

Benefits issues in Wales during the Covid-19 crisis

Household finances in Wales have been hit hard by coronavirus. Many people have lost jobs or seen their incomes reduced, leaving them struggling to keep up with day to day costs.

Since the Covid-19 pandemic began in March 2020:



125,000 more people have claimed Universal Credit¹



26,000 fewer people are in paid employment²



280,000 households have fallen behind on bills³

People whose incomes have been disrupted need to be able to rely on the benefits system as a financial safety net.

But insights from our advisers suggest that people are struggling with three main issues when applying for benefits:

- 1. Lack of awareness or understanding** - Many of the people we helped during lockdown have been new to the benefits system, and have typically been looking for help to understand their options and what they might be entitled to.
- 2. Barriers to access** - Some people face particular barriers when applying for benefits, for example people with little or no access to the internet and those for whom Welsh or English is not their first language.
- 3. Financial difficulties** - Many of the people we help with benefits issues are facing financial difficulties, either because of delays in completing their claim, gaps in income whilst waiting for their first payment, or because the amount they receive doesn't allow them to cover their costs.


Impact on our clients during Covid-19


Citizens Advice Cymru has helped more than **55,000 people** with benefits issues since the start of the pandemic.

Whilst we have helped roughly the same number of people as last year, the type of benefit issues that people came to us for help with has changed during the crisis.

Compared to the same period last year, we have seen:

 6500 more people with **Universal Credit** issues

 1200 more people with **Jobseekers Allowance** issues (including New-Style JSA)

 1000 more people with **Localised Social Welfare** (including the Discretionary Assistance Fund)

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Why do people delay or decide not to claim?

Our research has found that negative perceptions of benefits, and perceptions around the difficulty or time involved in applying, are the main reasons people do not claim benefits in Wales.

Amongst people who have delayed claiming a benefit:



44% were worried about how they would be treated by officials



37% felt it would be too much hassle



30% thought it was too hard to work out if they were eligible⁴

People who have difficulty **finding information or completing forms online** are much more likely to have delayed or put off claiming a benefit.

Boosting benefit take up in Wales

Our research has found that 1 in 4 (26%) people in Wales have delayed or decided not to claim a benefit, despite thinking they could be eligible.⁴

We are concerned that low awareness of benefits - particularly those administered in Wales - will prevent people affected by the Coronavirus crisis from getting the support they need.

Only half (48%) of adults in Wales think that someone claiming UC could be entitled to a reduction on their council tax.⁴

In addition, inconsistencies in application processes and the information available across different Local Authorities make it more difficult for people to find out what they are entitled to.

The next Welsh Government must act to ensure people claim the financial support they're entitled to by:

1. Encouraging people to check what benefits or support they are entitled to.
2. Ensuring Local Authorities have sufficient funding to be able to proactively offer local financial support.
3. Simplifying applications and improving people's experiences applying for benefits administered in Wales.



¹ DWP, [People on Universal Credit](#), Feb 2021

² Welsh Government, [Key Economic Statistics, February 2021](#)

³ Citizens Advice Cymru, [Coronavirus Debts](#), Nov 2020

⁴ Figures from an online survey conducted by YouGov on behalf of Citizens Advice Cymru, between 27th Feb - 2nd March 2020. Figures have been weighted and are representative of all Welsh adults (aged 18+).