing adequate income by making permanent the £20 uplift.
- Tailoring expectations of job seeking activity.

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<sup>47</sup> Wickham, S., et al (2020) Effects on mental health of a UK welfare reform, Universal Credit: a longitudinal controlled study. *Lancet Public Health* 2020; 5: e157-64

<sup>48</sup> [Wilson, H. and Finch, D. \(2021\) Unemployment and mental health: why both require action for our COVID-19 recovery. The Health Foundation, 16 April 2021.](#)

- Designing employment programmes with personalised interventions that focus on securing good quality work and skills training to address underlying barriers.

There was good practice already, with respondents thanking DWP and housing association staff for support (“Martin from the Clevedon branch was very considerate and kind to me, when I went through a manic depression episode” Respondent aged 45-54, claimed for six months or more). Yet the DWP can do more to manage claimant anxiety and support good mental health. This includes keeping the £20 uplift to reduce money anxiety, speeding up work capability assessments, and training to ensure better consistency of service from staff. One respondent suggested “Better support and faster, more health focused assessments” (Respondent aged 25-34, claimed for one month or more but less than three months). Housing associations can continue to help through advertising available support and supportive approaches to income collection. The latter includes more supportive language in letters and notifications around rent due or arrears, stopping notifications for certain claimants, and promoting support for those struggling to keep up.<sup>49</sup>

## Conclusion

This report has outlined findings from one of the largest surveys of people claiming Universal Credit, and the only one focusing solely on social housing tenants. Over 3,500 tenants living in a home provided by one of eight housing associations completed the survey between April and May 2021. The survey repeated many of the questions from a similar survey, conducted in 2019, and published in the report [‘No time to wait’](#).

Our survey found many positives about the Universal Credit system and service received. While there was improved happiness with the service compared to the last time we surveyed social housing tenants claiming Universal Credit, overall there was a very mixed experience. Some respondents found claiming easy and straightforward, praised work coaches, and said the journal was an easy way to manage their claim. Others found Universal Credit difficult – claiming online was complicated or confusing, the journal slow and inflexible, and staff sometimes judgemental and unhelpful, providing conflicting advice. The main factors influencing

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<sup>49</sup> See NHF’s report [Universal Credit in a time of crisis](#) and [policy briefing on tenancy sustainment](#).

service experience were staff, mistakes with the claim, and being better or worse off on Universal Credit compared to legacy benefits.

The DWP could make a number of changes to ensure a more consistent level of service and support. This includes improved accessibility through an app, introducing an online chat function, and producing/signposting to graphics or videos that talk through steps to claiming, circumstances and entitlements. Staff training and case monitoring is also important to ensure a consistent level of service and support.

More worryingly, we found evidence of severe financial strains, including food insecurity, and high levels of anxiety. Over a third of respondents said they always run out of money before the end of the week or month (35%, n=3,040). 84% (n=3,007) had needed some kind of financial help when claiming, with 43% (n=2,989) reporting that they struggled to pay for food. One in ten said hardship while on Universal Credit had given them a new health condition and a fifth rated themselves as feeling 'completely anxious' yesterday. While we cannot say that Universal Credit causes these issues, it was clear that many respondents were struggling while claiming Universal Credit. We believe more needs to be done to support people claiming, by not cutting the £20 uplift, reviewing the wait for payment and deductions system, and more tailored work searches and Universal Credit systems.

There were good examples of housing associations helping tenants with their claims, but nearly two fifths of respondents said they had not spoken to their housing association, and it was clear from comments they were not aware they offered a service. Respondents also reported stress and anxiety linked to notices and letters about rent arrears. Housing associations should do more to advertise any support they offer, or encourage tenants to get in touch for referrals, and use supportive income collection approaches.

## Recommendations

### For the government

- The government must keep the lifeline and not cut £20 per week from people's Universal Credit from October 2021. Our survey findings show evidence of real financial strain, though some improvement in ability to afford essentials since our last survey in 2019. This indicates the £20 uplift has provided some relief.

