

# Making a Universal Credit claim



**citizens  
advice**

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# Summary

Universal Credit is one of the biggest changes to the welfare system since its inception. Bringing together six existing benefits, by the time it has rolled out around 7 million families will be receiving the new benefit - more than half of which are working families. This is a hugely ambitious programme, seeking to simplify the existing complicated benefit system and incentivise more people to start and progress in work.

While Universal Credit is working for the majority, there are a significant minority of people who are having problems - many of whom are in vulnerable situations and most in need of support. Citizens Advice helps many of these people and therefore understands where reforms are needed.

We support Universal Credit's aims and principles. The reform is an opportunity to improve on the previous benefits system, which presented significant challenges to many people. However, this opportunity is being undermined by delivery challenges and limited support which is negatively impacting on some claimants. As it currently stands, too many people are struggling to make a claim for the new benefit, resulting in long waits for a first payment.

Over the last year there have been a number of welcome changes to the design of Universal Credit's wait for first payment. However, our evidence from the people who are struggling with the system shows that delivery problems are continuing.

The Government have taken a test and learn approach to the rollout of Universal Credit, with a commitment to make improvements as issues present. A number of solutions to these delivery challenges are already in development, but are not yet in place. Without these solutions and adequate support, people risk having a bad start to Universal Credit and their finances being put at risk.

In this report, we use our evidence and insight from helping tens of thousands of clients with Universal Credit to set out some of the problems that have become apparent at this stage of rollout, and suggest how they could be addressed. We have found:

**A significant number of people are not receiving their full payment on time as they struggle to provide evidence as part of their claim.** DWP data shows that currently 17% of Universal Credit claimants are still waiting longer than 5 weeks to receive their full payment. DWP have recognised many of these delays are due to challenges with outstanding evidence. However, our research shows people are struggling with this - including 40% of those we help who found

evidencing housing costs difficult. Advance Payments can provide necessary support to people whilst they wait for their first payment. But, it is unclear what additional support is available for people if their full payment is delayed.

**Additional delays to people's income put them at higher risk of getting into debt.** Our evidence shows that the people we help who are not paid on time are 23% more likely than those paid on time to get into debt, putting their finances at risk. Problem debt can have wide-ranging impact on people's lives, and the knock-on effects could risk undermining the aim of Universal Credit to support people into and through work.

**Many people are struggling to make their claim. This adds delays to the process, and can reduce the amount of Universal Credit people receive.** For some it may result in them dropping out of their claim altogether. DWP evidence shows 44% of those who made their claim online make multiple attempts to complete their application. For those struggling most, this can lead to long delays in claims, with 1 in 4 of the people we help taking more than a week to finish their claim - reducing their entitlement and delaying income.

**People need more support at the beginning of their claim.** For the people we help, awareness of the adaptations or current support available is low, and existing support is often insufficient to help people manage this new system. This puts additional pressure on DWP staff, and can set up additional challenges for people further down the line.

Nearly one million people are now on Universal Credit and the new benefit is available in half of Jobcentres. Rollout has rapidly increased, with the benefit due to be in all Jobcentres by the end of the year, and those claiming existing benefits set to move over from next year. While the system is working for many making new claims, there remain significant groups who are struggling and need more support.

**The government needs to urgently add further features to the system and ensure adequate support is in place** so that people are paid on time and their finances are not put at risk. It is vital this happens before steps are taken to migrate existing benefit claimants and ahead of further roll out, when hundreds of thousands more people will be affected. Specifically, the government should use the break in rollout during August to:

- 1. Ensure adequate support is available to everyone who needs it by:**
  - publishing a minimum standard of Universal Support with sufficient availability and coverage

- having clear and distinct offers to help people make a claim and to empower people with the skills they need to manage Universal Credit
- extending the scope of Universal Support to include help to make a claim beyond the digital claim, an evidence check service, and funding for free impartial debt advice
- strengthening referral routes by introducing a no wrong door policy
- proactively telling all Universal Credit claimants about Alternative Payment Arrangements and support available.

**2. Speed up and complete features which make it easier to provide evidence as part of a claim, including:**

- completing development of and fully rolling out the Landlord Portal
- extending the concept of the landlord portal by introducing a centralised system to help claimants evidence their costs, including for childcare and housing costs in the Private Rented Sector
- ensuring it is possible for people to easily provide evidence online at the beginning of their claim, including the extension of 'digital fit notes' to Universal Credit
- publishing an evaluation of 'prove your identity' and, if the evidence suggests it is successful, making sure this is new feature is available

**3. Make claiming Universal Credit less complicated by:**

- introducing an automatic interim payment for those who are not paid on time
- reviewing what actions are required to get a first Universal Credit payment
- starting the Universal Credit wait for first payment at the point someone begins the claim process
- reviewing the timescales for closing claims and communicate this clearly with claimants by introducing further reminders, across channels, to let people know when they have not completed a requirement of their claim.
- completing development and implementation of announced fixes, such as the online system to book Jobcentre appointments

# Background

Universal Credit was introduced in 2013 to simplify the benefits system, and to better support and encourage work. It is available for both those out of work and those who are in low paid work, to support their living costs. By the time Universal Credit is fully rolled out around 7 million families will be receiving the benefit<sup>1</sup> - including more than half who will be working families.<sup>2</sup> .

It brings together and replaces six existing benefits - often known as legacy benefits. Universal Credit is designed to be a single household payment, which includes housing costs and is paid monthly. It uses HMRC real time information to respond to changes in income, reducing the Universal Credit payment gradually as earnings increase. The benefits it replaces are:

- Income Based Jobseeker's Allowance
- Income Based Employment Support Allowance
- Income Support
- Working Tax Credit
- Child Tax Credit
- Housing Benefit

The new benefit is being built and rolled out using a test and learn approach. It is now available in half of Jobcentres, with rollout set to have complete national coverage by the end of this year. In July 2019, the process of people being moved from legacy benefits to Universal Credit - known as managed migration - will begin. The current plan for moving this group requires them to make a full Universal Credit claim, or their benefits will stop.

**Table 1: Some of the recent changes to Universal Credit**

Change made	When they come into effect
Made the UC helpline free of charge	Nov 2017
Improvements to Advance payments including increasing the availability and level of payment	Jan 2018
Removed 7 waiting days	Feb 2018
Introduced a housing benefit roll-on which gives those moving from legacy benefits to UC an additional 2 weeks of housing benefit which is non-repayable	April 2018

<sup>1</sup> OBR, [Welfare Trends](#), January 2018

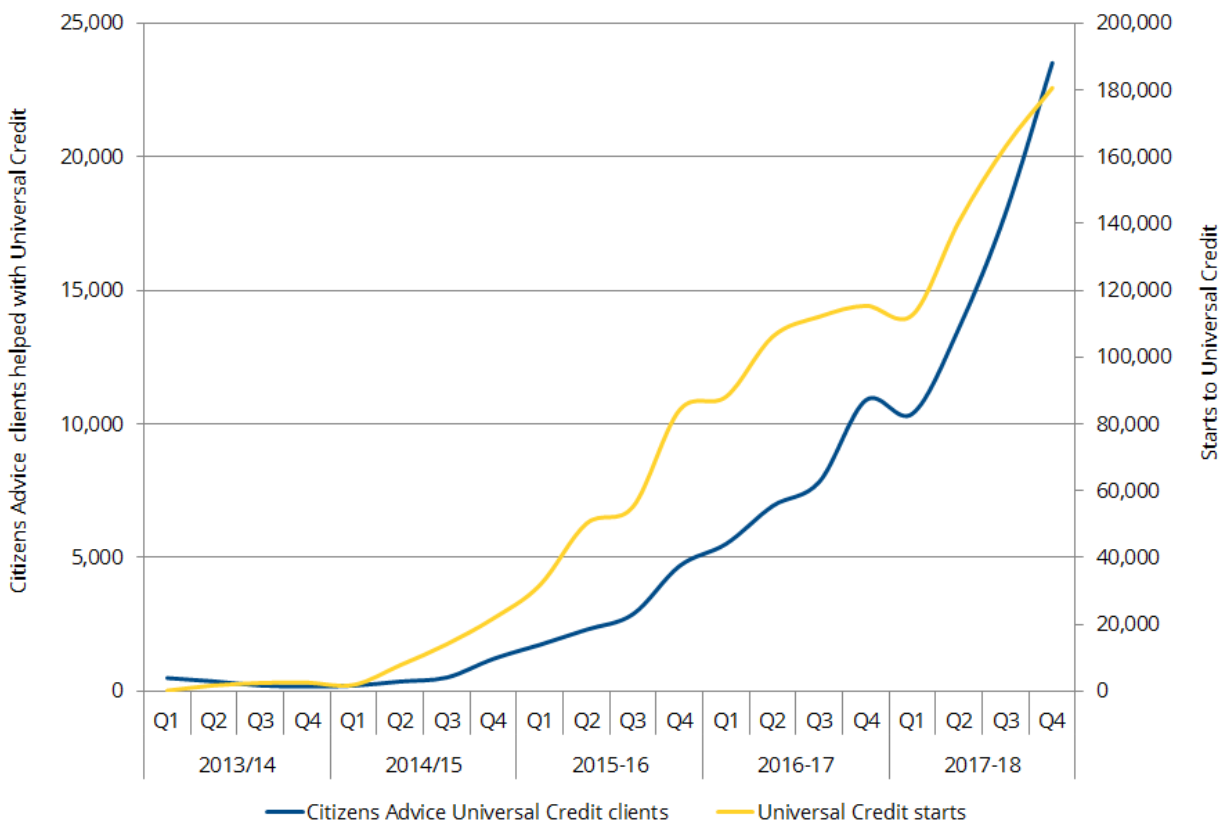
<sup>2</sup> Citizens Advice, [Delivering on Universal Credit](#), July 2017

