

Derbyshire Unemployed Workers' Centres – Universal Credit Report

Forward

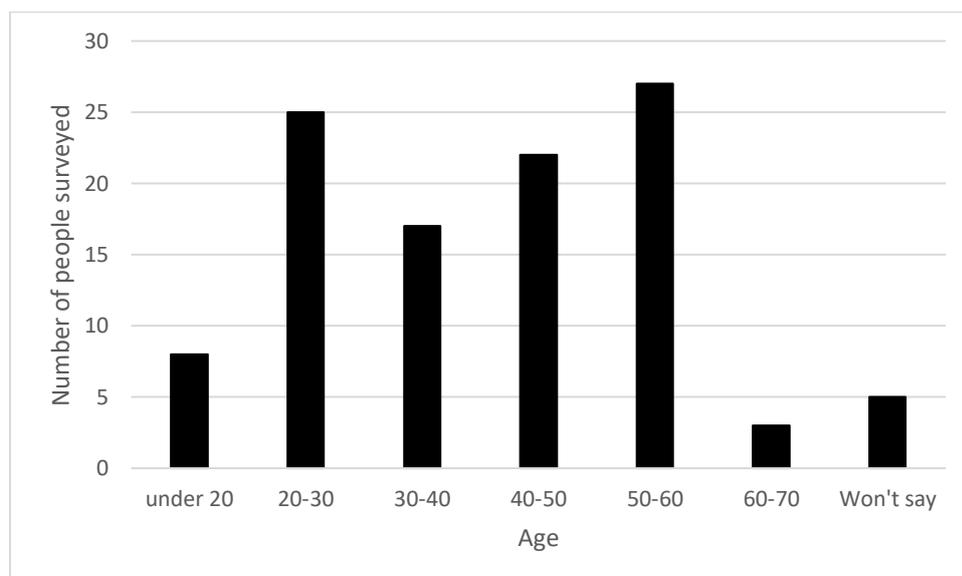
Derbyshire Unemployed Workers' Centres conducted a survey of people from across Chesterfield and North Derbyshire to find out their experiences of claiming Universal Credit. This survey formed part of a national survey conducted by Unite the Union.

Derbyshire Unemployed Workers' Centres (DUWC) is an advice organisation set up with the support of Chesterfield Trades Union Council in 1983. It is a registered charity supported by Chesterfield Borough Council, Bolsover District Council, North East Derbyshire District Council, many Parish Councils and hundreds of individuals.

The organisation receives over 10,000 enquiries per year and represents hundreds of people at Benefits Appeals Tribunals.

Who we surveyed

This survey was carried out in June 2019 and asked 107 people about their experience of claiming Universal Credit. Of the people surveyed 36% were female and 64% were male. There was a spread of age groups, with the majority of respondents being between the age of 20 and 60. The majority of the surveys were conducted outside the Jobcentre Plus Office in Chesterfield but fifteen were carried out at the Chesterfield Foodbank and ten from ongoing cases at the DUWC.



Around three quarters of the people who took part in our survey were unemployed, but a sizable minority (17%) were working part time, were self-employed or were in full time work.

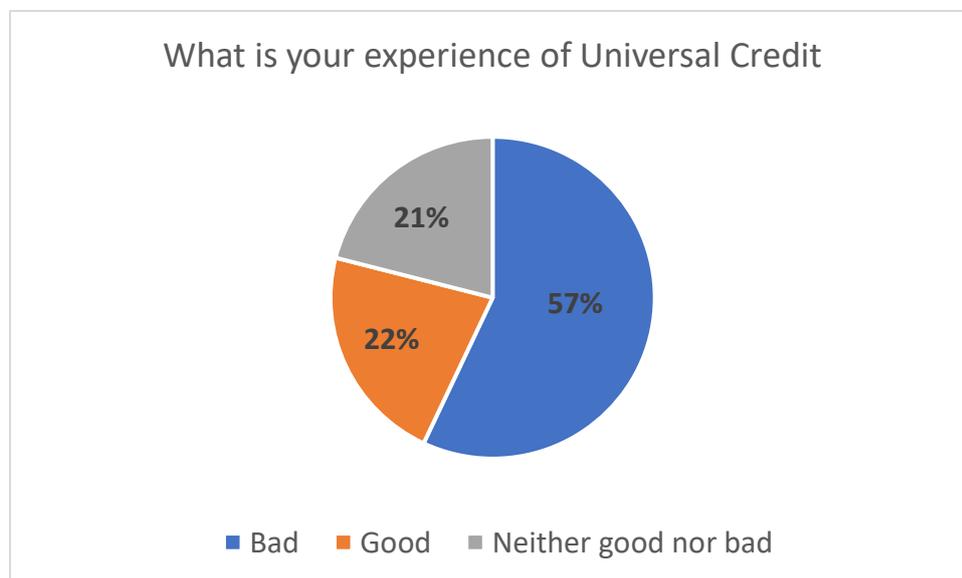
More than half of claimants had a bad experience of Universal Credit