- Benefit stigma and hearing Universal Credit is difficult mean people delay making a claim. The government should make some positive media stories about Universal Credit by not cutting the £20 uplift and considering a longer run-on of legacy benefits when switching.
- The uplift also has the potential to reduce anxiety related to financial concerns. There is a link between anxiety and income. Increasing financial support could improve the mental health of claimants and reduce strain on health services.
- The government should end the five-week wait for first payment. Two in three respondents did not have money to cover the wait and, for some, it pushed them into debt from which they haven't recovered.
  - The government should also consider the wait for payment in relation to the levelling up agenda – there was a high incidence of borrowing from friends and family to cover the wait. This money was spent on bills and rent, so often goes out of the local economy.
- Despite the appeal going through the High Court, we would like to see the government review the need for claimants to make childcare payments upfront (showing proof of payment rather than proof of charge), given evidence that it acts as a barrier to work.

### **For the Department for Work and Pensions**

- Given evidence of financial hardship, the DWP should review advances and deductions to ensure people can meet their own basic needs while meeting their obligations to creditors. It should also review application of the benefit cap and removal of the spare room subsidy.
- The DWP should extend the circumstances that allow a backdating of claims to the point of entitlement. The system needs to be more flexible for the different situations of claimants, particularly when our findings show the majority of respondents had no income to cover the wait for first payment.
- The DWP should also consider compensating early claimants for the longer wait for payment and no legacy benefit run-on. People who claimed the benefit when it was first introduced waited longer for their first payment (minimum six weeks) than those claiming now and had no run-on of legacy benefits. While the DWP have improved payment timeliness, early claimants were also more likely to not be paid in full and on time. Respondents reported how they were still in debt years after their wait for their first Universal Credit payment. Compensation might involve giving these early claimants still



receiving Universal Credit one week's payment at their historic allowance at the point of Universal Credit claim.

- The DWP should invest in further staff training and case monitoring to ensure a consistent level of service for claimants. Some important aspects of the system's flexibility, such as increased frequency of payments, are at the discretion of staff. Experience should not be determined by "who answers the phone". This is a life or death matter, given a handful of claimants reported feeling suicidal after poor experiences with staff.
- The DWP should ensure work plans are tailored to each claimant, accounting for their employment history and mental health or other health needs. Many housing associations provide employment and skills support and can be drawn on for this more tailored support.

### **For the Department for Work and Pensions and housing associations**

- The DWP and housing associations should do more to alert people to mandatory reconsiderations where their Universal Credit allowance is adjusted incorrectly by two pay packets falling in one assessment period (a problem for those paid fortnightly, four-weekly or monthly).
- The DWP should review reporting of annual rent updates. Many respondents found updating this difficult and wanted their housing association to do it on their behalf, given they had to verify costs. Alongside this, we need more research into drivers of rent arrears.
  - Housing associations should also work with tenants to ensure rent and service charges are broken down in the way the Universal Credit claim form or journal asks for information.

### **For housing associations**

- Housing associations need to advertise the welfare service they offer, or links to other services, more as most people were not aware or had not spoken to their housing association about their claim.
- Housing associations should also continue to take more supportive approaches to income collection to reduce anxiety and help claimants to manage their finances. This could include moving expected payment dates for rent to align with assessment periods, changing language in arrears' notices to be more supportive, and, where the tenant is engaging on payment, turning off arrears' notifications.

## Appendix

### About respondents

We received 4,093 responses in total, with 3,894 consenting to data sharing and proceeding to the survey. Respondents were asked if they were currently claiming Universal Credit or had claimed Universal Credit in the last year. If the answer was no, then they were not eligible to take the survey.

