



Citizens Advice response to the Work and Pensions Select Committee inquiry into Universal Credit

Summary

At Citizens Advice we have supported more than 27,000 clients with more than 42,000 Universal Credit issues in the last year.¹ This number has continued to increase as Universal Credit rolls out. **In January 2017, 41% of all the clients we helped with Universal Credit were in local authorities with full-service Universal Credit.** To put this in context, clients in these local authorities represent 8% of our clients nationally on all issues and around 19% of people on Universal Credit are in these areas.²

Citizens Advice client evidence gives a unique insight into implementation and provides an early warning of emerging issues. While we support the strong principles underpinning Universal Credit, our evidence suggests there are currently a number of implementation issues with Universal Credit, as well as more complex policy design challenges. If Universal Credit is to reach its aims, these issues need to be addressed before the planned acceleration of the roll-out of full-service Universal Credit in July and October this year.

The support that accompanies Universal Credit - Universal Support - is vital to its success. However, our evidence suggests that this is not fully developed and requires extension. This includes additional support for those who are claiming Universal Credit during the 'test and learn' phase. While testing implementation in a limited number of areas initially is a welcome approach, it does mean that claimants in these areas are likely to experience more challenges and will require additional support.

In this submission, we will explore a number of issues which our frontline advice network have been reporting that fall within the terms of reference of this inquiry. Some of the issues mentioned below will be explored further in upcoming work and are therefore based on early indicators and case studies of client and adviser experiences.

Recommendations:

- The ongoing administrative problems that are currently unresolved in the

¹ Citizens Advice statistics, March 2016 - February 2017

² Citizens Advice analysis of DWP official statistics 2017

Universal Credit system risk undermining the principles on which Universal Credit is built.

- We recommend that these problems need addressing and resolving before roll-out is accelerated in July 2017 and October 2017.
 - DWP should create and publish a transparent action plan for tackling these issues, including a clear timeline and milestones that should be reached before roll-out is accelerated.
- To ensure people are able to access the flexibility already built in to Universal Credit, we recommend that Alternative Payment Arrangements (APAs) are offered to all Universal Credit claimants at the beginning of a claim whilst people adapt to monthly payments in arrears. Information that is collected about a claimant at the beginning of their claim, for example previous income frequency, could be used to target APAs and Universal Support more successfully and a claimant's Universal Credit journal could also be used to highlight the existence of APAs
- To ensure Universal Credit mirrors work, we recommend that DWP explore the option of aligning assessment periods to wages, particularly for those who are paid non-monthly or have fluctuating incomes. This should include an exploration of how final earnings are treated.
- To support the learning from the Universal Support delivered locally trials, we recommend:
 - DWP should review support further as new claimants join and progress onto full Universal Credit
 - DWP needs to ensure Jobcentres and local authorities have the time and training to provide effective triage, or sub-contract the triage work to those who already have the skills and expertise
 - DWP needs to ensure that, no matter where claimants present with the need for Universal Support, they are able to receive it. DWP should seek to include a "no wrong door" policy as far as possible for referrals and ensure that warm referrals are quick and efficient for the claimant.
 - DWP should explore and implement an effective and formal data sharing agreement with advice and support organisations.
- Universal Support is vital to achieving the principles of Universal Credit through overcoming the barriers to work and independence such as digital and financial exclusion. DWP should work with a wide range of stakeholders to explore and identify all barriers, the needs of Universal Credit claimants to overcome these, and to identify through which mechanisms or support services this will be delivered through. This should include a consistent minimum offer.
- To ensure Universal Support draws on learning from wider support trials, DWP should consult a wide range of stakeholders on a new Universal Support

framework or strategy - including asking for evidence on local support projects - and then publish the outcome.

- To reduce the impact on local services providing support for Universal Credit claimants we recommend the introduction of a third party support portal. This would improve security by verifying authentic agencies, reducing the need for explicit consent. This portal should include a mechanism for advisers to escalate issues, view an example Universal Credit journal and claim, and receive updates on any changes to the Universal Credit system.
 - Although commitment should be given to such a portal now, we recognise that this cannot be made available in the short-term. Therefore, whilst this is in development we recommend that escalation lines are returned and regularly updated screenshots of a claim and online journal are provided for the advice and support community.

Background

Citizens Advice is a charity that provides free, confidential and independent advice to help people overcome their problems. Last year we helped over 2.7 million people face to face, by phone, email or webchat and our online advice pages were viewed 36 million times.

In the last 12 months, Citizens Advice has helped with **nearly 2 million benefit issues across every community in England and Wales**. Our advisers have supported more than 27,000 clients with more than 42,000 Universal Credit issues in the last year.³ This number has continued to increase as Universal Credit rolls-out.

