



EXISTING NOT LIVING

**An insight into the experiences of
Universal Credit from
Wheatley Group tenants**

A report by UNITY Consulting Scotland



**I asked if there
was anyone else
who could help and
she said no. Then I
hung up the phone
and thought:**

**Oh my god I'm really
in dire straits.**



Wheatley Group Tenant

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RESEARCH SYNOPSIS

This research has been commissioned by the Wheatley Group, Scotland's largest housing, care and property management group. Wheatley asked Unity Consulting Scotland to research the ways in which Universal Credit (UC) is impacting tenants of the organisation and the Registered Social Landlords (RSLs) that are members of the Wheatley Group.

Welfare reforms have had a very serious and detrimental impact on the poorest people in our society and UC has been the central plank of the reforms. There is currently a combination of factors, outside the control of those impacted, that is resulting in growing and deeper poverty for ever-increasing numbers of people.

Those in receipt of UC and who live in poverty, as well as many people not considered to be on the lowest rungs of the income ladder, are facing new, intensified economic challenges. These challenges are compounding the pre-existing difficulties that the poorest people across the UK already faced in trying to meet their basic needs.

This research provides a sense of the experiences and challenges facing people claiming UC. We have used a variety of methods in researching the level of impact being felt by Wheatley tenants who are on UC. This includes taking qualitative and quantitative approaches. Incorporating interviews with tenants, complemented by a survey of Wheatley tenants who claim UC. We also spoke to Wheatley staff via two focus groups.

We begin the research with desktop research that chronicles the history of UC, its ethos, why it was introduced, how it was rolled out and the growing body of evidence that has critically assessed the efficacy of UC in supporting people claiming and in receipt of UC.

In doing so we identify and focus on two main strands. The systems, processes and design of UC and the impact of them on people and the financial challenges facing claimants on UC and on low incomes. This was already of great concern prior to the current, so-called, cost of living crisis, but these are now even more acute within the present, wider, economic context.

Many of the studies of UC that have been conducted up to the time of writing, and which we have cited, were carried out prior to the emergence of the current set of economic challenges facing the country, which disproportionately impacts the poorest people the most.

These studies continue to be relevant, but it is also already clear that new research and evidence are emerging to take into account the new set of circumstances currently facing people. We have also therefore referenced some recent, contemporary, reports, which have been published during the process of this research.

However, it is also important to say that due to the economic climate, as well as the various political changes at the heart of the UK Government in recent weeks and months, that the emergence of new research as well as

new policies are being published at increasing regularity. Most notably, the Autumn Statement from the UK Government, led by new PM Rishi Sunak and Chancellor Jeremy Hunt, was announced on the very day this report was sent for design. In this statement they took the opportunity to raise UC in line with inflation.

The fact that new research and new policy may have been produced after this report was completed, does not negate what has been gathered in it. This research still provides an overall and accurate sense of UC and the impact that it has on the Wheatley tenants claiming it.

While UC has recently seen an inflation matching rise it is important to keep in perspective that the cost of living crisis will still disproportionately impact the poorest the most. They spend the most on basic goods such as energy and food (where costs have risen beyond the standard measure used in the Autumn Statement).

Moreover, the struggles currently facing people will continue as the increase will not be introduced next April 2023. But the rise itself is still, when set against the income of people on UC, still negligible. Ten % of £300 is £30 and £30 will not protect people against the huge rise in the cost of living. Critically after years of a benefits freeze, cuts to welfare income and peoples basic income, even the recent rise, will still not provide people with a sufficient income to enable people claiming UC to live lives that are comfortable, fulfilled and materially secure.

INTRODUCTION

This research has sought to understand if UC has met its original aims and, critically, if it is helping make people's lives better or worse. In so doing we will make some general observations about the way the system operates and conclude with some recommendations for change.

We draw on wider literature via desktop research, however our observations are mainly grounded in the data we have gathered from Wheatley Group tenants. We sought to engage people whose voices are too often ignored or indeed never heard at all. Their contributions are the most powerful part of this research.

