

Universal Credit Full Service in Sheffield- First Impressions

It is still early days for us in Sheffield in terms of analysing the Impact of Universal Credit as we weren't fully "live" on the full service across the City until 12 December 2018. While Universal Credit may be working for some, there are significant numbers of people who are having problems-many of whom are in vulnerable situations and most in need of support.

You may be aware that Citizens Advice nationally has prepared a number of excellent evidence reports based on evidence from all the local Citizens Advice organisations that have been working with Universal Credit over many months. <https://www.citizensadvice.org.uk/about-us/our-campaigns/all-our-current-campaigns/Universal-Credit/>.

This month Citizens Advice have released an evidence report about Managing Money on Universal Credit which calls, amongst other things, for an urgent lifting of the Benefits Freeze:

[https://www.citizensadvice.org.uk/Global/CitizensAdvice/welfare%20publications/Managing%20Money%20on%20Universal%20Credit%20\(FINAL\).pdf](https://www.citizensadvice.org.uk/Global/CitizensAdvice/welfare%20publications/Managing%20Money%20on%20Universal%20Credit%20(FINAL).pdf)

It comes as no surprise to us that the sorts of problems that have been cropping up elsewhere are already in evidence in Sheffield.

From 1 November 2018 (to date i.e 12 February 2019) we have dealt with 1037 UC issues affecting 662 people. The majority of these issues (624) related to the initial claim followed by issues relating to eligibility and entitlement to UC (357) - which is to be expected as people sought independent advice about whether UC applies to them. Other key issues included Universal Support to claim (98), disability elements (81), the housing element (50), issues around the calculation of income (34) and deductions from the UC benefit payments (24)



There are so many practical, technical and structural problems with UC (examples below) that it is very difficult to know where to focus campaign efforts and, in Sheffield, we try to work with Citizens Advice nationally to get indications of where influence may be most productive.

What we need to see changed urgently based on experience so far:

Increased resources for the Universal Credit telephone helplines

The phone helplines are already very much overloaded and there are very long waits, on-hold, to get through to DWP staff to attempt to troubleshoot problems including to access non-digital routes through to UC initial claims and for on-going non-digital claims management.

We would like to see

- **Transparent and workable arrangements for “Non-Digital” Claimants:**

Including arrangements for “non English speaking claimants, (which includes many recently granted refugees), allowing them to be quickly identified as “non digital” claimants without having to convince front of house DWP staff to allow them to submit phone claims. Telephone claims are already proving to be a very lengthy process even without the added issue of 3-way telephone interpretation.

To facilitate this we would like to see:

- **Telephone facilities for claimants in the Job Centres (alongside digital access)**

with adequate interpretation provided, where needed.

Other non-digital claimants include hospital in-patients. In a recent example a supported telephone claim for a hospital inpatient took 2.5 hours to complete and the DWP were unaware of the process for ID verification in these circumstances.

The claims process as a whole is tricky and very lengthy, even with support provided. One client reported it took 3 hours at the Job Centre and the stress brought on a seizure.

Problems with lack of digital skills, lost passwords for emails and accounts are emerging.



A quick and easy system for registering the effective date of claim

Pressure around the Initial claims process could be significantly eased if there was a mechanism for registering the date of claim at first contact and then allowing a reasonable period of grace for claimant to gather and submit all the multitudinous relevant details and evidence. This could mirror the current process in place for claimants of Personal Independence Payments where the claim date can readily be registered by phone. At present the date of claim and subsequent start of payments relates to when a full claim is submitted. In fact we understand the legislation for Universal Credit already appears to allow for this but at present it is not made possible by the practicalities of the on-line platform.

Make Alternative Payments available on request

Alternative Payment Arrangements: are available but these need to be made available “on request” by the claimant with the options being clearly flagged. At present they are decided at the discretion of the DWP using “Tier 1 and Tier 2” guidance. This is a structural problem because the theory of UC assumes as a matter of principle that it is better for people to be expected to budget everything themselves calendar monthly regardless of their personal preferences to have weekly payment or have housing costs paid direct to the landlord.

Improve protections for vulnerable claimants

Weak protections for vulnerable claimants are another serious cause for concern:

This particularly disturbing example, as **summarised by our Research and Campaigns Team**, illustrates the difficulties produced by a more severe and challenging conditionality regime. This case is classic example of how not to help a client with mental illness and was only resolved by use of escalation routes and the strenuous efforts of sympathetic DWP staff.