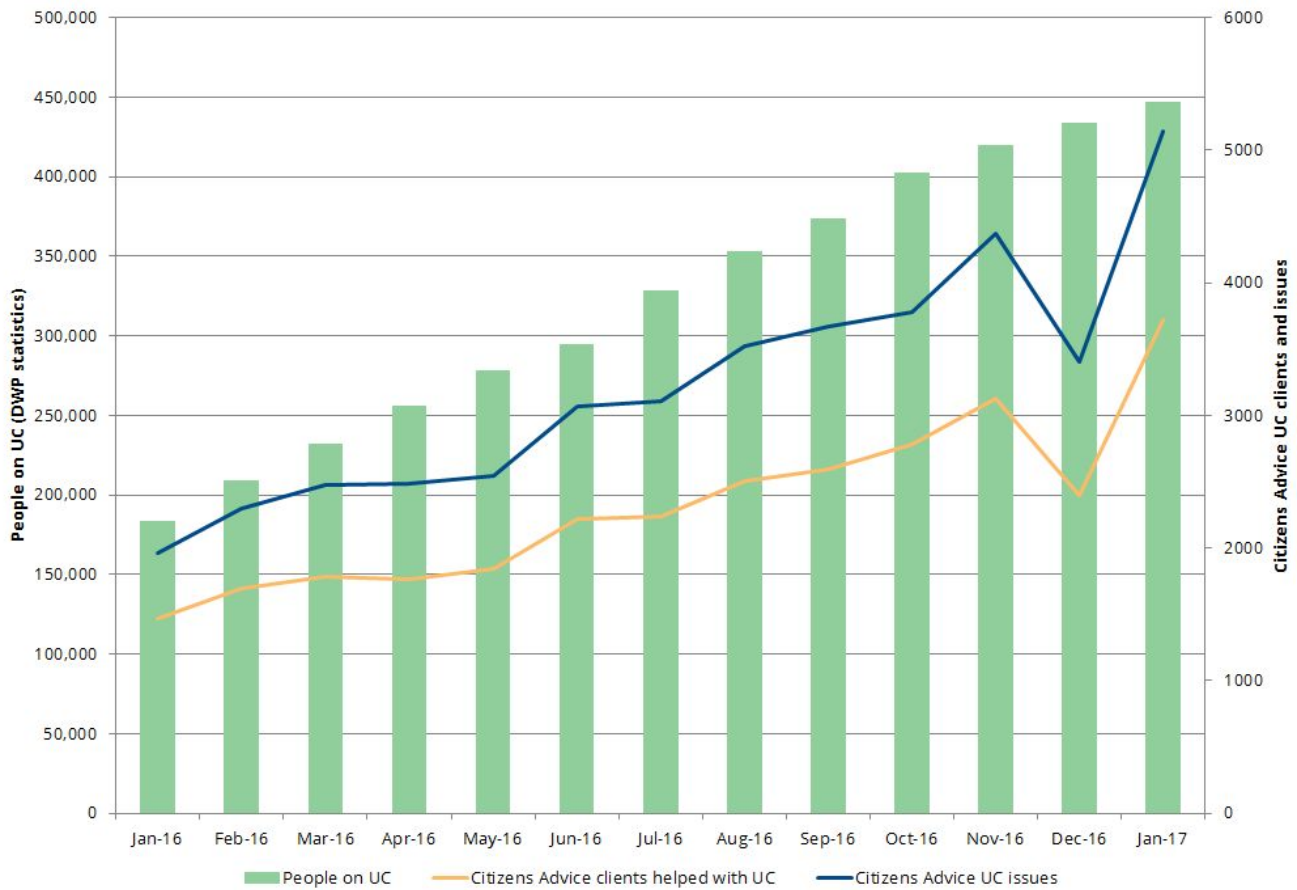
In January 2017, 41% of all the clients we helped with Universal Credit were in local authorities with full-service Universal Credit. To put this in context, clients in these local authorities represent 8% of our clients nationally on all issues and around 19% of people on Universal Credit are in these areas.⁴

Universal Credit sits on strong principles which Citizens Advice supports: simplifying the benefits system, making transitions into work easier and making every hour of work pay. Although such a large scale reform of the welfare system is difficult, the 'test and learn' approach to full-service Universal Credit creates unique opportunities to address many issues before they become widespread and undermine these principles.

³ Citizens Advice statistics, March 2016 - February 2017

⁴ Citizens Advice analysis of DWP official statistics 2017

➤ **Chart 1: Citizens Advice Universal Credit clients as a proportion of Universal Credit claims**