More than half of people surveyed said they had a bad experience of claiming Universal credit.

47% or 50 people we spoke to had used a foodbank at least once. More than half, 57%, said they had to rely on friends and family to help them out.

35% of people did not think they were receiving all the benefits they are entitled to.

Two thirds of people we spoke to would prefer to be paid fortnightly, and only a fifth were happy to be paid monthly as is the current system.



“When I started to work, they presumed that I was earning the same amount as the first month. I was with an agency. Now I am working part-time I am glad I'm not relying on it 100%.”

“Makes people worse off, designed to do that.”

“Should get more help with council tax. No extras at all in life. Just get by.”

“Not working, not listening, not able to manage”

“Insufficient money. Very depressing. Lack of support.”

“It's an unfair system”

“It is impersonal”

“Needs greatly improving.”

“£60 less than when on working tax credit”

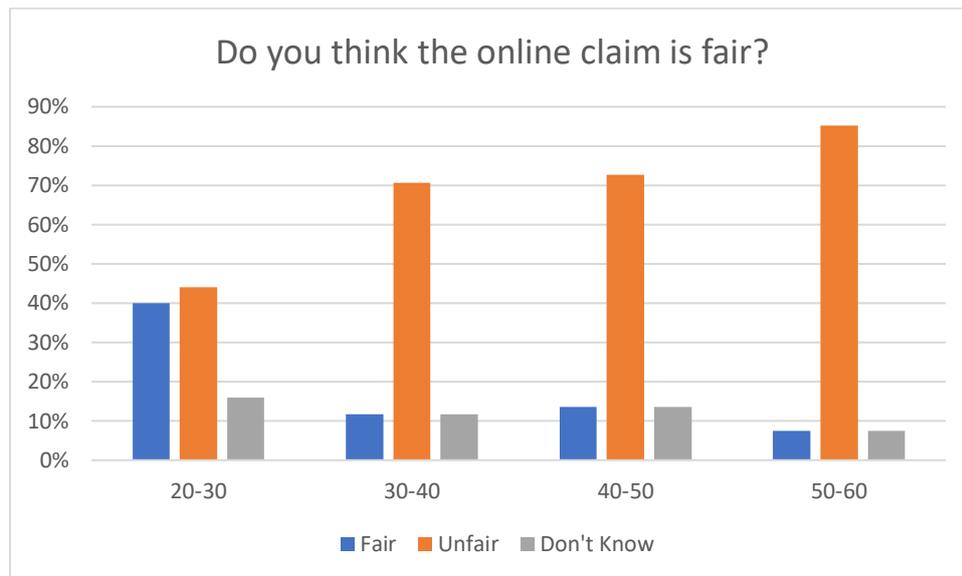
“Process is not great, had to wait 1 and a half months.”

“It doesn't work. It's always a month late and we've still not had back pay because they clawed back tax credits when they switched us.”

“It is hard waiting 5 to 6 weeks for money”

Problems applying online

Many respondents reported that the online system was difficult to navigate. 68% of people we surveyed thought that the system was unfair. Older people in particular were most likely to think that it was unfair to have to claim online. 85% of those aged 50 to 60 thought it was unfair, compared with 44% of people aged between 20 and 30. People’s comments show that the online system makes it very difficult for people who are not computer literate to claim Universal credit. In addition to this, administrative errors are harder to detect and challenge with a fully computerised system, which reportedly led to people being sanctioned and having their benefits suspended.



“Should go back to how it was. No money for weeks. Haven't got and can't work a computer.”

“Initial difficulty with online. Lost records.”

“Nothing is printable!”

“Waiting a month is a big problem.”