Extended transitional protection rules so increased numbers of those moving from legacy benefits will have their income protected

July 2019

The rollout approach and test and learn development has meant that the Government can act when they have see issues with the policy, design or delivery of the benefit. This has led to a number of welcome changes being made in the last year (shown in Table 1). Over the last 6 months, this means resources within the Universal Credit build have been focused on developing these changes so that they could be delivered quickly. These alterations focus on policy and design changes to Universal Credit and will support people as they move onto Universal Credit. Additional features are currently being designed and implemented. However, without these fully in place, and without adequate support, many of the delivery problems which remain will not be addressed for the tens of thousands of claimants moving on to Universal Credit in this phase of rollout.

**Figure 1: Citizens Advice clients helped with Universal Credit and starts to Universal Credit<sup>3</sup>**



<sup>3</sup> Whilst some people will come to us for help with Universal Credit later in the claim, the majority of people we are currently supporting need help with their initial claim and therefore we have compared our client numbers to starts to Universal Credit.

There are now 980,000 people on Universal Credit, with 80,000 people starting on the benefit each month.<sup>4</sup> Citizens Advice helps the equivalent of 12% of new starts each month. Since rollout began, we have helped 120,000 people with Universal Credit issues. As rollout continues, the number of people we help with Universal Credit problems has increased - both in numbers and as a proportion of clients helped with welfare issues, now accounting for 1 in 7 of our benefit clients.

In 2017/18, people we helped with Universal Credit had on average 2.1 Universal Credit issues and were more likely to need help with another non-Universal Credit issue. 79% of clients we helped with Universal Credit have another issue, compared with 65% of clients helped with legacy benefits. This includes issues such as debt (26%) and housing (15%).

The consequences of these problems can be large - both for the individual and government. Those claiming benefits being replaced by Universal Credit are less likely to be able to plan for their futures and manage large changes in income or spending, and are more likely to have debts or arrears, which make it harder to deal with financial difficulties.<sup>5</sup> Many of the people we help are just about keeping their head above water and delays or shocks to income can tip them off balance.

The most serious implications can include homelessness, relationship breakdown, poor mental health and financial exclusion. In particular, problem debt can have an impact on people's behaviours and ability to make life decisions<sup>6</sup> and could therefore risk Universal Credit's aim to support people into and through work.

Last year, the government made a number of positive changes to the design of Universal Credit, with the aim of helping people with their start to the benefit. It is still too early to fully evaluate the impact of these changes. However, beyond these changes there still remain a number of delivery problems and challenges to existing support. If fixed, it would tackle some of the issues people are facing in their start to Universal Credit and help it to achieve its aims. In this report, we highlight and evidence some of these ongoing Universal Credit delivery problems and suggest recommendations to fix them. In August there is a break in Universal Credit rollout, which should be used to make these fixes.

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<sup>4</sup> DWP, [Universal Credit official statistics](#), June and July 2018

<sup>5</sup> Money Advice Service, Financial capability in the UK, 2015

<sup>6</sup> Citizens Advice, The Debt Effect?, 2016



# Research method

We have drawn on a number of different methods to understand the delivery problems that the people we help are experiencing with Universal Credit. Much of this evidence, from both our ongoing client caseload and client monitoring survey, have been gathered during the period where the most recent changes to Universal Credit have been implemented (Table 1).

Our evidence uses data we gather from advising 120,000 people about Universal Credit in local Citizens Advice across England and Wales. It also draws insight from qualitative case studies gathered alongside this advice, provided by our expert advisers who support clients with Universal Credit.

In addition to this we have been closely monitoring clients' experiences of Universal Credit. Since August 2016, we have been carrying out a survey of clients in 31 full service Universal Credit areas. This research uses evidence from this survey gathered between November 2017 and June 2018 with a sample of 678 responses. Additional responses are used from June 2017 - October 2017 when looking at the impact of payment delays.<sup>7</sup> Payment timeliness remained relatively stable over this period. We tested the differences in payment timeliness and indicate where these are statistically significant.

We also surveyed local Citizens Advice Chief Officers about their experience of support services for Universal Credit claimants in their area. This took place between November 2017 and January 2018, and has a sample of 206 local Citizens Advice - equivalent to 70% of our network.

## **Acknowledgements:**

Thank you to colleagues at Citizens Advice who contributed to this report, especially Kayley Hignell, Gwennan Hardy, Lindsey Kearton, Emily Spoor and Rachel Remedios.

Thanks also go to staff and volunteers across our network of local Citizens Advice who contributed much of the evidence, particularly: Allerdale; Bath and North East Somerset; Bedworth, Rugby and Nuneaton; Brighton and Hove; Calderdale; Craven and Harrogate Districts; Cheshire East; Cheshire West; Copeland; County Durham; Dudley; Eastbourne; Halton; Hambleton and Richmondshire; Hammersmith and Fulham; Leicestershire; North East Doncaster; North Lancashire; Oxford; Oxfordshire South and Vale; Pennine West; Plymouth; Shropshire; South Lincs; Southampton; Southend; Sutton; Swale; Tameside District; Wiltshire; and Wrexham.

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<sup>7</sup> This question excludes those who didn't answer both questions required for analysis. N= 646.

# 1. Receiving a first Universal Credit payment

Universal Credit is designed to be paid monthly and in arrears - this means that your first payment is intended to be received after approximately 5 weeks.<sup>8</sup> This payment structure has been introduced to be more responsive to people's circumstances, tackle problems like large overpayments in the legacy system, and is intended to mirror payments in work.

Challenges with delivery and implementation can mean these payments are delayed. While Universal Credit is working well for some, DWP data shows that 1 in 6 claimants are currently not receiving their full payment on time and so are waiting longer than 5 weeks for their first full payment and the income they need.<sup>9</sup> This can put people at risk of falling behind on bills and getting into debt. Advance Payments offer some support for people during their initial wait, however it is unclear what support is available for people who have long delays in receiving their full payment.

## The impact of delays

In the recent National Audit Office review of Universal Credit, the Department for Work and Pensions (DWP) acknowledged that they didn't expect payment timeliness to improve significantly in 2018.<sup>10</sup> The latest published DWP data shows the average delay to first full payment is 3 weeks.<sup>11</sup> This means many are going around 8 weeks without the whole income deemed necessary for them to live on.