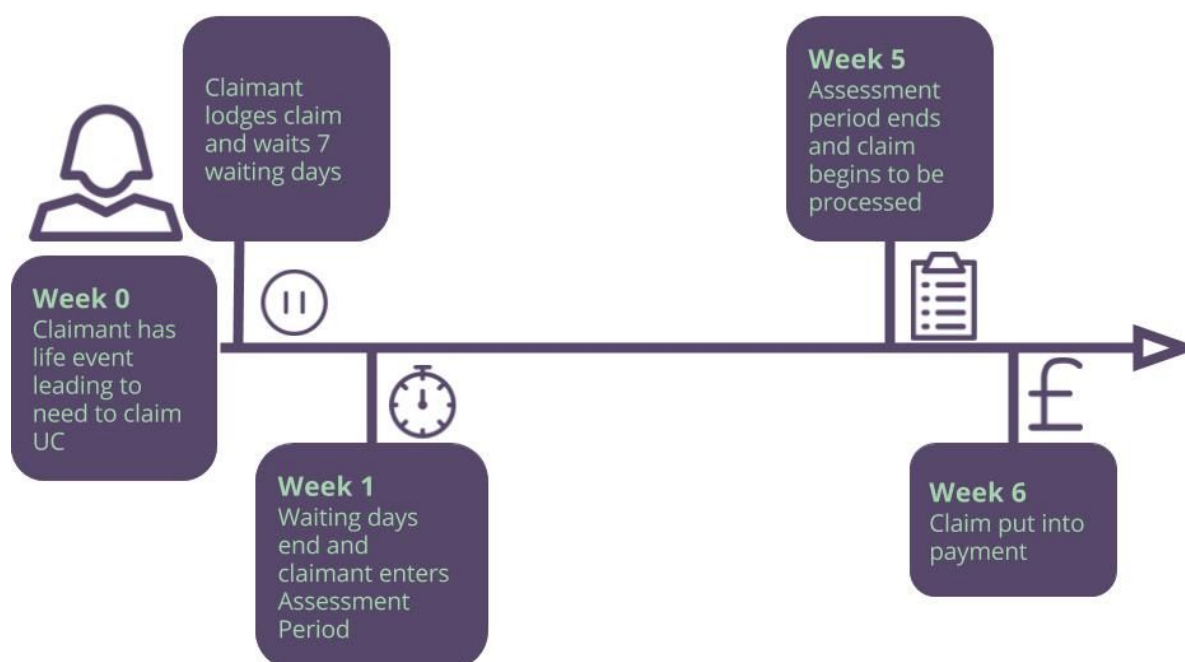
Initial wait for payment

This section addresses the following questions from the terms of reference of the inquiry:

- ➔ How long are people waiting for their Universal Credit claim to be processed, and what impact is this having on them?
- ➔ How are claimants managing with being paid Universal Credit monthly in arrears?
- ➔ Has Universal Credit improved the accuracy of payments?
- ➔ Have claimants reported making a new claim for Universal Credit, and then found that the system has not registered their claim correctly?
- ➔ What impact is Universal Credit having on rent arrears, what effect is this having on landlords and claimants, and how could the situation be improved?
- ➔ Would certain groups benefit from greater payment process flexibility and, if so, what might the Government do to facilitate it?

Problems with the Universal Credit administrative systems cause delays in receiving payment

Most claimants will have a 6 week wait for their initial payment of Universal Credit.⁵ This initial wait consists of a one-week wait without entitlement - known as the 7 waiting days - a one month assessment period, and an additional week to process the claim.



Our early evidence suggests that on average our clients receive their initial payment a little after six weeks. However, this average includes at least 2 in 5 clients who should have received their payment after 5 weeks due to being exempted from the 7 waiting days.⁶ We also see a number of individuals who have waited significantly longer than 6 weeks.

We discuss three broad areas that cause problems. The first is confusion around the use of multiple benefit systems. The second is delays in more complex claims, involving various different elements. The third is around the evidence required to submit a claim, particularly for the housing element.

Additional delays in receiving first payment can happen as a result of claimants - and in some instances DWP staff - being confused as to whether they should be claiming Universal Credit or legacy benefits. This challenge could continue until migration to UC is completed in 2022.

This is a particular difficulty for staff and claimants in live service areas, who are having

⁵ This will be 7 days less for those exempt from the 7 waiting days.

⁶ Citizens Advice client survey n=315

to keep up to date with multiple benefit systems and complicated gateway conditions. This can result in individuals being pushed back and forth between the two different systems, delaying the start date of their claim. These delays further extend the wait for initial payment and are exacerbated by the limited provision for backdating payments in Universal Credit.

Case Study 1: Claimant unclear which benefit to apply for

James claimed Jobseekers Allowance (JSA) in the West Midlands and filled in a number of forms associated with his JSA claim. He was then told by his local Jobcentre that he should apply for Universal Credit instead. He began the application process for Universal Credit, only to be told that this was incorrect and he needed to apply for JSA. Finally he was told he needed to claim Universal Credit again. As this process took over 4 weeks, James did not receive any payments for over 10 weeks.

The extended wait led to James falling into debt and needing to borrow money from friends and family. The limited backdating rules in Universal Credit means James will not receive any financial support to cover the first half of this period and therefore may struggle to pay back this debt.

We also have isolated evidence of claims that are not being registered in the Universal Credit IT systems correctly, thereby adding to delays beyond the initial 6 week wait. These cases occur in live service areas, but it is unclear whether similar problems exist in the full service system.