After cleaning the data,<sup>50</sup> a total of 3,706 said they were currently claiming Universal Credit or had claimed in the last year, and so were eligible to take the survey. Of these, 186 were considered partial responses and removed from the analysis.<sup>51</sup> Responses were partial if they did not answer beyond administrative questions (age, history of benefits). There were skipped questions or discontinued responses across the survey. As such, we use the number who answered the question to calculate proportion selecting each answer.

### Housing associations

Respondents lived in a home provided by one of eight housing associations. A breakdown is provided in Table 7.

Table 7 Breakdown of respondents by landlord

Housing association	Where homes concentrated <sup>1</sup>	Total response number
<b>Abri</b>	South East and South West	593
<b>Accent Housing</b>	Yorkshire and Humber	152
<b>Curo</b>	South West	359
<b>ForHousing</b>	North West	830
<b>L&amp;Q</b>	London	699
<b>South Lakes Housing</b>	North West	129
<b>VIVID</b>	South East	548
<b>Wythenshawe Community Housing Group</b>	North West	210
<b>Total</b>		3520

<sup>50</sup> 21 responses were removed as answers indicated they were duplicates or false responses.

<sup>51</sup> Partial responses include 30 who claimed in the last year and 156 currently claiming.

<sup>1</sup> Stock is concentrated in these areas, but participating housing associations own stock outside of these regions too, including the North East and East of England.

## Current claim

The majority (90%, n=3,520) were currently claiming (3,178) with a further 342 (10%) claiming in the last year.<sup>52</sup>

As stated, the survey was for those currently claiming or who had claimed in the last year. We did not include people who were eligible for Universal Credit but did not claim.<sup>53</sup> Recent research by Welfare at a Social Distance on behalf of The Health Foundation estimated that around half a million people who were eligible for Universal Credit at the start of the coronavirus pandemic did not claim it. The main reason for not claiming related to benefits stigma.<sup>54</sup>

## Age

As shown in Table 8, respondents were broadly split across age categories, with fewest respondents aged 16-24 years (6% of respondents). This is not surprising, given that 16-24 years head only 3.8% of housing association households (as defined by the household reference person in the English Housing Survey). It is lower, however, than the national proportion for claimants, where 16% of claimants are aged 16-24 years. There is a substantially higher proportion of respondents from older age groups when compared to the claimant population, again reflecting the age distribution of lead tenants in housing association homes.

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<sup>52</sup> As Universal Credit is claimed as a household, the question asked whether they were personally claiming Universal Credit. This was to avoid respondents answering on behalf of another person in the household claiming Universal Credit. Note there was a slight difference in answer choice here for tenants of Curo. Options were either Yes, currently claiming (2,838)/Yes, claimed in the last year (324) or, for Curo, Yes, I am currently claiming Universal Credit (344)/Yes, I have claimed in the last year (18).

<sup>53</sup> We have had reports from housing associations of some individual tenants finding it difficult to claim Universal Credit due to complexity of the system, lack of personal contact, confusion over entitlement, and inability to provide supporting information. These challenges are borne out in some of the comments by successful claimants in the survey (though many claimants reported positive experiences). This suggests there is a cohort of social housing tenants who have unsuccessfully tried to claim Universal Credit.

<sup>54</sup> [Welfare at a Social Distance \(2021\) Non-take-up of benefits at the start of the COVID-19 pandemic](#)

Table 8 Age of respondents (n=3,496) compared to age of all housing association tenants in England and of people claiming Universal Credit in England

Age band	Number of respondents	Percentage of respondents	Percentage of all housing association tenants in England <sup>1</sup>	Percentage of all Universal Credit claimants in England <sup>2</sup>
16-24	220	6%	4%	16%
25-34	949	27%	15%	30%
35-44	858	25%	17%	24%
45-54	778	22%	22%	17%
55+	691	20%	42%	13%
<b>Total</b>	<b>3,496</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<sup>1</sup> Data from English Housing Survey Annex Table 1.4: Age of household reference person, by tenure 2019-20

<sup>2</sup> Source: DWP Stat-Xplore, People on Universal Credit Age (bands) for England, April 2021

### Bedroom tax, benefit cap and deductions

In total, 716 respondents said they were affected by removal of the spare room subsidy (colloquially known as ‘the bedroom tax’). This equates to 20% of respondents (n=3,493), in keeping with the national proportion, where 20% of over a million social housing households claiming Universal Credit in England in February 2021 were subject to the removal of the spare room subsidy (affecting 214,144 households).