Ultimately, this research has attempted to give voice to the voiceless. We wanted to hear about the life experiences of Wheatley tenants who claim UC and how its implementation and practice impact them and their families. It is their voices that have enriched this research and which explain what life is like, and what the impact has been, when living on UC.

The type and level of social security or 'welfare' that the state provides, and any reform to it, is often contested and regularly the subject of major political disagreements driven by ideological and philosophical differences. It is safe to say that the provision of taxpayer-funded financial support to citizens via the state is an issue that divides politicians and the public alike.

The Welfare State was created after the Second World War by the Attlee Labour Government. Building on the

Beveridge Report, it was intended to tackle 'the five great evils' of want, disease, idleness, squalor and ignorance. Its creation was inspired by the desire to create a better and fairer country following years of war but also by lessons learned from the impoverishment people experienced during the financial crises of the 1930s and the long, collective memory of Victorian Britain and the early part of the 20th century when state-funded social protection was limited, and not in place at all, for the vast majority of the population.

Post-1945, key pillars of the Welfare State were created or consolidated and these began to have a real impact on tackling the stark inequalities that existed before the war. However, the collectivist nature of the Welfare State meant that some political elements in Britain never accepted its underpinning philosophy and principles, instead believing in a system based on individualism, personal responsibility and a more limited role for the state in supporting people who needed assistance.

From 1945 up to 1979, governments of left and right accepted that the state should have a prominent role to play in providing education, health care and social protection such as unemployment benefits and pensions. In 1979 the Thatcher government's policies brought a changing approach and a redistributive shift of wealth from those at the bottom to those at the top, a reversal of the trend since 1945 that had started to narrow the inequality gap.

This went hand in hand with the weakening of the Welfare State and a policy and legislative programme that reconfigured the tax and benefits system, placed restrictions on workers and trade unions while simultaneously deregulating the economy and reducing tax obligations on businesses. The outcome over the past 40 or so years has been sharper concentrations of wealth and the share of wealth or Gross Domestic Product (GDP) significantly reduced in terms of wages, with wealth being redistributed from the bottom upwards.¹

A system of social insurance or protection means that the National Health Service treats you free at the point of need, that your child is educated through the universal provision of comprehensive Primary and Secondary Education. If you lose your job you receive unemployment benefits. If you could not work through illness you received sick pay. If disabled you are supported via disability benefits and council and social housing provide homes for millions.

A campaigner from the Joseph Rowntree Foundation (JRF) succinctly makes the case for social protection and its vital role in supporting people:

"Social security plays a vital role in our society, whether we're in a national crisis or in 'normal' times. Our social security system should protect families from harm. It should help people keep their head above water if

*they lose their job, if their income is too low or insecure, if they are sick or if their circumstances change. It should protect people from poverty and bring stability, opening up options and opportunities for them to improve their prospects."*²

This notion of collective welfare protection and state help for people when they need it has steadily been eroded. Much of the Welfare State remains, but it is fragile, and, we would contend, undergone a process of managed decline in recent decades. There has been a general approach, expressed most significantly through successive government policy initiatives, that is unconvinced of the value of the Welfare State, its role and the provision it delivers. This often results in a negative stance being adopted towards people in receipt of social security benefits.

Critics of the Welfare State include a coalition of hostile forces in politics and the media. Criticism is often based on cost and ideological positioning and fuelled by prejudice and stereotyping of claimants. As such arguments for a reduction in social security provision (and by extension spending on it), are often made by demonising recipients.