Evidence from our frontline advisers suggests that **claims with more complex additional elements are taking longer to process and may result in an initial payment not including these elements**. Housing and childcare elements, where the claimant is asked to provide extra evidence after the initial claim has been made, pose particular problems. This includes cases where claimants receive their standard allowance element after 6 weeks, but have to wait additional months to receive the housing costs element, due to difficulties with evidence and verification.

A third common problem for those attempting to put in a claim for UC is around evidence. This is a particular issue for those trying to provide the tenancy documentation required to receive the housing element. There have been some attempts to address this and we welcome the development of a landlord portal to smooth the process of gathering social housing evidence. However, similar options are not yet in place for the private rented housing sector.

For example, we see cases where claimants have been asked to provide a tenancy agreement dated within the last 3 months. Most assured shorthold tenancies run for six or twelve months, which means that many tenants will not have a recent tenancy

agreement. In addition, after a fixed term tenancy expires, it becomes a statutory periodic tenancy and it rolls over month to month. These arrangements are both lawful and very common. The result is that, although a claimant may have a lawful assured shorthold tenancy, they are unlikely to be able to produce the necessary evidence needed to claim housing costs, creating additional delays.

These problems with evidence and additional delays in payment of elements undermine some of the basic principles of Universal Credit, such as simplifying and streamlining the benefits system. Failing to address these issues poses real risk. For example, delays in childcare payments risk undermining work incentives and employment retention. Delays in paying housing costs risk rent arrears and - in extreme cases - may result in eviction and homelessness. Such issues have the potential to cause significant costs for local services and the wider economy.

Case Study 2: Administrative issues around childcare costs and their effect on work incentives and retention

Maggie first claimed Universal Credit in November 2016. She has two children and is working. Along with her claim, she provided her contract with her childcare provider to prove her childcare costs. In January 2017, Jobcentre staff told Maggie that this evidence was acceptable and that her childcare costs would be included in her Universal Credit claim. At the end of the month, however, she was notified that she would need to pay for her childcare and then claim the costs back through Universal Credit evidencing this with receipts. This was over two months after she had made her initial claim.

By this point, Maggie owed her childminder nearly £2,000. Because no Universal Credit payments had been made to cover these, her childminder lost patience and threatened to expel her children from the service.

Citizens Advice advisers helped Maggie get an advance to cover some of the costs and Universal Credit staff agreed that Maggie had been misinformed about the evidence she needed to submit and how childcare costs would be covered. However, as the receipts had not been provided within the assessment period, they told Maggie she would not be able to get a back date for the payments.

Citizens Advice is supporting Maggie to make a complaint given the incorrect information. However, Maggie's children have now been removed from the childminder's care due to non-payment. As a result, Maggie is currently on unpaid parental leave as she cannot work while she has no childcare for her children. Her employer is threatening to dismiss her unless she can find a solution by the end of the month.

Recommendations:

The ongoing administrative problems that are currently unresolved in the Universal Credit system risk undermining the principles on which Universal Credit is built.

- We recommend that these problems need addressing and resolving before roll-out is accelerated in July 2017 and October 2017.
- DWP should create and publish a transparent action plan for tackling these issues, including a clear timeline and milestones that should be reached before roll-out is accelerated.

Problems that arise from being paid monthly in arrears

Universal credit has two design features that, together, result in much of the initial six-week wait for payment. The first is that payments are made monthly. The second is that payments are made in arrears. **This creates difficulty for those leaving legacy benefits - who need to adapt to monthly payments - and for those leaving work who may not have an initial month's income to support them through their first assessment period.**

Those who are 'naturally migrated'⁷ to Universal Credit from legacy benefits which had been paid weekly or fortnightly find this a particular problem, as their final payment before Universal Credit is often not sufficient to cover their financial needs for five weeks.

Although claimants may be able to get an Advance Payment to support them in this initial period, this may not be of a sufficient level. This is dependent on when a UC claim is made in relation to the final legacy payment. For example, if someone makes a claim just after receiving a Jobseekers Allowance and Housing Benefit payment, they will often have enough money for the first two weeks of their 5 week wait⁸ and can then get an Advance Payment for the remaining period. However, the timing of an initial Universal Credit claim is crucial. Someone who makes a Universal Credit claim just *before* they are due to receive their final legacy benefit payments will not then receive these final payments. Even with an Advance Payment, this will leave them with insufficient income to cover their living and housing costs.

The second challenge is for some people making a claim for UC after leaving work. First, many of our clients do not receive their wages monthly. Weekly or fortnightly

⁷ Natural migration is when a legacy benefit claimant has a change of circumstances that requires they make a claim for Universal Credit. Transitional protection is not available for this group.

⁸ Exemptions from waiting days mean the initial 6 week wait should be 5 weeks for this group of claimants

wages will not then be sufficient to cover a claimant leaving work during the six-week waiting period.

Second, we see problems for those who receive their final wage payment or other final payments, such as owed annual leave, at the beginning of their first assessment period.