*"I had to wait 7 weeks for my first payment and had to borrow, so on receipt of first payment had to pay all back on debts." Wes, Citizens Advice survey respondent*

*"I only received £99 when I was supposed to receive £270 so I couldn't pay my rent, or other payments and costs like food. It has had an impact on my health." Josh, Citizens Advice survey respondent*

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<sup>8</sup> One month plus 7 processing days

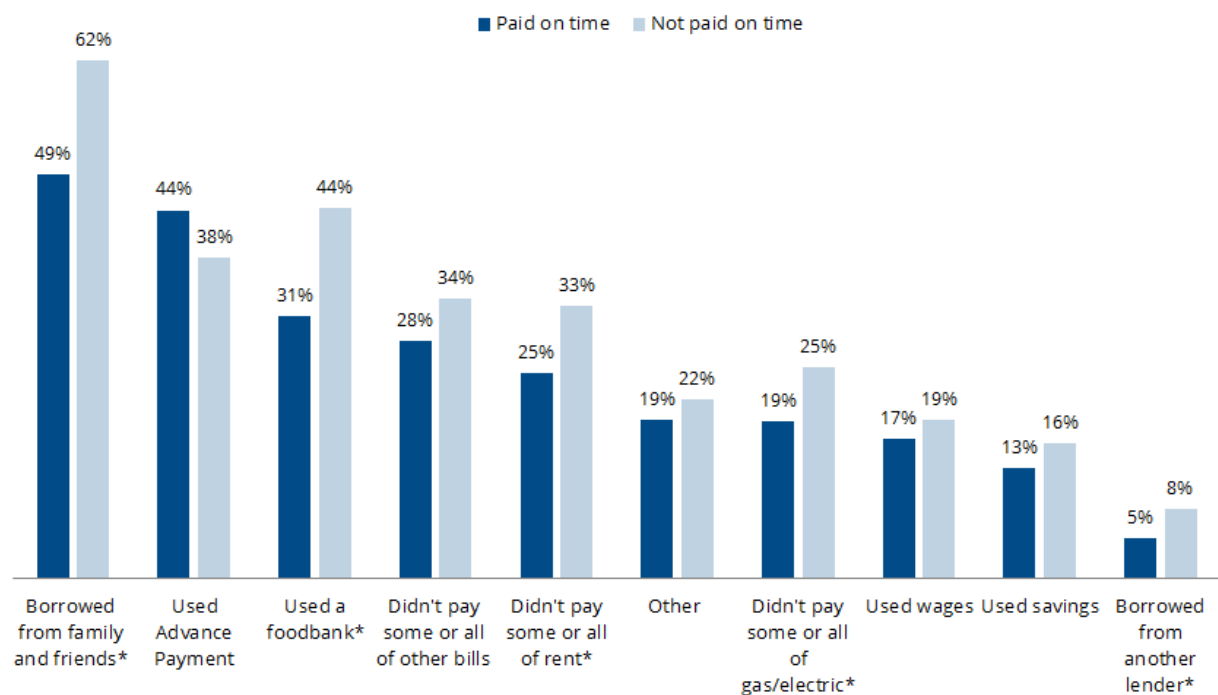
<sup>9</sup> DWP, [Length of payment delays for new claims to Universal Credit](#), July 2018

<sup>10</sup> National Audit Office, [Rolling out Universal Credit](#), June 2018

<sup>11</sup> DWP, [Length of payment delays for new claims to Universal Credit](#), July 2018

When we surveyed our clients claiming Universal Credit about how they had coped during their waiting period, those who had experienced delays in their payment beyond the initial wait were more likely to get into financial difficulty, and were 23% more likely to get into debt.<sup>\*12</sup> Those who had not been paid on time were 60% more likely to borrow money from a lender, and 32% more likely to get behind on rent than those who received their payment on time (Figure 2).<sup>\*13</sup>

**Figure 2: Comparison of how people cope during the wait for first payment**



Source: Citizens Advice, Universal Credit full service monitoring survey, June 2017 - May 2018, N=646. \*indicates a statistically significant difference

Those not paid on time were also more likely to fall behind on multiple bills or need credit - with 28% using 3 or more sources of borrowing to cope with their initial wait for payment, compared to 19% of those who were paid on time.<sup>\*14</sup> The consequences of these debts can be large and long lasting - both for the individual and the government.<sup>15</sup> This can include homelessness, relationship breakdown, poor mental health and financial exclusion. Many people on a low income already face a balancing act with their finances - with 7 in 10 of working claimants of Universal Credit and tax credits we surveyed reporting they would

<sup>12</sup> Citizens Advice, Universal Credit full service monitoring survey, June 2017 - May 2018, N=646, \* indicates a statistically significant difference.

<sup>13</sup> Citizens Advice, Universal Credit full service monitoring survey, June 2017 - May 2018, N=646

<sup>14</sup> Citizens Advice, Universal Credit full service monitoring survey, June 2017 - May 2018, N=646,

<sup>15</sup> Citizens Advice, Stuck in debt, 2017

find a drop in income of £100 per month difficult to cope with.<sup>16</sup> Problem debt can have an impact on people's behaviours and ability to make life decisions<sup>17</sup> and could therefore risk the aim of Universal Credit to support people into and through work. **DWP therefore need to take urgent steps to reduce the numbers of people receiving late payments and the time that they are waiting.**

## Financial support when waiting for payment

Advance Payments are available to support people during their wait for first payment. These are for up to 100% of your estimated first month's payment, and are repayable over 12 months. The increased amount and wider availability of Advance Payments is a welcome necessary step to provide some income whilst people wait for payment. It is unclear what support is available for people whilst they are waiting for their full payment if it is delayed.

In Housing Benefit when the processing of the benefit is late or someone has good reason for not having provided the correct evidence, an interim payment or payment on account is made. For this, the Local Authority pays an amount based on the information it has. If, once the necessary information is available, this reduces the amount of Housing Benefit the person was entitled to, it is collected as an overpayment. This is automatically paid and means an individual does not need to agree a time period for paying it back. Knowing what repayment period to choose can be a challenge for claimants as they do not know when their full payment will be received, and this could create budgeting challenges.

Advance Payments can give people the income they need to pay their essentials. However, the people we help can experience significant knock on challenges with the repayment of Advance Payments through ongoing reduced income whilst they are being repaid. In addition, our advisers note that they work with people who will not take out an Advance Payment because they are concerned about debt and repayments. Therefore, a payment on account or interim payment separate to the Advance Payment system, specifically for when people have late payments, may support those who are concerned about repayment.

A further advantage of an interim payment would mean debt only occurs for the smaller number of people who might have an overpayment, rather than requiring *all* people who are not paid in full on time to borrow through alternatives like Advance Payments. **DWP should therefore explore**

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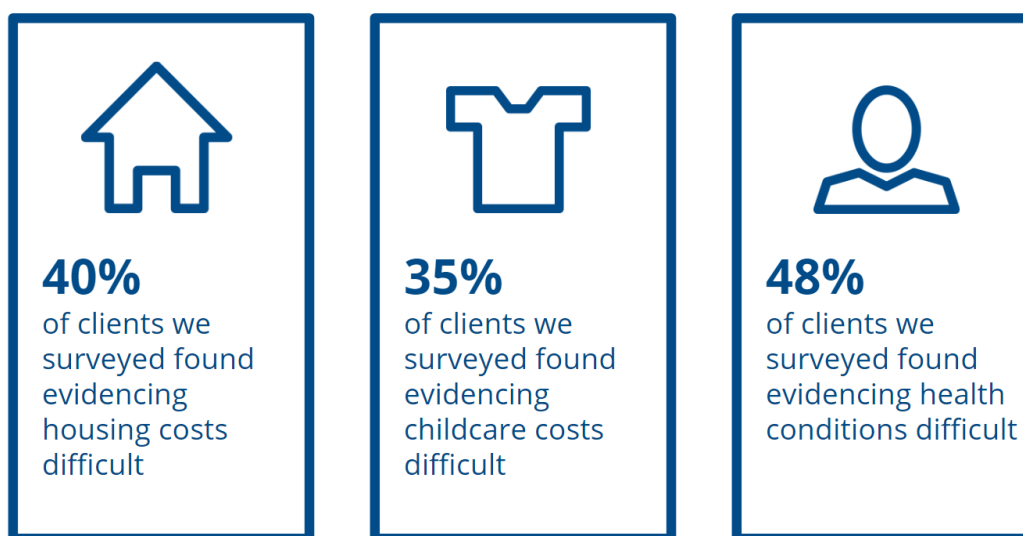
<sup>16</sup> Citizens Advice, [Universal Credit and Work Incentives](#), April 2018

<sup>17</sup> Citizens Advice, [The Debt Effect?](#), 2016

**introducing an automatic interim payment for those who are not paid on time**, like those that exist in Housing Benefit. This would ensure people have security of income for their essential costs, and reduce debt and difficult budgeting challenges.

## Evidence issues

DWP data shows that those who have additional costs are least likely to be paid on time - with around a third of those who are working and need support with childcare costs not being paid on time. One quarter of those deemed eligible for financial support for their caring responsibilities or housing costs also receive late payments.<sup>18</sup> The reasons behind late payments often relate to outstanding evidence issues.<sup>19</sup> While in some cases this will be the result of claimants not taking action, our evidence suggests many are struggling with these requirements. As it rolls out, more people who have additional costs like these are due to go on Universal Credit - particularly during managed migration. It is therefore vital that these challenges are addressed quickly and adequate support is put in place.