UC was introduced by the Conservative/Liberal Democrat Coalition Government following legislation passed in 2012. It was the brainchild of former Conservative Party leader and the Secretary of State for

¹ [How can the UK boost the wage share? The rebalancing requires, above all, a new social contract with labour | British Politics and Policy at LSE](#)

² [#KeepTheLifeline: urging the Government not to cut Universal Credit | JRF](#)

Work and Pensions, Ian Duncan Smith MP. Duncan Smith was said to have been inspired by a high-profile visit to Easterhouse. Critics of his approach suggested that the compassion he apparently demonstrated during and after his visit was abandoned when designing UC. As the late Bob Holman, an Easterhouse resident and anti-poverty campaigner said in 2013 concerning Duncan Smith's Glasgow visit and the subsequent rollout of UC: 'He wept at the plight of the poor, yet now hands out punishments that must bring tears to their eyes'.³

Other critics have raised concerns about UC and its underpinning ethos, suggesting UC represents a fundamental shift from the post-war consensus; that it is a harsh and sometimes punitive system, that plunges people deeper into poverty instead of lifting them out of it and that it underwrites a low-wage economy. UC has been contrasted with the post-war welfare settlement by anti-poverty activists, who said of UC:

"The aim of the post-war Welfare State and welfare benefits was to support social security, reduce poverty and hardship and even out the excesses of market inequality and downturns. In contrast, UC, as a signature 21st century

*Conservative social policy, is designed to discipline and instil fear and insecurity."*⁴

In their initial UC policy paper, the Coalition Government made clear that the introduction of UC was also about saving money for the public purse and reducing Government spending on welfare. There are elements that resemble the deserving versus undeserving poor discourse of the 19th century. Reflected in the government's stated aim to "*overhaul the benefit system to promote work and personal responsibility*" and their "determination to reform the benefits system to make it fairer, more affordable and better able to tackle poverty, worklessness and welfare dependency."⁵

The Institute for Fiscal Studies (IFS) have suggested whether UC makes work pay or not for people is dependent on their circumstances.⁶ The cut to the work allowance in 2015 prompted previous supporters and architects of UC, such as Liberal Democrat MPs, to suggest that the central objective to make work pay had been seriously compromised.⁷ This is also set against a backdrop of the increase in in-work poverty over the past two decades and how it continues to rise,⁸ often due to low paid work characterised by insecurity.⁹ This is in spite of successive Prime Ministers and political leaders

³ [Iain Duncan Smith's second epiphany: from compassion to brutality | Polly Toynbee, Glasgow | The Guardian](#)

⁴ [Universal Credit - supporting the gig economy, not people — Labour Briefing \(squarespace.com\)](#)

⁵ [universal-credit-full-document.pdf \(publishing.service.gov.uk\)](#)

⁶ [Universal credit cuts support for working families, but helps make work pay where](#)

[current system creates worst problems - Institute For Fiscal Studies - IFS](#)

⁷ [Universal Credit Was Meant To Make Work Pay - It's Causing Nothing But Grief, Pain And Anger | HuffPost UK Politics \(huffingtonpost.co.uk\)](#)

⁸ [In-work poverty trends - The Health Foundation](#)

⁹ [Making work secure: unlocking poverty and building a stronger economy | JRF](#)

asserting that work is the best route out of poverty. Increasingly it is the case that work is not paying people enough, poverty is rising and increasing numbers of working people are unable to meet their basic needs due to insufficient income and earnings.

WHAT IS UNIVERSAL CREDIT

Universal Credit was legislated for through the Welfare Reform Act (2012). It replaced the following social security benefits and tax credits:

- Housing Benefit
- Income-related Employment and Support Allowance (ESA)
- Income-based Jobseeker's Allowance (JSA)
- Child Tax Credits
- Working Tax Credits
- Income Support

Child and Working Tax Credits are/were targeted at in-work households. Out-of-work households received Income-based Jobseeker's Allowance (JSA), Income-related Employment and Support Allowance (ESA) Income Support and Housing Benefit. The payment was calculated depending on a number of factors.