Claiming Universal Credit a couple of days too early can result in claimants having to wait an additional month before receiving their first payment of Universal Credit. As with the example of legacy benefits above, if the final pay is prior to the claim, people have sufficient income for the initial wait. However, if they receive one-off payments at the beginning of the initial assessment period, they may be able to use this income for this period, but this will reduce their initial Universal Credit payment - often to very low amounts - causing difficulty the following month.

Case Study 3: Claiming Universal Credit too early leads to hardship

Jacqui had recently given birth and went to the Jobcentre to apply for Universal Credit, as she knew her maternity pay (from work) was coming to an end. She was told that she would be paid at the end of her first assessment period, but when the date came nothing was paid in.

After a number of calls she was finally told that her payment would be minimal for that month because she had claimed Universal Credit too early; her final maternity pay had been paid during the first part of her first assessment period and so was taken into account as income for that month.

Jacqui had to last a further month on her final maternity pay, having believed that she only had to last until the end of her first assessment period. She was left with a young baby with no money for food, rent or utility bills.

Difficulties with monthly payments extend beyond the initial wait for payment. For those whose incomes fluctuate, wage payments may not line up with a monthly assessment period. This is especially true of self-employed claimants, who might be paid irregularly or by the day. For instance, if a self-employed claimant who has been chasing invoices for six months suddenly receives payment for a number of jobs, all within one Universal Credit assessment period, it would look as though their income was higher than it actually is due to the fact that a number of months' worth of earnings would have arrived during a single assessment period. We will be exploring these types of issues further in our upcoming work.

Case Study 4: Problems with 6-week wait on low and fluctuating income

Elinor is 45 years old and works in Yorkshire in a low paying job with fluctuating wages. This income insecurity has caused her rent arrears in the past. Elinor claimed Universal Credit and, because she was not receiving enough hours of work, she was living off food vouchers during the 6 week wait for her first payment. She was offered an Advance Payment, which she used to put petrol in her car, as without it she would not be able to work. She had no money left over to pay her bills. Elinor tried to explain the situation to her landlord, who said that he might evict her regardless.

The impact of waits for first payment, including debt

For those claimants coming from employment who have received a final monthly wage packet before making their claim, waiting for their first payment may not have a large impact. However, as discussed, this is not the case for many of our clients.

“Despite being on benefits for many years, because of my health condition I have managed to not get into debt and to pay my bills on time - since being on Universal Credit I have been unable to pay bills on time and am in serious rent arrears. We have had to visit a food bank for the first time ever” Citizens Advice survey respondent

Those who struggle financially while waiting for their first payment often end up in debt. At Citizens Advice, 1 in 4 of the clients we help with Universal Credit also come for debt advice.⁹ For clients we help with legacy benefits, less than 1 in 5 also come for debt advice.¹⁰

The consequences of this debt can be severe and long term - and in some cases risk undermining basic aims of UC. Although cases of eviction are rare, our early evidence suggests that it is much more common for claimants to borrow money during the waiting period. Individuals borrow mostly from family and friends, but some are also turning to credit cards, loans and payday lenders. Debt and arrears also pose a direct disincentive to move into work or increase hours.¹¹ Once in debt, a jobseeker or someone planning to increase their hours in work may see any additional earnings from employment eaten up by interest repayments.

⁹ Citizens Advice statistics April - December 2016

¹⁰ 19% of Citizens Advice clients helped between April and December 2016 with Jobseekers Allowance, Employment Support Allowance, Income Support, Working Tax Credits, Child Tax Credits or Housing Benefit were also helped with a debt issue.

¹¹ Citizens Advice, “A Debt Effect?”, 2016:

<https://www.citizensadvice.org.uk/Global/CitizensAdvice/Debt%20and%20Money%20Publications/The%20Debt%20Effect.pdf>

Case Study 5: Universal Credit payment delays leading to eviction

Mark is 24, single, and lives in private rented accommodation. He receives the higher rate of care and mobility for DLA. He uses the mobility element to pay for a mobility car. He has a blue badge. He had to make a claim for Universal Credit when he became unemployed in 2016. His Housing Benefit stopped because help with his rent was going to be paid through Universal Credit Housing Costs. Due to the six week delay in getting a payment he had to ask for a budgeting advance and his rent arrears increased. He also borrowed money from friends. The budgeting advance is now being deducted from his ongoing Universal Credit payments and he continues to be in arrears. His landlord has served him with a section 21 notice to quit, the first step in eviction proceedings.

Although some of these issues are interim and a result of 'natural migration', it is important that solutions are found. These need to address both the long term problems and improve support for those being naturally migrated so they are not adversely affected by the nature of Universal Credit roll-out. This may include DWP considering transitional protection for those who are migrated naturally before roll-out is complete - this is a particular problem for disabled people who currently see large losses in premiums when they are naturally migrated.

Another option is offering greater flexibility in payment schedules. The Universal Credit system offers some payment flexibility already via Alternative Payment Arrangements (APAs). This flexibility includes increased payment frequency, split payments between a couple and payment direct to landlord for housing costs. However, our evidence suggests that - although appetite for these arrangements is high - awareness of APAs are low and claimants are not being offered these options with any regularity.