“Not fair on people without access to IT.”

“Can't work computer. It's rubbish.”

“No good with computers.”

“Not computer literate.”

“I was sanctioned because there were problems with the computer program – my claim missed the date for information.”

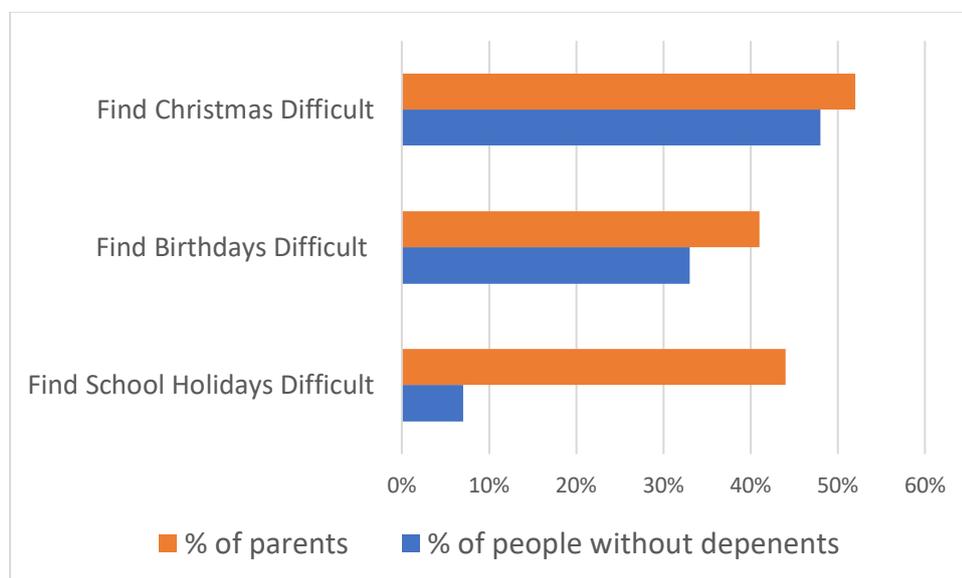
“I was sanctioned because I had not done a job search, but I was unable to because I had no internet.”

“I was sanctioned after I was locked out of my Universal Credit account and missed a meeting.”

Families

A quarter of people surveyed had dependent children or caring responsibilities for vulnerable adults. Of women who were surveyed, 46% had dependent children, compared with only 14% of men. This is found to add extra strain to women claiming Universal Credit. 31% of women find school holidays difficult, while 8% of men reported the same.

Out of everyone we spoke to, only 7% reported that they had difficulties affording school trips, school uniforms and school equipment. Of course, this figure is much higher for claimants with children, 74% of whom had found affording school trips, uniform and equipment. From our survey results it appeared that it was the same parents who couldn't afford any of these things. Parents were also far more likely to find school holidays difficult than those without dependents, as well as finding Birthdays and Christmas or other religious events slightly more difficult too.



“There should be a minimum living allowance. Deductions take me to £300 a month to live on. I have two children and I am pregnant and should get £1019.”

“I would not be able to exist without the child element and child benefit”

Transport

45 people who we spoke to, or 42%, said they couldn't afford transport while receiving Universal Credit.

“some weeks fine, some skint. Hard to get money back for transport and courses.”

“I was sanctioned after I couldn't afford to get to appointment”

Housing Problems

59 people, a little over half of the people we surveyed, were receiving the housing element of Universal Credit. Despite being entitled to support with housing costs, 56% said they were in rent arrears, 27% had been threatened with eviction and 8.5% said they had been evicted.

“Lost my home, rent paid to me and couldn't afford to give to landlord. Didn't even know I had to pay it. Getting half what I used to get.”

“Homeless for 8 months.”

Mental and Physical Health

“I've been made to feel ill and unable to cope”

“People with mental health problems being pushed into work”

“Job Centre staff don't understand mental health issues”

“I have dyslexia and was provided no support with claim. Ended claim due to stress.”

“I was sanctioned after not taking a job after trial because I have arthritis”

Positive Experiences

22% of people surveyed had a good experience of claiming Universal Credit. People who said they had had a good experience of claiming universal credit were unlikely to have accrued debt during the time they had been claiming (only 9%), and none reported falling further into debt. This suggests that people who had good experiences were more financially secure before they started to claim Universal Credit.