## Identity

Those who are unable to evidence their identity online through the Government Verify service have the option to confirm their identity with relevant documents at a face-to-face appointment with Jobcentre staff. This can include passports, UK photo driving licences and national identity cards. Claimants cannot receive their Universal Credit payment or receive an Advance Payment until they have completed an identity check. This can create challenges for those who do not have these documents at the beginning of their claim.

<sup>18</sup> National Audit Office, [Rolling out Universal Credit](#), June 2018

<sup>19</sup> [PQ119724](#), December 2017

### Citizens Advice client case study - struggling with identity evidence

Roy came to Citizens Advice for help applying for benefits. He had been claiming disability benefits for 18 years but had recently moved to a full service area and needed to submit a claim for Universal Credit. He asked for help doing this at his local Jobcentre, as he was struggling due to his dyslexia and lack of digital skills.

After the Jobcentre signposted Roy to Citizens Advice, his adviser helped him to complete a claim online. However, as he does not have any photo ID and is unable to use online banking, he was required to verify his identity in person at the Jobcentre. Roy has no savings, meaning he was unable to purchase a form of ID and, at the time his adviser spoke with him, was already starting to get into rent arrears because of delays completing his benefit claim.

### Health conditions

Those who are accessing financial support for a health condition face particularly long delays, with only 1 in 3 of those who have a limited capability for work element in their claim receiving their full payment on time.<sup>20</sup> There are a number of potential reasons behind this late payment. Many Universal Credit claimants who have a health condition and are new to this support are not entitled to extra financial support until 3 months into their claim, following a Work Capability Assessment. This mirrors the current process in Employment and Support Allowance and means that a claimant's first payment is not expected to include any extra financial support for their health condition.

Other Universal Credit claimants who have a health condition are expected to receive extra financial support in their first payment. For example, those who have a terminal illness. We also see cases where people face challenges with the result of their Work Capability Assessment - which entitles them to this support - transferring over from legacy benefits, as well as people who have claimed Universal Credit whilst they appeal their ESA assessment and face long waits for their appeal decision, and therefore payment.

As part of making a Universal Credit claim, people who are currently unable to work due to a health problem must provide evidence of their health conditions whilst they wait for their work capability assessment in order to ease their work search requirements. This is normally through a fit note from their doctor. Almost half (48%) of those we spoke to said they found evidencing health conditions difficult.<sup>21</sup> To improve this process, **learning and developments**

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<sup>20</sup> NAO, Rolling out Universal Credit, June 2018

<sup>21</sup> Citizens Advice, Universal Credit full service monitoring survey, Nov 2017 - May 2018, N=478

**from the legacy system should be introduced into Universal Credit - such as the ability to send digital fit notes.**

## **Housing Costs**

On housing costs, the DWP normally requires both proof of a tenancy and that payments are being made - for example, a bank statement. Two in 5 of the people we help with Universal Credit who we surveyed said they found providing housing evidence difficult.<sup>22</sup> To improve the process of evidence collection in Universal Credit, the DWP have introduced two schemes to help with housing issues:

- The Landlord Portal - to help those in social housing by allowing these housing providers to more easily verify and confirm costs.
- Housing Confident - raising awareness amongst DWP staff of the importance of discussing housing with claimants to help them overcome housing issues and direct them to any support they might need.

These improvements have started to be made and are understood to be having an impact, however **the Landlord Portal needs greater development and wider implementation to see these improvements at scale on a national level.** At the end of May 2018, the Landlord Portal was available for 215 social housing providers.<sup>23</sup> Whilst these housing providers are mainly the largest providers and cover a large proportion of claimants, there are 1,713 social housing providers in England alone.<sup>24</sup> Therefore, this is still in the early stages of its rollout and development, and is not available for all those in social housing. In addition this is not currently available for any claimants living in the Private Rented Sector, where additional support is still needed. Whilst DWP are currently developing a new service to help private landlords request direct payments and rent arrears deductions, it is unclear if this will also provide support with evidence requirements.<sup>25</sup>

The support the Housing Confident initiative directs people to, Universal Support, is currently inconsistent across the country and narrow in scope, focusing on Assisted Digital or Personal Budgeting support. 81% of our local Citizens Advice offices are not confident that support services in their area will meet local need and demand among Universal Credit full service claimants.<sup>26</sup> This means support to help people make a claim is focused on the online form,

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<sup>22</sup> Citizens Advice, Universal Credit full service monitoring survey, Nov 2017 - May 2018, N=574

<sup>23</sup> PQ148858, June 2018

<sup>24</sup> DWP, [Current registered providers of social housing](#), June 2018

<sup>25</sup> RLA, [DWP seek landlords and agents to test new service in live environment](#), July 2018

<sup>26</sup> Citizens Advice survey of local Citizens Advice Chief Officers, December 2017 - January 2018



and help with evidence requirements is currently not available under Universal Support.

The documents needed to evidence extra costs often have to be provided in person at the Jobcentre. **Work is under way in the DWP to fully develop the ability to upload evidence to the Universal Credit journal. It is vital that this is in place for people at the beginning of their claim** to ensure those who cannot attend the Jobcentre can easily complete their claim, for example those who are currently working or have health conditions. This is also necessary to ensure Jobcentres have sufficient capacity to support claimants with looking for work or a higher income rather than checking and uploading evidence.

Some costs must also be evidenced throughout the claim, particularly if changes occur - for example self-employed earnings or changes in childcare costs. Our survey of Universal Credit clients found that 1 in 3 (35%) found providing this childcare evidence difficult.<sup>27</sup> DWP should build on the initial success of the Landlord Portal and consider **developing centralised systems to help claimants evidence their costs**. For childcare, this could form part of the Government's online childcare service<sup>28</sup> and allow large providers to verify costs and childcare placements without the need for additional claimant evidence.

#### **Citizens Advice client case study - struggling with childcare evidence**

Anum works part time, and so needs childcare for her two pre-school age children. Her Universal Credit caseworker told Anum that she didn't need to visit the Jobcentre every month to provide the child care receipts, but could instead come in once every three months and provide evidence for several months at a time. However, when Anum followed her caseworker's advice, the childcare element of her Universal Credit was stopped because she wasn't providing evidence often enough - when she explained that she'd been told that three-monthly visits were okay, Anum's case was escalated to a decision maker.

Two months later, Anum still hadn't received £300 of childcare costs, which made it difficult for her to pay for her childcare and get to work. Despite calling the Jobcentre several times to understand why the payment hadn't been made, Anum was not told what had happened or when she would receive the money.

Work coaches often help with evidence requirements by checking the suitability of the provided evidence when it is brought into the Jobcentre. As support is not available for evidence requirements, this can add additional workload to work

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<sup>27</sup> Citizens Advice, Universal Credit full service monitoring survey, Nov 2017 - May 2018, N=237

<sup>28</sup> Responsibility for childcare is devolved therefore free childcare offers differ across each of the home nations



coaches who then need to support claimants to get the right or most suitable evidence, and then arrange further appointments for this evidence to be provided.

**The scope of Universal Support needs to be extended to cover all stages required for the completion of a claim not just the initial digital claim.** This would reduce the number of claimants struggling with this part of their claim and reduce the number of people affected by late payments. The DWP could look to other successful services where evidence and form filling is required to reduce this workload.

An example of this would be the Post Office passport checking service. This allows people applying for a passport to check their application ahead of submitting it to ensure it is correctly completed. Our evidence shows 48% of consumers use this service<sup>29</sup> and Government explain that it is less likely a passport application is rejected if you use the service.<sup>30</sup> **DWP could integrate a service into Universal Support which supports claimants to get appropriate evidence and check a claimant's evidence for suitability ahead of submitting it or taking it to the Jobcentre.** This could also include more proactive work with evidence providers such as private landlords and childcare providers to provide suitable evidence, with agreed templates.