"I was previously paid fortnightly and then moved to monthly. I contacted the Jobcentre who refused my request to remain on fortnightly payments. This led to a request for a foodbank voucher and I'm struggling with gas and electricity payments." Citizens Advice survey respondent

Payment flexibility is welcome, but the clients we see with fluctuating incomes or non-monthly earnings may also benefit from greater flexibility with assessment periods. This may include assessment periods being set based on when wage payments are due.

Recommendations:

- To ensure people are able to access the flexibility already built in to Universal Credit, we recommend that Alternative Payment Arrangements (APAs) are

offered to all Universal Credit claimants at the beginning of a claim whilst people adapt to monthly payments in arrears. Information that is collected about a claimant at the beginning of their claim, for example previous income frequency, could be used to target APAs and Universal Support more successfully and a claimant's Universal Credit journal could also be used to highlight the existence of APAs

- To ensure Universal Credit mirrors work, we recommend that DWP explore the option of aligning assessment periods to wages particularly for those who are paid non-monthly or have fluctuating incomes. This should include an exploration of how final earnings are treated.

What support is available locally?

This section addresses the following questions of the terms of reference:

- What impact is Universal Credit having on the income and costs of local authorities, housing associations, charities and other local organisations?
- How well is Universal Support working, and how could it be improved?

Universal Support in practice

The support that is available to accompany Universal Credit is vital to making it a success. Government policy is that this should be delivered through 'Universal Support' - a support package that makes local authorities responsible for delivery, with DWP funding earmarked for this purpose.

However, there are a number of issues with the current model for Universal Support. The 'test and learn' approach has not been extended to Universal Support, meaning the package is not being improved as Universal Credit develops. Universal Support as it is currently delivered can frequently be limited, difficult to access and poorly focused. The risks if this is not addressed are that more vulnerable claimants of Universal Credit fall into debt, potentially face homelessness or eviction and increase pressures on local services.

The Universal Support framework has not been republished or updated since 2014. This is despite the availability of additional evidence resulting from testing in different areas, including via the 'Universal Support delivered locally' trials (discussed further below).

Without an up-to-date Universal Support framework in place, in practice, Universal Support has become very variable and dependent on arrangements in a particular area.

As a result, the offices in our network report that the promise of Universal Support is not being fully delivered. In some areas, there is confusion over whether it is yet in place. In others, what is offered is limited in scope and referral mechanisms are often not working effectively. For example, several of our local offices are currently funded to provide Personal Budgeting Support. However, in practice, they report very few claimants are referred for the help, despite them seeing many Universal Credit clients who could benefit. Funding is often tied to the number of claimants helped. This means claimants must be referred from the Jobcentre for the local support service to receive funding payment. **Without effective referral mechanisms for support in place, people will not be able to access the support they need.**

There are also challenges with Assisted Digital support. We know that Citizens Advice clients are more than twice as likely to lack basic digital skills than the general public; 20% have no internet access at all.¹² Much support requirements with Universal Credit claims revolve around the need for digital assistance when making a claim. However, provision for this through local authorities via Universal Support can be patchy, with poor advertising and confusion over who should be delivering the support, Jobcentres or Universal Support delivery agencies.

Case Study 6: Digital Support for claiming not available

Clare is 49 years old and lives with her daughter in London. She recently lost her job. She was directed to her local Jobcentre for help with completing her Universal Credit claim, as she was having difficulty with the online system. However, when she asked for assistance, this was refused and she was told to ask a friend or get her 14 year old daughter to help.

Finally, our local offices report that the lack of a clear framework means much local support in place is narrow in focus, only delivering Assisted Digital and Personal Budgeting Support. A pilot survey we conducted with 1,700 potential Universal Credit claimants found that nine in ten would need some support with the transition to Universal Credit, with almost four in ten (38%) likely to need help across a wide range of areas, including budgeting, banking, staying informed and getting online.¹³ Universal Support is therefore likely to be in great demand and may well need to go beyond Assisted Digital and Personal Budgeting Support. This is especially true during roll-out, when claimants are subject to changes in the process that may make it harder to manage a claim.

¹² Citizens Advice, [Digital Capability: Understanding the digital needs of face-to-face clients of Citizens Advice](#), August 2016

¹³ Citizens Advice, [Universal Credit managing migration pilot: final results](#), December 2013

Demand for Universal Support also presents important opportunities, which the current model is not set up to exploit. Our research on advice gaps¹⁴ shows that people tend to seek support during key life events or when problems arise - and that holistic support at these times can help to address a range of existing and potential problems. Claiming Universal Credit will often be this kind of 'trigger point'. **More should be made of the valuable opportunity to support people in tackling the wider barriers in their life and to help in building their capacity for the future.**

Improving Universal Support

The Universal Support Delivered Locally (USdl) trials tested a number of innovative ways to provide support to Universal Credit claimants. However, **the 'test and learn' approach used in the implementation of Universal Credit has not been extended to the support that surrounds it.** Extending this approach would add real value, allowing support to be developed to fit the needs of claimants and ensuring it reflects the changing Universal Credit service.