“Client with depression and severe anxiety. On UC since 2016. 10 sanctions over 10 months, all but one overturned after Mandatory Reconsideration (MR) (reasons including not being notified of appointment he allegedly did not attend); each sanction added to mental health problems so life spiralled downwards. DWP did not reply to his (very vivid) letter of complaint about treatment by UC work coach (unsympathetic to mental health issues; unrealistic demands over client commitment). July 2018 MR and appeal over latest UC sanction for not attending WCA says he had informed DWP he was unable to leave his house at the time due to severe anxiety and depression. No money from April 2018 onwards; huge rent arrears and talk of eviction. Won appeal against UC sanction but backdated payments severely delayed despite chasing. We advised to close UC claim and claim ESA (just prior to 07/11/2018 deadline); initially told by DWP not allowed to claim because he had failed UC WCA. HB claim rejected and told to claim UC. Multiple foodbank referrals; talk of suicide. Our records show numerous interventions via DWP escalation routes required to get anything resolved.”

Implement the improvements that have already been announced immediately and continue all legacy benefits until first payment is made.

It is important to acknowledge that some piecemeal adjustments have been announced by the Government in last budget: -

extending the 2-week run on for existing HB legacy claimants to some other legacy benefits (Income Support and Income-based Employment and Support Allowance)- but not for another 2 years.

Extension to repayment schedule for Advance Payments - but not until October 2019.

Improvements to the provisions for calculating self-employed income but not until September 2020.

There are therefore very lengthy implementation timescales for these reforms and it would arguably be better to simply continue all legacy payments until UC payment ready to kick-in, thereby avoiding the need to incur debt by getting an advance payment..

Compensation where people have been wrongly directed to claim Universal credit

Once you claim UC , you are stuck in the UC “lobster pot”

We are deeply concerned about clients already on legacy benefits who are being wrongly directed to claim UC- by DWP, or other sources in instances where they may have been able to retain legacy benefits pending managed migration. Following the full live service roll-out there is no way back to legacy even where clients have received wrong advice from official sources and there is no access to transitional protection to mitigate against reduced allowances. We have already seen examples of this in Sheffield.

Campaign Priorities for Citizens Advice Sheffield:

We have taken the broad view that to limit significant hardship the focus is on asking the government to ensure all issues are “fixed” in advance of “Managed Migration”. As such the announcement that this will be trialled with 10,000 households in 2019 rather than 3 million is very welcome indeed. It still means that those 10,000 will be subject to the “test and learn” approach although it could be argued that there is already substantial evidence about where the difficulties lie. The Secretary of State has given a clear commitment to “listen carefully” to concerns. We believe a systematic action plan is needed agree the key problem areas and to tackle them effectively- this requires .transparent engagement with all third sector agencies representing claimants and potential claimants. Amber Rudd’s very recent announcements should encourage us to press for this.

We are continuing to monitor cases (including cases where clients were on UC prior to November 2018 e.g because of moving from a Full Service areas

In the longer term:

A root and branch reform of the whole Universal Credit system

We have encountered many other areas of concern both technical and structural

Technical

It appears that DWP staff have not been fully trained on all aspects of the benefit so that challenges to errors are not necessarily put right very easily. For example:- clients who are in the Support Group of ESA when transitioning to UC should have this status carried forward (including an enhanced entitlement - but this did not happen for vulnerable young woman with mental health problems.

This reflects problems documented elsewhere on national Welfare Rights forums

Technical problems are also becoming apparent in the IT system e.g it took a 65 minute phone call to resolve an issue around linking a couple account together (as required for joint claims).

Structural

When considering the 5 week minimum delay in getting onto “normal” payments (and thereby achieving means to evidence entitlement to passported benefits such as free School Meals, Free prescriptions, etc), we need to bear in mind that the 5 week “delay” is actually embedded in the very structure of the benefit and the way it is calculated and processed internally. It is at the heart of the “calendar monthly” calculation and payment cycle.

Last month’s announcements by the Secretary of State, Amber Rudd, and the ruling by the high Court¹ suggest that the need for this is now accepted both by Courts and Politicians..

The High Court Ruling suggests that the DWP will have to take a fresh look at the entire mechanism underlying UC which mean that rigid, calendar monthly assessment processes can result in wildly fluctuating payments that make it impossible for low paid workers to budget effectively. Amber Rudd announced the she will consider a more frequent payment cycle, explicitly acknowledging that a “one-size-fits-all” approach is at odds with some of the basic objectives of the policy.

Urgent Interim Measures

Whatever announcements have been made we cannot expect reforms to be instant so we still need urgent action on the practical arrangements for claiming as outlined above to reduce the hardships that will be experienced by people who need to claim mean-tested support NOW.

¹ <https://www.bbc.co.uk/news/uk-46834533>