## Recommendations:

- 1. Ensure adequate support is in place to everyone who needs it** so that people can get the help they need to make a Universal Credit claim and avoid payment delays. This should involve:
  - extending the scope of Universal Support to cover the completion of a claim beyond the digital claim, including introducing an evidence check service
- 2. Speed up and complete features which make it easier to provide evidence as part of a claim** so that people are not waiting longer for their full Universal Credit payment. This should include:
  - completing development of and fully rolling out the Landlord Portal
  - extending the concept of the landlord portal by introducing a centralised system to help claimants evidence their costs, including for childcare and housing costs in the Private Rented Sector

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<sup>29</sup> Citizens Advice, [Consumer Use of Post Offices](#), June 2017

<sup>30</sup> Gov.uk, [Passport Check and Send service](#), June 2018

- ensuring it is possible to provide evidence online easily for people at the beginning of their claim, including the extension of 'digital fit notes' to Universal Credit

**3. Make claiming Universal Credit less complicated** so that people receive payment on time. This should include:

- introducing an automatic interim payment for those who are not paid on time

## 2. Applying for Universal Credit

At Citizens Advice we help hundreds of thousands of people with issues relating to the legacy system each year - from people experiencing problems when they have a change of circumstances that require them to change benefit, to people missing out on benefits that they did not know they were eligible for. We therefore support the aim of Universal Credit to simplify the benefit system.

A key component of achieving this is through the introduction of a single online claim. Under the previous legacy system it was possible for an individual to need to make multiple applications, across different channels, to different government departments and local authorities - each time providing similar information. Instead, Universal Credit is designed to be completed online with one claim through a personal account and journal. This records a person's details, assesses their eligibility for the benefit and then becomes one of the main communication channels between the claimant and Jobcentre or the Department for Work and Pensions.

A single application should make this process simpler. However, there are a number of stages that must be completed within a Universal Credit claim (Figure 3). Many Universal Credit claimants are able to navigate this without support. But DWP research shows that even for those who made their claim online many are struggling with this process - with almost 1 in 3 (30%) finding the online claim process difficult or very difficult.<sup>31</sup>

Multiple stages involved in the claim can add complexity and mean there are multiple points where a person might drop out or see a delay. These delays are in addition to those outlined in Chapter 1 and are not currently captured in the payment timeliness statistics. The welcome changes implemented since the Budget 2017 focused on reducing the designed wait for payment. But they do not tackle delays caused by people who are facing difficulties in making their claim.

### Starting a claim

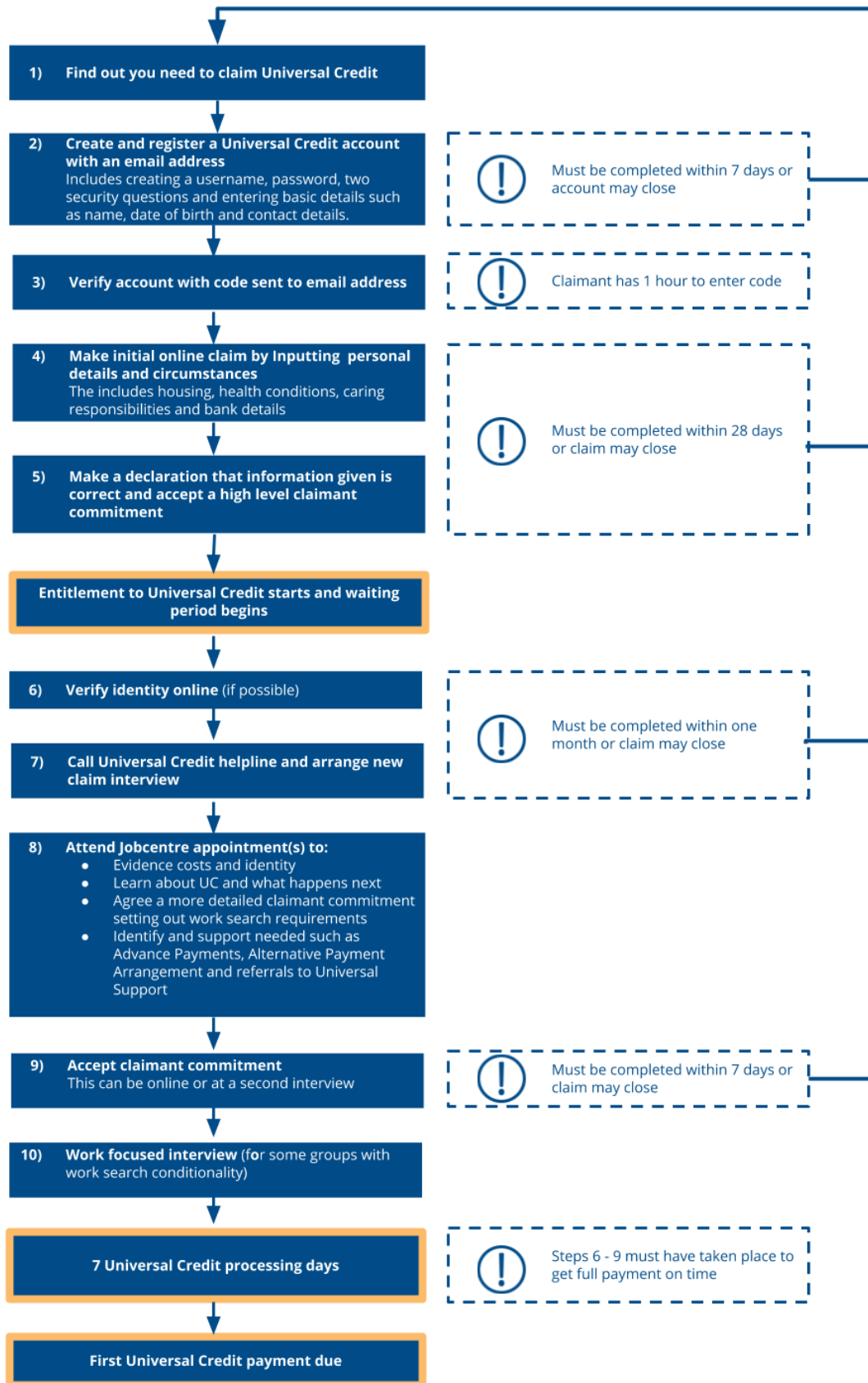
The first stage of a claim is the online claim. This involves registering and verifying an account, completing personal details and circumstances, making a declaration that the information given is correct and accepting a high level claimant commitment. Evidence from the Department for Work and Pensions suggests that people are struggling to start their claim, with 44% of those who made their claim online making multiple attempts.<sup>32</sup>

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<sup>31</sup> DWP, [Universal Credit Full Service Survey](#), June 2018

<sup>32</sup> DWP, [Fulls service claimant survey](#), June 2018 p. 33

**Figure 3. Stages involved in making a Universal Credit claim**



The amount of time it can take to make a claim risks further payment delays. Guidance from DWP recommends people complete their claim as soon as they have created an account, and that completing a claim through to declaration should take between 20 minutes and an hour, depending on whether you are single or in a couple.<sup>33</sup> However, their evidence shows that people take an average of 2 days to go from registering a claim to making the declaration. For those who struggle this can be longer - for example our survey of Universal Credit clients shows 1 in 4 (28%) took more than a week to make their claim.<sup>34</sup>

Entitlement to Universal Credit does not begin until the claim is received by the DWP, with limited backdating rules to cover the time prior to this. This is currently taken to be when the declaration has been made. Therefore, struggling with this process can mean people do not receive financial support to cover this period and adds additional time people are waiting for their first payment.

These delays can mean people spend long periods of time without income, adding pressure to their finances and making it harder to keep up with household bills. Our recent research found that those on a low income already face a balancing act with their finances - with 7 in 10 of working claimants of Universal Credit and tax credits we surveyed reporting they would find a drop in income of £100 per month difficult to cope with.<sup>35</sup> To support those struggling most, **the date of a Universal Credit claim should start when a person first starts the claim process.** This would bring Universal Credit in line with other benefits such as Personal Independence Payments, where it is possible to start the claim date when you ring the helpline and ask for an application form.

#### **Citizens Advice client case study - Challenges making a claim**

Lisa first contacted Citizens Advice five weeks after she made her first Universal Credit claim because she'd not received the payment she was expecting. Our adviser suggested that she looked at her Universal Credit journal, but Lisa didn't know what a journal was. Lisa isn't computer literate and couldn't visit the Jobcentre for digital support - she was housebound due to receiving cancer treatment - and so she needed her son's help to make her claim and didn't realise there were further steps.

When she accessed her journal with her son, Lisa found out that her claim hadn't been processed because her husband also needed an account and the two needed to be linked together. However, once her husband had an account they couldn't link the claims - as Lisa had missed the deadline for the claims being linked together, her claim was closed and she and her husband had to start a new claim.