The practical insight and learning from both the USdl trials and other local initiatives could help improve the delivery of Universal Support and the framework should be updated in light of this. Learning from the USdl trials has not been rolled out more widely, nor has the Universal Support framework been updated as a result. Here, we discuss some of our learning from these trials and other local innovative services.

Local Citizens Advice who were involved in the trials reported that there were a number of aspects that worked well. These should be tested more widely with an increased number of stakeholders in areas where full-service Universal Credit is in place. In terms of the initial findings:

- **Face-to-face engagement was needed for some claimants**, especially those who required a personalised approach due to more complex needs. While this level of engagement is not necessary for all claimants, targeted face-to-face support has a positive impact.
- **Having trusted partners primarily involved in the delivery of Personal Budgeting Services (PBS) and/or debt advice tends to achieve better results.** Using partners that claimants already identify with and trust help them to better outcomes.
- **Providing holistic debt advice with a budgeting component, rather than just budgeting on its own, results in more effective support.** Given that the

¹⁴ Citizens Advice, [The Four Advice Gaps](#), November 2015

Government has stated that three-quarters of social housing tenants are already in arrears before their Universal Credit claim starts,¹⁵ this kind of advice is all the more important to ensure that a Universal Credit claim does not exacerbate the situation. Our debt advisers report that a client whose financial situation is looked at in the round is more likely to be able to budget effectively than one who is only supported with budgeting on the basis of their Universal Credit payment alone.

Our evidence also indicates that some aspects of the trials did not work well. These should again help to develop future support services and the setup of future trials:

- Given the differences between the three benefit systems - 'legacy', 'live' Universal Credit and 'full' Universal Credit - and the claimant groups involved in each, **there is a need for Universal Support to be trialled and evaluated in full Universal Credit areas.** USdl trials took place in areas without Universal Credit or only with 'live' service Universal Credit. This meant the participant groups had more limited needs for support transitioning to Universal Credit - either because their household situation was often limited to more simple claims, or because the support being trialled were areas which claimants hadn't necessarily had to engage with yet. For example, the need to make and manage a claim online primarily results from full service Universal Credit and therefore claimants didn't necessarily require Assisted Digital or digital skills.
- **Poor triage resulted in a lack of understanding of the claimant's needs.** This meant people could end up with the wrong support or being bounced between agencies.
- **Poor referral processes led to delays for claimants and financial hardship.**
- **Data sharing was - and remains - a major issue.** As well as understanding "safe" data sharing (as stated in the framework), partners also need to understand what is legally permissible and what needs to be put in place with regards to client consent.

Recommendations:

To support the learning from the Universal Support delivered locally trial, we recommend:

- DWP should review support further as new claimants join and progress onto full Universal Credit

¹⁵ Universal Credit - Written Question [65157](#)

- DWP needs to ensure Jobcentres and local authorities have the time and training to provide effective triage, or sub-contract the triage work to those who already have the skills and expertise
- DWP needs to ensure that, no matter where claimants present with the need for Universal Support, they are able to receive it. DWP should seek to include a “no wrong door” policy as far as possible for referrals and ensure that warm referrals are quick and efficient for the claimant.
- DWP should explore and implement an effective and formal data sharing agreement with advice and support organisations.

As well as USdl, a number of local services have introduced innovative projects. An example from one of our local offices is described in the box below. It is important that learning from these projects is also incorporated into Universal Support.

Digital Money Coach (DMC) Pilot

Digital Money Coaches are volunteers who work with Citizens Advice clients to improve their digital skills and, by doing so, build their financial capability. They support clients to use online and mobile banking, price comparison sites and energy switching sites. Money Coaches also provide ‘assisted digital’ support - helping clients complete specific tasks online. This activity includes, but is not restricted to, job searches, accessing and managing welfare benefit accounts, bidding on social housing and making complaints.

This project aims to help those who have not used the internet at all, as well as those who have not used it for financial tasks before. More than one in five (21%) of DMC clients reported they had never used the internet before taking part in the project and one in three (33%) indicated they had not previously completed any of the digital tasks online.

Fewer than half of the DMC clients (46%) have access to the internet on a computer, laptop or tablet in their home. This includes just over 1 in 5 DMC clients who indicated they did not have access to the internet at all (22%).

Our pilot achieved the following client outcomes:

- 60% of clients said they now feel more able to use digital technologies and the same proportion said they had made changes to the way they use digital technology since using the service.
- 41% of clients said they now feel more able to manage their finances. 38% had made changes to the way they manage their finances since using the service.

- 89% of clients rated the service as 'good' or 'very good' and 84% said they were likely or very likely to recommend the service to others.