Almost a third of respondents (30%, n=3,484) said they were affected by the household benefit cap. This is substantially higher than the national average, which is 3%.<sup>55</sup> The difference may partially be explained by where respondents lived as rent levels differ and the cap rate differs inside and outside London – tenants of South Lakes were proportionately less likely to say they were subject to the benefit cap (23%, n=125), whereas L&Q tenants were more likely (33%, n=693). In total, 338 respondents said they were subject to both the spare room subsidy and benefit cap (around 10% of 3,472 respondents). When asked what they most disliked about Universal Credit, some respondents talked about caps and the spare room subsidy. It caused financial struggles: “[I dislike] the benefit cap. I lose £250 a month and it’s a real struggle now.” (respondent aged 35-44, claimed for six months or more). There

<sup>55</sup> DWP Benefit Cap Statistics: Table 18: Point-in-time Caseload: Number of households that had their benefits capped at November 2020 - By Region and Local Authority compared to households in England claiming Universal Credit

were repeated calls to “scrap” the benefit cap, spare room subsidy and two-child limit.

The DWP should review application of the spare room subsidy and benefit cap, particularly during the coronavirus pandemic. The spare room subsidy was introduced to encourage moves to smaller properties. This was impossible during the first lockdown, while many may have used any bedroom deemed spare to self-isolate, work from home, or give teenagers their own bedroom to study and sleep in. The benefit cap was imposed on families at a time when many people could not work due to coronavirus restrictions.

Nearly two thirds of respondents had been subject to deductions (62%, n=3,057). More detail on type of deduction is in Table 9. This shows the most common deduction was paying back of advances (66%, n=1,864). For those affected by both the spare room subsidy and benefit cap, 61% had deductions (n=298). We cannot tell from the survey data whether these were simultaneous.

Table 9 Deduction type - what is/was being deducted? (N.B. multiple choice, total will not sum to 100%)

Deduction type	Count	Percent
<b>Advance payment</b>	1,229	66%
<b>Tax Credit overpayment</b>	583	31%
<b>Other benefit overpayment e.g. council tax or child tax credits</b>	353	19%
<b>Rent arrears</b>	312	17%
<b>Overpayment of Universal Credit</b>	187	10%
<b>Housing Benefit overpayment</b>	175	9%
<b>Utility arrears</b>	118	6%
<b>Hardship payment</b>	99	5%
<b>Sanction</b>	33	2%
<b>Deductions were in error</b>	29	2%
<b>Total respondents</b>	1,864	

Most respondents who said they had deductions only had one (57%, n=1,864) with 27% two, and 17% having had three or more. Again, we cannot tell from the survey data whether these were simultaneous. We might be able to make some assumptions from length of claim though – those who have claimed less than three months 31% (n=90) were subject to between three and five deductions during this period. It is highly likely, given the short length of their claim, that these were simultaneous.