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<sup>33</sup> DWP guidance, [Understanding Universal Credit: making a claim](#), June 2018

<sup>34</sup> Citizens Advice, Universal Credit full service monitoring survey, Nov 2017 - May 2018, N=624

<sup>35</sup> Citizens Advice, [Universal Credit and Work Incentives](#), April 2018

A telephone interview was later arranged for Lisa for her claimant commitment interview because she couldn't visit the Jobcentre. When no one called Lisa, the interview was rescheduled for a week later - the day before Lisa was due her first Universal Credit payment. Lisa didn't receive a phone call, but because she hadn't been able to accept a claimant commitment her expected Universal Credit payment did not arrive.

Lisa eventually had another interview scheduled and received her first payment, 3 months after starting her claim. As there had been evidenced errors in her claim she was able to have payments backdated, but the delay caused Lisa financial hardship and unnecessary stress while she was undergoing cancer treatment.

Computers are available in Jobcentres for people to make their claim. However, DWP evidence suggests that people need additional support to complete the initial stage of their claim, with more than 2 in 5 (43%) saying they needed more help to set up their claim.<sup>36</sup> Support is currently available to help people start their online Universal Credit claim through Universal Support. Funding is given to local authorities to provide Assisted Digital support. This is decided and delivered locally, either by the local authority or a partner organisation.

Limited availability or coverage of this support can add additional delays as people wait for help with their claim. Evidence from our local Citizens Advice network suggest this support can be patchy and can lack a coherent local strategy. For example, one local Citizens Advice reported that Assisted Digital Support for Universal Credit in their rural area consisted of sessions in local libraries. However, this would only take place one day each week - and in some areas for only 2 hours per week. This means that if a person needs support to set up a claim, this could be delayed by up to a week depending on availability.

**Additional support is needed to help people make a claim. This needs sufficient coverage and availability so that the support takes place quickly to avoid additional delays.**

*"I had an awful experience at the start - the person at Jobcentre tried to help but was confused herself, which meant it took over two weeks to complete my application. I then only got 5 weeks money rather than 7. I had to pawn my laptop and TV, and then ran out of time before I got money through to buy them back."  
Megan, Citizens Advice survey respondent*

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<sup>36</sup> DWP, [Fulls service claimant survey](#), June 2018 p. 37

## Completing a claim

Following the initial online claim, there are a number of additional stages that must be completed within the first month of a claim so that payment can be received. One particular area we see clients struggle with is verifying their identity online using the Government Verify service. More than half (59%) of clients we surveyed found the government Verify service difficult.<sup>37</sup>

Whilst it is possible to verify your identity at a face-to-face appointment in the Jobcentre, as discussed in Chapter 1, this can add additional confusion to a claim - with some not realising that they need to log back into their journal if they have been unable to complete Verify. A reminder to call the helpline has recently been introduced to help, but depending on the channel this is provided through, people may still miss important messages about their claim, such as setting up an initial interview. This can add delays to claims. DWP's most recent evidence shows that only 38% of Universal Credit claimants are able to successfully use Verify.<sup>38</sup> As an alternative, they are currently trialing a different system known as "prove your identity". They plan to rollout this service later this year following a review.<sup>39</sup> With people facing such large challenges with Verify, **DWP should publish an evaluation of 'prove your identity' and, if it is successful, should make sure this new feature available.**

"My husband and I applied for Universal Credit ... we wanted to apply to see if we could get support for childcare while my husband was in between jobs. The application online was exhausting as I was unable to be verified but my husband was verified straight away. I eventually had to go to the Jobcentre with my two and a half year old to get my paperwork seen. By this point my husband's application had expired and they had requested a meeting with him as well. After the 4th week of trying and getting a suitable appointment my husband found a job and has been working for an agency. We therefore gave up on the process as he was never going to be able to attend an appointment in working hours." *Laura, Citizens Advice survey respondent*

For some, struggling with these stages of the claim process can mean they drop out of Universal Credit altogether. DWP data shows that 1 in 5 have their claim closed and do not go on to receive a UC payment as they have not completed

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<sup>37</sup> Citizens Advice, Universal Credit full service monitoring survey, Nov 2017 - May 2018, N=616

<sup>38</sup> NAO, [Rolling out Universal Credit](#), June 2018

<sup>39</sup> BBC Wales, [Universal Credit: Online ID demands delaying benefits](#), 22nd June 2018



part of the application process.<sup>40</sup> Some of this group will be people who have found work and are therefore no longer entitled to Universal Credit. For others, it may be because they have struggled with the process or do not understand that they might be entitled to Universal Credit whilst working.

DWP data shows that 1 in 10 claims are closed as a result of not booking an initial interview within the time limit.<sup>41</sup> After submitting your claim, you must ring the Universal Credit helpline to book your new claim interview. **Progress has been made to improve this part of the claim process by looking to introduce an online booking system for Jobcentre appointments.** While this has now been commissioned, it is not yet in place.

In some circumstances, claims can be closed without a claimant realising this is what would happen or that they had missed a stage of their claim. DWP data shows that 1 in 20 have their claim closed because the claimant commitment has not been accepted.<sup>42</sup> Our survey of Universal Credit claimants we help showed 27% found finding and signing their claimant commitment difficult.<sup>43</sup> To avoid claims being closed unnecessarily, **further reminders should be introduced to let people know that they have not completed a requirement of their claim.** For those who struggle with their digital claim or have limited access, it is important that they are given sufficient notice of a claim closing. Therefore, **DWP should look at the time frame for the closing of claims, and communicate these clearly with claimants, ensuring reminders are multichannel beyond the online journal.**

#### **Citizens Advice client case study - Struggling with evidence requirements**

Thea had been out of work for several weeks and didn't have any income when she started her first Universal Credit claim. However, because she didn't have any of the documents required to verify her identity online her claim was closed. This happened twice. When an adviser helped Thea to start a new claim, she arranged to verify her identity in person at the Jobcentre. Because she didn't have any income and struggled to afford the bus journey, Thea asked the Jobcentre to combine her verification interview with her claimant commitment interview, in order to save money. The Jobcentre refused to arrange this, meaning that Thea had to pay for two separate visits to the Jobcentre in order to start her UC claim.

Thea was already in rent arrears and relying on emergency assistance and Food Bank support. The additional expense of the extra bus journey has added financial pressure which she has found stressful and difficult to manage.

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<sup>40</sup> [Fol:2025](#), May 2018

<sup>41</sup> [Fol:2025](#), May 2018

<sup>42</sup> [Fol:2025](#), May 2018

<sup>43</sup> Citizens Advice, Universal Credit full service monitoring survey, Nov 2017 - May 2018, N=583



In this first month, claimants must also provide evidence of additional costs such as rent or childcare payments to receive their first payment in full. We discussed this further in Chapter 1.

Without a simplified process and adequate support, a significant minority of claimants will continue to face challenges and delays with their claims. Whilst support currently exists through Universal Support, this is inconsistent across areas (Figure 4). This can mean some do not know about the support that is available. For example, 45% of those we help did not know about help applying for Universal Credit but would have used it if they did.<sup>44</sup> To ensure people are aware of the support available, **DWP should publish a clear minimum standard of support** so people can be clear about the support they can expect across the country.

**Figure 4. Inconsistent Support Services**

<b>Universal Support in a South West local authority</b>	<b>Universal Support in a West Midlands local authority</b>
<p>In this area, both Assisted Digital and Personal Budgeting support is offered as part of a holistic Universal Credit advice service by the local Citizens Advice.</p> <p>A full time Universal Credit adviser is employed to deliver help 5 days a week, with a daily drop-in and appointments. This support helps any Universal Credit claimant across the claimant journey - from making and evidencing claims and beyond, including managing an ongoing claim.</p> <p>This service is funded through a block payment, with additional payments available if demand increases. The local authority have added additional funding beyond the Universal Support allocation from DWP.</p> <p>This allows for a wider scope of support beyond Personal Budgeting and Assisted digital. For example this</p>	<p>In this area, Universal Support is delivered through a number of providers.</p> <p>Assisted Digital support is available through the local library service and through digital skills training from a local charity. The library staff have been trained to show people how to get to the Universal Credit website, but are not then able to help them with their claim. If further support is needed, they are referred to a local charity who provide digital skills training, where they can take an IT course. The local Jobcentre also offers some support to people to make their claim with computers available. However, the support available is dependent on how busy the Jobcentre is.</p> <p>Personal Budgeting support is delivered through the local authority who have integrated it into their</p>

<sup>44</sup> Citizens Advice, Universal Credit full service monitoring survey, Nov 2017 - May 2018, N=586

includes an identity support scheme - where clients can get support to get identity documents for their Universal Credit claim - and a 'Loan a Phone' scheme - to help people make and manage their Universal Credit claim.