Recommendations:

- Universal Support is vital to achieving the principles of Universal Credit through overcoming the barriers to work and independence such as digital and financial exclusion. DWP should work with a wide range of stakeholders to explore and identify all barriers, the needs of Universal Credit claimants to overcome these, and to identify through which mechanisms or support services this will be delivered through. This should include a consistent minimum offer.
- To ensure Universal Support draws on learning from wider support trials, DWP should consult a wide range of stakeholders on a new Universal Support framework or strategy - including asking for evidence on local support projects - and then publish the outcome.

The effect on local support services

In the absence of a fully holistic Universal Support mechanism for Universal Credit claimants, Universal Credit has impacted on local support services. We discuss three broad areas of impact. The first is the increase in and difficulty of predicting client numbers. The second is complications related to a 'test and learn' approach making it difficult to advise clients. The final is added difficulties around the introduction of explicit consent.

We have seen our caseload of clients with benefit enquiries in full service Universal Credit areas increase by 5%.¹⁶ In addition to an increased caseload of clients needing help with benefits, this change in client numbers varies widely and is difficult to predict, making the planning of resourcing more difficult. Much of this increase is due to claimants turning to Citizens Advice for help making their Universal Credit claims, including 39% of Universal Credit issues focused on eligibility, entitlement or calculation of a Universal Credit claim.¹⁷ Many other issues are related to roll-out. These include issues such as confusion over contact options, long wait times on helplines and general poor administration.

¹⁶ Based on local authority areas with full service Universal Credit before August 2016, comparing Citizens Advice client numbers helped with benefit issues between August 2015 - January 2016 and August 2016 - January 2017.

¹⁷ Based on Citizens Advice advice issues between August 2016 - January 2017 in local authority areas with full service Universal Credit introduced prior to August 2016.

During roll-out, increased support is necessary as claimants are dealing with frequent fluctuations in how their claims are administered. We support 'test and learn', but we are mindful that this approach can cause difficulties for people in these areas and therefore lead to greater numbers needing support. As much of this support falls out of the current remit of Universal Support and is therefore unfunded, this is leading to a significant impact on other local support services.

Beyond financial implications, there are additional costs to advice agencies due to barriers to giving advice. This is often linked to greater time spent supporting an individual client. Some of the reasons for this our advisers have been reporting include:

- Advisers currently having no access to a dummy claim form or the online Universal Credit journal. This means they only see these for the first time when they are actually helping a client with a claim.
- Updates on Universal Credit changes. It is very welcome that fixes are made to the Universal Credit system; however, the advice community is rarely informed when changes are made. If the changes are to be effective, communication between DWP and advisers needs to be more efficient.

These problems are being exacerbated by the introduction of explicit consent and the loss of dedicated adviser escalation phone lines (these were available under legacy benefits but have since been removed). It is now not unusual for an adviser to spend over half an hour with a client waiting on hold for a Universal Credit helpline service centre agent.

'Explicit consent' requires a claimant to make a note in their online Universal Credit journal, specifying which individuals can speak on their behalf on specific issues, or they must be present on a call. This can be difficult for advice agencies and caseworkers; they often have limited time with a client and for follow up casework, due to heavy demand for appointments. With the recent announcement that MPs will no longer be required to obtain explicit consent,¹⁸ the same should be applicable for the wider advice and casework community.

Although it is understandable that the greater level of detail included in the online Universal Credit journal increases risks of disclosure of sensitive information, this risk could be reduced through more clearly defining details that can and cannot be shared with Universal Credit service centre agents - reducing the need for explicit consent. Additionally, a third party support portal - with accredited and verified agencies, similar to the landlord portal - could be created. This would eradicate the risk of 'unscrupulous

¹⁸ Written Statement, Damien Green, 13 March 2017 [[HCWS528](#)]

organisations and individuals' who attempt to access information from DWP, as described in the letter to the advice sector explaining the change to explicit consent.

A third party support portal could also include a test or dummy site for Universal Credit claims and the journal. Citizens Advice is currently developing a new case management system for our front line advisers. Like DWP, we have struggled with the development of large IT projects previously and, learning from this, have taken a 'test and learn' approach to the development of our new system. This should ensure the end product meets the needs of its users. As part of this development, we have set up a test site for advisers to try out the new digital elements of our case management system ahead of 'go live' and advisers seeing clients. Further to this, we have included an update of recent changes to make sure people are aware of what might be different in the system. Feedback on this has been very positive and we would recommend this as future best practice - both for ourselves and external agencies creating digital platforms with large numbers of users.

Recommendations:

To reduce the impact on local services providing support for Universal Credit claimants we recommend:

- The introduction of a third party support portal. This would improve security by verifying authentic agencies, reducing the need for explicit consent. This portal should include a mechanism for advisers to escalate issues, view an example Universal Credit journal and claim, and receive updates on any changes to the Universal Credit system.
- Although commitment should be given to such a portal now, we recognise that this cannot be made available in the short-term. Therefore, whilst this is in development we recommend that escalation lines are returned and regularly updated screenshots of a claim and online journal are provided for the advice and support community.