Respondents wanted more information on deductions, particularly overpayments:

- “Impossible to understand how I owe overpaid Working Tax Credits which randomly crop up .....some from many years ago. I have no idea how this is worked out. It is so complicated even DWP seem to come to random calculations. Unfathomable. I contest that I owe money from years ago.....but they just tell me I have to pay.” (Respondent aged 55+, claimed for six months or more)
- “I have found the customer service team helpful, however I cannot say the same for DWP. Where they have told me I have an enormous overpayment which I disagree but have been told they are unable to provide me with any explanations. I have only ever received what I have been entitled to. This had dramatically impacted on my mental wellbeing.” (Respondent aged 25-34, claimed for three months or more but less than six months)

## Work

The majority of respondents were working (39%, n=3,022), which is broadly in line with national proportion of people claiming, where 37% (n=5,186,098) were in work in April 2021.<sup>56</sup> Survey respondents who worked were largely in part-time jobs (57%, n=1,159) or full-time contracts (26%, n=1,159). Other workers were self-employed (9%, n=1,159) or on zero hours contracts (9%). The next biggest group were those who were not fit for work (25%, n=3,022). Figure 14 shows more.

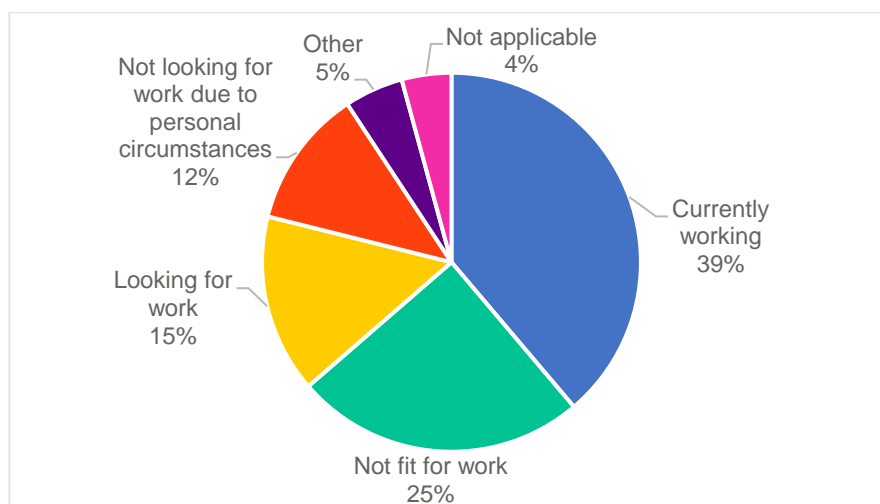


Figure 14 Work status of respondents (n=3,022)

<sup>56</sup> DWP Stat-Xplore, people on Universal Credit, month by employment indicator



## History of claiming benefits

The majority of survey respondents had claimed Universal Credit for six months or more (79%, n=3,503). The next highest grouping was households who had claimed for three months or more but less than six months – 8% of respondents. 6% had been claiming for less than one month and one month or more but less than three months. 5% had claimed on and off for several months. Just over 2% had claimed previously, but weren't currently claiming.<sup>57</sup>

In total, 67% of respondents who answered the question said they had claimed some type of benefit before (n=3,490). Table 10 gives the breakdown of any history of claiming benefits.

Table 10 Responses to question of what benefits, if any, respondent had claimed before Universal Credit (N.B. multiple choice, so will not total 100%)

Benefit type	Number	Percentage (n=3,490)
<b>Housing Benefit</b>	1,374	39%
<b>Tax Credits</b>	1,209	35%
<b>Income Support</b>	592	17%
<b>Employment Support Allowance</b>	453	13%
<b>Jobseekers Allowance</b>	419	12%
<b>Never previously claimed benefits</b>	1,143	33%

This will have influenced respondents' experiences of Universal Credit. Many compared it to old benefit systems. For some, it was seen as more efficient and accurate, particularly better at adjusting to different working hours/wage packets, and they were better off on it. There were also, however, many respondents who wanted to go back to their old benefits as they were paid more frequently and they said they were better off, notably on child or working tax credits. Interestingly, 30% (n=1,209) previously in receipt of tax credits were having deductions from their Universal Credit

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<sup>57</sup> There is some discrepancy between claim status given at the start of the survey and length of time claiming in answer to this question. 226 respondents who said they weren't currently claiming marked time periods for this question. Six said they were currently claiming at the start of the survey, but then said they weren't currently claiming in answer to this question. We cannot be sure which answer is true. Due to the sample size and distribution, this makes only a small difference to proportions for length of claim – potentially only 75% (rather than 79%) had claimed for six months or more – but could mean as many as 96% (rather than 90%) were receiving or waiting for their first payment of Universal Credit at the time of the survey. Due to these discrepancies, we have not examined results by claim status.

for overpayment of these. This indicates a high incidence of overpayment error and may explain some feelings of being better off.