This service is delivered in a dedicated space in the local Citizens Advice opposite the Jobcentre. This is equipped with computers, a printer, phone and Universal Credit materials. Support is then also available from additional specialist advisers within the local Citizens Advice when it's needed, for example specialist housing and debt advice.

The Universal Credit Adviser holds strong relationships with the Jobcentre and DWP Area Partnership manager, allowing individual cases to be escalated effectively and for frequently occurring issues to be shared.

welfare assistance service. This support includes helping people with Discretionary Housing Payment and Council Tax Support applications, and with basic budgeting skills. However, if the person's circumstances are more complicated they will try and refer to advice services in the area if appointments are available.

## Recommendations:

- 1. Ensure adequate support is available to everyone who needs it** so that people can access support quickly to make their claim. This should include:
  - Publishing a minimum standard of Universal Support with sufficient availability and coverage
- 2. Make the process of claiming Universal Credit less complicated** so that people do not face additional delays to their payment or face reductions in the amount of Universal Credit they receive. This should include:
  - starting the Universal Credit wait for first payment at the point someone begins the claim process
  - reviewing the timescales for closing claims and communicate these clearly with claimants by introducing further reminders, across

channels, to let people know when they have not completed a requirement of their claim.

- completing development and implementation of announced fixes, such as the online system to book Jobcentre appointments

**3. Speed up and complete features which make it easier to provide evidence as part of a claim.** This should include:

- publish an evaluation of 'prove your identity' and, if it is successful, make this feature available for new Universal Credit claims

## 3. Understanding and adapting to Universal Credit

Moving to Universal Credit will see changes to the way some people currently budget and interact with the benefits system. Many of these changes and actions are required by claimants at the beginning of a Universal Credit claim. This also requires workcoaches to ensure people are aware of what steps they need to take, refer appropriately to support, and to put adaptations in place. Problems at this stage can have large knock-on effects for the stability of an ongoing Universal Credit claim, and it is therefore important that support and adaptations are easily available when needed.

The Government have made some welcome changes to support people financially during the wait for first payment to Universal Credit - such as introducing additional housing payments for those moving to Universal Credit from legacy benefits, and the wider availability of Advance payments. It is now clear that more action is needed to tackle the challenges some claimants face adapting to Universal Credit and with the long-term stability of their claim.

### Financial Stability

Universal Credit is designed to be paid monthly directly to one member of a household. It is paid in arrears to reflect any income earned over the previous month. In the previous system of Tax Credits, those who were working could experience large overpayments as the system was paid in advance based on predictions for this year. Whilst this meant individuals had a predictable level of income from benefits, it could often create a yearly budgeting challenge of repaying overpayments.

For some - particularly those moving from legacy benefits - the change in how Universal Credit is paid and calculated may create different budgeting issues as a result of changes to the frequency of payments. Additional challenges exist for claimants who have fluctuating wage payments or are having debt repayments deducted directly from their benefits. In Universal Credit, housing costs are paid to the claimant by default, who then pays the landlord themselves, meaning those who previously had their housing benefit paid direct to their landlord have to change the way they budget. These groups may require additional support and adaptations to their claim whilst they adapt to Universal Credit.

These budgeting challenges have been recognised by DWP who have put additional support in place - through Universal Support Personal Budgeting support and Alternative Payment Arrangements. Local Authorities are given flexibility in how to deliver Personal Budgeting support, directly providing these services themselves or funding others to deliver them. Yet, only 1 in 5 (21%) of the clients we spoke to know about this budgeting support - with almost half (47%) saying they would have used this service if they had known it was available.<sup>45</sup>

The scope of this support can also be limited. Our survey of Universal Credit claimants we help found half (48%) would have used support with debts if they knew it was available. Our local Citizens Advice also tell us that debt advice is the largest area of unmet need in terms of funded support services for Universal Credit claimants, and that many of those receiving support with budgeting need help managing and getting debt under control to make budgeting support effective.<sup>46</sup> Debt advice is not currently available through Universal Support and although some debt advice exists outside of Universal Support, local Citizens Advice told us that often these services are already under pressure and struggle to meet the needs of existing clients. **The scope of Universal Support should therefore be extended to include funding for free impartial debt advice.**

*“I have no idea what payment I will get until a few days before - it makes it very difficult to budget as I have 2 children. I’ve become a real mess because of UC - but am trying hard to sort it out and get on top of debt, but it is very stressful” Georgia, Citizens Advice survey respondent*

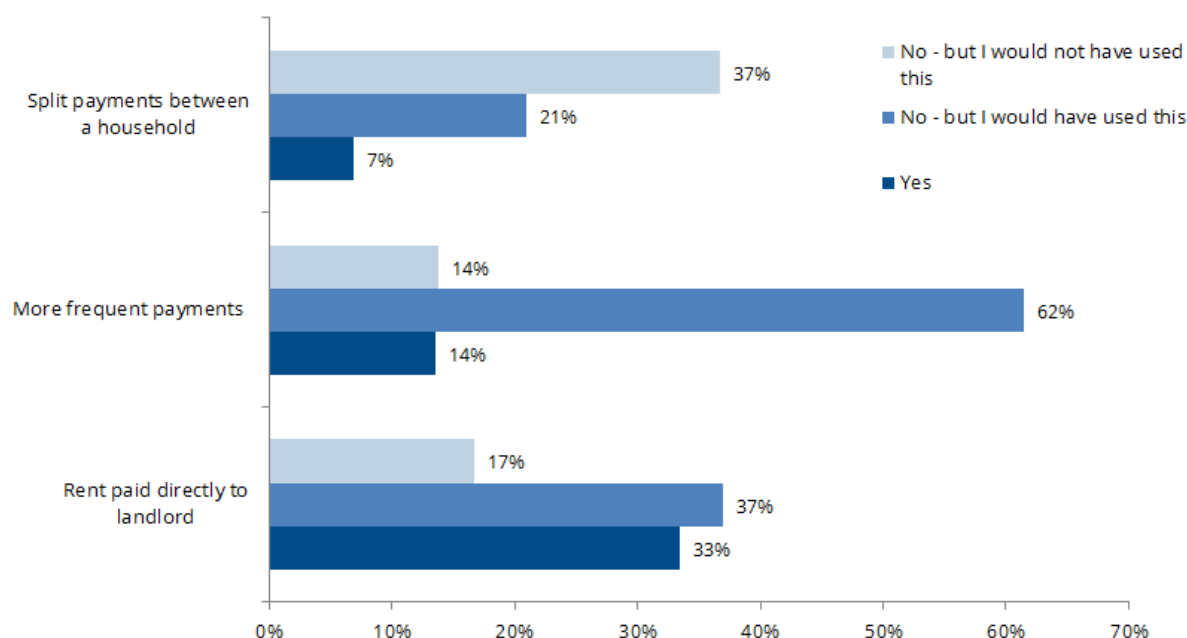
For those who need adaptations to their claim in addition to support, DWP have made available Alternative Payment Arrangements (APAs). These allow for housing costs to be paid direct to a landlord, for Universal Credit payments to be paid twice monthly, or for payments to be split between members of a household. APAs have the potential to offer vital support for many claimants by allowing them to achieve greater financial stability on the new benefit whilst adapting to a new system. However, our evidence suggests that many people are not aware of the support available. Just 14% were aware of the option of having payments paid twice monthly, with almost two thirds (62%) saying they would have used this if they had known about the option (Figure 5).

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<sup>45</sup> Citizens Advice, Universal Credit full service monitoring survey, Nov 2017 - May 2018, N=587

<sup>46</sup> Citizens Advice survey of local Citizens Advice Chief Officers, December 2017 - January 2018

**Figure 5: Awareness and demand for Alternative Payment Arrangements**



Source: Citizens Advice, Universal Credit full service monitoring survey, Nov 2017 - May 2018, N=522

Over the last year, DWP have taken a proactive approach to raise awareness of the availability of Advance Payments and direct payments to landlords. As a result, we have seen awareness of both increasing. Advance Payments in particular are now routinely discussed by work coaches at the beginning of a claim. Our evidence suggests this has been effective, with two thirds of those we surveyed now knowing about their availability. **Lessons from this approach should be applied to other claim adjustments like Alternative Payment Arrangements, by proactively letting people know about their availability.** This will be particularly important when supporting people through the managed migration from legacy benefits due to start next year.

#### Citizens Advice client case study - more frequent payments

Alex found budgeting a monthly payment difficult, so she applied for an Alternative Payment Arrangement which would mean she was paid every fortnight. This took two months to process, but when the fortnightly payments did arrive Alex found it much easier to manage.