Half of people who had a good experience still thought the online system of claiming was unfair, although this was a lower proportion than those who had a bad experience (82%).

People who have children or dependents and women were slightly more likely to have a good experience than men and those who had no children. Younger people are also more likely to report a more positive experience.

“The people at the job centre are helpful”

“Helpful because it has tided me over with a seasonal job. I can pay rent.”

“It’s been fine so far”

“Been pleased up to now. Advanced payment prompt.”

“I found it easy to do online.”

“Job centre staff have been helpful”

Debt

More than half of people we spoke to had fallen into debt while claiming Universal Credit. 37% said they had accrued debts and 17% said they had been driven further into debt. 70% of people who had fallen into debt had to rely on friends and family to get by.

The majority of people (58%) claiming Universal Credit while unemployed had been put into debt or further into debt during that time. Those in work fared better, but still around a third were in debt or further in debt.

“Took all overpayments out of January's money. Left with £75 to last month.”

“Always behind with bills and paying back friends”

“If I hadn't got savings and hadn't already funded my own retraining, I would be in debt.”

Sanctions

28 of the people we spoke to had been sanctioned, which accounts for just over a quarter of respondents. Men were slightly more likely to be sanctioned than women. People who had been sanctioned were far more likely to have had to use a foodbank than other claimants - 57% of people who had been sanctioned, compared with 40% of those who had received their benefits.

“Been sanctioned for 13 weeks. No money. Appealing. No hardship payments.”

“I missed an appointment because I was ill. I had a sick note but was sanctioned 6 months. I appealed and won. It was a clerical error and should have been for one week only.”

“I was sanctioned after failing to attend an appointment due to illness.”

“They were not satisfied with my job search -but what is satisfactory varies between work coaches.”

“I was sanctioned when I was ill in hospital and missed appointment”

“I was sanctioned after missing an appointment due to anxiety”

“I have been threatened with a sanction due to being 2 minutes late for an appointment”

“I was sanctioned for missing an appointment”

“I was sanctioned after I couldn't get to an appointment because they had changed the time of it.”

“I was sanctioned when I missed an appointment because I was ill. I won my appeal against it.”

I was sanctioned when HMRC didn't tell the Job Centre about my wife's earnings and the Job Centre suspended my account.”

“I was sanctioned for not attending Job Club for which I had no dates.”

“I was sanctioned when I was in hospital and missed a Job Centre appointment.”

“I was sanctioned after I missed a job interview that I had not been informed about.”

Conclusion

DUWC carried out a survey in July 2018, seven months after the full digital roll out of Universal Credit in Chesterfield. Nearly a year later, we agreed to take part in a wider Unite Community survey of UC recipients. The survey built on the learning gained from the previous experience and although it featured a different set of questions, some comparisons can be made. Last year 50.5 % reported a bad experience of UC – this year that has risen to 57% indicating that little has improved in the eyes of those receiving the benefit despite the claims of a ‘test and learn’ approach. A similar amount 57% reported having to rely on family and friends to help them out while they were on UC. It is alarming how the welfare system, once seen as the safety net is descending into support, so poor that people’s independence is being so seriously compromised. Many people reported that they were not receiving what they were entitled to, often because of the extent of deductions from their Universal Credit that left them struggling to cope. The monthly payments were not popular as budgeting a low income over a period becomes more difficult the longer the time between payments. The unfairness of the ‘digital by default’ system was, like last year, highlighted with a huge age disparity in responses, with older people finding the system difficult for them and others.

The loss of free school meals during the school holidays adds between £30 and £40 a week to parents outgoings. Our survey showed that parents were far more likely to face difficulties in the school holidays as well as finding it hard to make ends meet at birthdays, Christmas and other religious events.

The statistics on foodbank usage, debt and rent arrears make stark reading. Universal Credit far from being a route to employment appears, for many, to be a pathway to destitution. The figures

should be making government take notice of the problems it is creating for the health of its citizens as well as their precarious financial position. The situation concerning rent arrears and evictions is alarming. It makes no sense, under the auspices of saving money for the exchequer, to plunge people into serious financial problems with life changing consequences that bring a greater burden to the taxpayer in the long run. It appears that despite knowing how Universal Credit is forcing people into poverty, the government is still intent on ploughing ahead regardless, pushing families to the brink of survival.