## Universal Credit Allowances

### Standard allowance

#### Single

April 2021 to September 2021:

Universal Credit amounts	Rates 2020 to 2021 (£)	April 2021 to September 2021 (£)
Single under 25	342.72	344.00*
Single 25 or over	409.89	411.51*

\*Rates have been temporarily increased by the Universal Credit (Extension of Coronavirus Measures) Regulations 2021/313

October 2021 to March 2022:

Universal Credit amounts	Rates 2020 to 2021 (£)	Rates October 2021 to March 2022 (£)
Single under 25	256.05	257.33
Single 25 or over	323.22	324.84

#### Couple

April 2021 to September 2021:

Universal Credit amounts	Rates 2020 to 2021 (£)	Rates April 2021 to September 2021 (£)
Joint claimants both under 25	488.59	490.60*
Joint claimants, one or both 25 or over	594.04	596.58*

\*Rates temporarily increased by the Universal Credit (Extension of Coronavirus Measures) Regulations 2021/313

October 2021 to March 2022:

Universal Credit amounts	Rates 2020 to 2021	Rates October 2021 to March 2022
Joint claimants both under 25	£401.92	£403.93
Joint claimants, one or both 25 or over	£507.37	£509.91

## Child amounts

Universal Credit amounts	Rates 2020 to 2021	Rates 2021 to 2022
First child (born prior to 6 April 2017)	£281.25	£282.50
First child (born on or after 6 April 2017) or second child and subsequent child (where an exception or transitional provision applies)	£235.83	£237.08

## Disabled child additions

Universal Credit amounts	Rates 2020 to 2021	Rates 2021 to 2022
Lower rate addition	£128.25	£128.89
Higher rate addition	£400.29	£402.41

## Limited capability for work

Universal Credit amounts	Rates 2020 to 2021	Rates 2021 to 2022
Limited capability for work amount	£128.25	£128.89
Limited capability for work and work-related activity amount	£341.92	£343.63

## Carer

Universal Credit amounts	Rates 2020 to 2021	Rates 2021 to 2022
Carer amount	£162.92	£163.73

## Childcare costs amount

Eligible people claiming Universal Credit will receive up to 85% of childcare costs, up to a maximum monthly limit of:

Universal Credit amounts	Rates 2020 to 2021	Rates 2021 to 2022
Maximum for one child	£646.35	£646.35
Maximum for two or more children	£1,108.04	£1,108.04

## Non-dependants

Non-dependants' housing cost contributions	Rates 2020 to 2021	Rates 2021 to 2022
Non-dependants' housing cost contributions	£75.15	£75.53

## Work allowances

Work allowances	Rates 2020 to 2021	Rates 2021 to 2022
Higher work allowance (no housing amount) one or more dependent children or limited capability for work	£512.00	£515.00
Lower work allowance one or more dependent children or limited capability for work	£292.00	£293.00

## Benefit cap

Rates introduced November 2016.

Monthly equivalent (Greater London)	Rates 2020 to 2021	Rates 2021 to 2022
Couples (with or without children) or single claimants with a child of qualifying age	£1,916.67	£1,916.67
Single adult households without children	£1,284.17	£1,284.17

Monthly equivalent (rest of Great Britain)	Rates 2020 to 2021	Rates 2021 to 2022
Couples (with or without children) or single claimants with a child of qualifying age	£1,666.67	£1,666.67
Single adult households without children	£1,116.67	£1,116.67