However, when Alex started working the Alternative Payment Arrangement was automatically removed and the payments became monthly again. Because she hadn't been expecting this, Alex hadn't budgeted for it - she had to wait two weeks longer for payment than she expected, and this put her in severe financial hardship.

Alex's utility company wasn't prepared to be lenient because she was already using emergency credit on her pre-payment meters. This meant her electricity and gas was cut off and she couldn't wash. Alex told us this made her feel ashamed when she went to work, and because she had OCD being unable to wash also caused her severe distress.

## Work requirements and conditionality

As part of their ongoing claim, most Universal Credit claimants will be subject to a set of conditions they are required to meet. These requirements - known as conditionality - will often be focused on activities to look for or prepare for work, or, for those on a low income, what could be done to increase their income from work. Currently, these initial conditions are agreed with a work coach in the first month of a claim and set out in a commitment. A failure to agree this commitment can result in late or non-payment of Universal Credit.

Our evidence suggests that there are challenges with people understanding their commitment, with 2 in 5 of the people we help telling us they don't understand how much work/work search is expected from them<sup>47</sup> and almost half (45%) saying they do not know how to ask for changes in their commitment.<sup>48</sup> Commitments have been designed to be a live document which take into account people's circumstances, with adjustments and changes throughout a claim. Getting this right is vital to ensure people have the support they need to look for and increase their work and to avoid financial sanctions.

More than half of those who are coming to Universal Credit from legacy benefits during managed migration will be new to conditionality.<sup>49</sup> Many of this group will also be adapting to new payment systems and ways of managing their claim.

**DWP should look at what actions are required during the assessment period for first payment, to avoid the unnecessary delay of closed claims and allow time for greater understanding of a claim.** This could include agreeing the more detailed conditionality later into the claim, particularly for people new to conditionality.

## Support

At the beginning of a Universal Credit claim people are required to take a number of actions - from claiming the benefit itself, evidencing costs, and understanding how the benefit works, to agreeing and starting their work

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<sup>47</sup> Citizens Advice, Universal Credit full service monitoring survey, Nov 2017 - May 2018, N=569

<sup>48</sup> Citizens Advice, Universal Credit full service monitoring survey, Nov 2017 - May 2018, N=588

<sup>49</sup> SSAC, [The Universal Credit \(Transitional Provisions\) \(Managed Migration\) Amendment Regulations 2018: explanatory memorandum](#), June 2018



requirements where appropriate. Successfully completing these actions can be crucial to ensuring a person's long term stability on Universal Credit, both to receive payment on time and to develop the skills needed to manage their claim and budget effectively.

Work coaches, service centre staff and Universal Support all play a key role in this. By the end of Universal Credit rollout, work coach caseloads are expected to increase significantly - from 85 claimants per work coach to 373 in 2024. This is more than 4 times higher than their current caseload. For service centre staff, caseloads will increase from 154 claimants per case manager to 919. Evidence from DWP research last year suggests that staff are already struggling to support claimants as they lack the time and ability to identify support needs.<sup>50</sup> **To ensure support needs are met and workcoach capacity is sustainable, adequate support will need to be available outside of Jobcentres through Universal Support.** It will also be important to monitor the staffing levels in Jobcentres and service centres to ensure they are able to meet demand.

One of the main challenges with existing Universal Support is that it is trying to achieve two key things. Universal Support was originally focused on supporting people with developing skills, particularly digital and budgeting skills. Both these skills are integral for adapting to Universal Credit and for the ongoing management of their claim - as well as being skills which will support employment. However, at this stage of rollout it is now clear that a significant group of claimants need more help making a Universal Credit claim and getting on the benefit. DWP evidence suggests that more than 2 in 5 (43%) need more help setting up their claim.<sup>51</sup> Support provision in some areas has increasingly focused on this, for example helping people set up their online claim or to open bank accounts - either through additional short term funding or at the expense of longer term skills support.

The requirements for these two types of support - skills and initial claim support - are very different. Support with skills can take place through weekly sessions, whereas help to make a claim needs to happen quickly and with greater coverage to avoid delays to claims and entitlement. The needs of claimants who struggle to make a claim often go beyond the scope of existing online and budgeting support - for example completing evidence requirements or understanding their commitments. To ensure appropriate support is available, **DWP now need a clear and distinct offer on making and completing a claim, as well as on the more transformative and empowering skills support.**

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<sup>50</sup> National Audit Office, [Rolling out Universal Credit](#), June 2018

<sup>51</sup> DWP, [Fulls service claimant survey](#), June 2018



Currently only Jobcentres, local authorities and support providers are able to refer into Universal Support. While this may be suitable for support focused on developing skills when gaps are identified by a work coach, help to claim needs to happen before you have a claim, when you may not yet have a work coach or have been to the Jobcentre. We spoke to local Citizens Advice about how these referral systems were working, and found 30% feel systems are not effective at ensuring claimants are referred to the right services.<sup>52</sup> One way to improve referral processes would be to **introduce a no wrong door policy which means whenever a person reports challenges with Universal Credit they are able to be referred to the support they need.**

## Recommendations

1. **Ensure adequate support is available to everyone who needs it** and that it gives people the help they need to adapt to a new system and work coach capacity is sustainable. This should include:
  - having clear and distinct offers to help people make a claim and to empower people with the skills they need to manage Universal Credit
  - strengthening referral routes by introducing a no wrong door policy
  - extending Universal Support to include funding for for free impartial debt advice
  - proactively telling all claimants about Alternative Payment Arrangements and support
2. **Make the process of claiming Universal Credit less complicated** so that when people's claims are set up they are sustainable. This should include:
  - reviewing what actions are required to get a first Universal Credit payment and which actions could be delayed to later in the claim

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<sup>52</sup> Citizens Advice survey of local Citizens Advice Chief Officers, December 2017 - January 2018

# Conclusion

Universal Credit offers people vital income to pay their essential living costs. A difficult start to the new benefit and a long wait for payment risks undermining its key aims and putting people's finances at risk. Welcome changes have been made to reduce the designed wait for first payment. However, our research shows that delivery challenges remain for a significant number of people, and adequate support is not available - including for the 17% who are not receiving their full payment ontime.

These delays add to the time people are waiting for the income the government has calculated they need to make ends meet. Our evidence shows for the people we help, those not receiving their payment on time are 23% more likely to get into debt and fall behind on essential bills. In addition, problem debt can have a detrimental impact on people's behaviours and ability to make life decisions, and could therefore risk the aim of Universal Credit to support people into and through work.

The rollout approach and test and learn development of Universal Credit means welcome changes to the design of the benefit have been made. Features to improve the delivery of Universal Credit and support people with their claim are currently in development and being implemented. But, with the acceleration of Universal Credit rollout, and without these or the provision of adequate support in place, too many people are struggling with their start to Universal Credit.

**The government needs to urgently add further features to the system and ensure adequate support is in place** so that people are paid on time and their finances are not put at risk. It is vital this happens before steps are taken to migrate existing benefit claimants and ahead of further roll out, when hundreds of thousands more people will be affected. Specifically, the government should use the break in rollout during August to:

- 1. Ensure adequate support is available to everyone who needs it by:**
  - publishing a minimum standard of Universal Support with sufficient availability and coverage
  - having clear and distinct offers to help people make a claim and to empower people with the skills they need to manage Universal Credit
  - extending the scope of Universal Support to include help to make a claim beyond the digital claim, an evidence check service, and funding for free impartial debt advice

- strengthening referral routes by introducing a no wrong door policy
- proactively telling all Universal Credit claimants about Alternative Payment Arrangements and support available.

**2. Speed up and complete features which make it easier to provide evidence as part of a claim including:**

- completing development of and fully rolling out the Landlord Portal
- extending the concept of the landlord portal by introducing a centralised system to help claimants evidence their costs, including for childcare and housing costs in the Private Rented Sector
- ensuring it is possible to provide evidence online easily for people at the beginning of their claim, including the extension of 'digital fit notes' to Universal Credit
- publishing an evaluation of 'prove your identity' and, if the evidence suggests it is successful, making sure this is new feature is available

**3. Make claiming Universal Credit less complicated by:**

- introducing an automatic interim payment for those who are not paid on time
- reviewing what actions are required to get a first Universal Credit payment
- starting the Universal Credit wait for first payment at the point someone begins the claim process
- reviewing the timescales for closing claims and communicate these clearly with claimants by introducing further reminders, across channels, to let people know when they have not completed a requirement of their claim.
- completing development and implementation of announced fixes, such as the online system to book Jobcentre appointments

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