Citizens Advice Scotland explained how UC is paid, saying:

"You'll usually get one monthly payment¹⁰ to cover your living costs. If you claim Universal

¹⁰ In Scotland you can apply for fortnightly payments

¹¹ [What Universal Credit is - Citizens Advice](#)

Credit as a couple, you and your partner will get one payment between the 2 of you. The payment is made up of a basic 'standard allowance' and extra payments that might apply to you depending on your circumstances. You might be able to get extra payments if you:

- *Look after one or more children*
- *Work and pay for childcare*
- *Need help with housing costs*
- *Are disabled or have a health condition*
- *Are a carer for a disabled person or you have a disabled child"¹¹*

How much UC you get can also depend on what income you get from:

- Working
- A pension
- Other benefits
- Savings and capital above £6,000¹²

The main eligibility criteria are:

- You must be aged 18 or over (although there are some exceptions for 16 and 17-year-olds)

¹² [Universal Credit explained - Money Advice Service](#)

- Be under state pension age
- Live in the UK
- Have £16,000 or less collectively in money, savings and investments.¹³

Making the move from previous benefits to UC was, and continues to be, a complicated and lengthy task. The rollout of UC began in a limited way in 2013 in specific postcode areas in the North West of England.¹⁴ There were concerns about the process of the rollout, particularly the transition to a fully digital service, known as the 'full service'. However, the full service was further rolled out between 2016 and December 2018.¹⁵

The rollout means that all new claimants across the UK since 2018 receive UC. Many people who were in receipt of benefits before the rollout of UC are still receiving historic benefits, commonly referred to as 'legacy' benefits. Between the time of the completion of the rollout and 2024, there has been a process of, what is known as, managed migration from legacy benefits to UC. This is an ongoing process that is not expected to be completed until the end of 2024.¹⁶

This is summarised in a House of Commons Library Paper:

¹³ [What is Universal Credit? - Which?](#)

¹⁴ [Roll-out timetable \(GB\) « Who can claim Universal Credit « Guidance « Universal Credit \(revenuebenefits.org.uk\)](#)

¹⁵ Ibid

¹⁶ [Managed move of claimants to Universal Credit set to restart - GOV.UK \(www.gov.uk\)](#)

"Households who are receiving legacy benefits and/or tax credits continue to receive these unless and until: "they have a significant change of circumstance triggering a new claim for UC (this is called natural migration to UC)," or "their circumstances don't change but the DWP moves them across to UC (a process called managed migration). Since July 2019 the DWP has been running a pilot of this process at Harrogate Jobcentre."^{17 18}

The biggest difference between UC and the legacy benefits it replaced, is that someone can claim for UC when unemployed but also if they are working, and the benefit is paid in one payment rather than from multiple sources. Claimants receive a monthly payment, rather than weekly or fortnightly, and if in receipt of the housing element of UC get this money paid directly to them rather than straight to their landlord. In Scotland, people have the choice of being paid UC twice a month rather than monthly and can still have their UC housing element paid directly to their landlord.¹⁹ To encourage people to migrate to UC, the £20 uplift given during the pandemic (discussed in detail below) was introduced only for UC claimants and was not paid to those on legacy benefits.

¹⁷ [LA Welfare Direct Bulletin 7/2019 lite - GOV.UK \(www.gov.uk\)](#)

¹⁸ [Constituency data: Universal Credit rollout \(parliament.uk\)](#)

¹⁹ [Universal Credit \(Scottish choices\) - Social security - gov.scot \(www.gov.scot\)](#)

CREATING UNIVERSAL CREDIT

The creation of UC was built around a view that social security and tax benefits should be integrated, that the system should be simplified, that social security had to 'incentivise' people back to work in a more effective way and that the cost to the taxpayer had to be reduced. A recent report by the Lords Economic Affairs Committee said how UC at its inception was "designed with money-saving objectives. These include reducing fraud and error and bringing down administrative costs through automation."²⁰ The IFS said at the time:

"...there are substantial advantages to having a more integrated benefits and Tax Credits system: it would reduce the Government's administration costs and the amount of money lost to fraud and error, and be simpler for recipients to understand, which might in itself encourage some to enter work. We agree with this assessment, and consider there to be a strong case for integrating all benefits and Tax Credits into a single benefit."²¹

Increasing individual responsibility was one of the central aims of UC, with people expected to show even greater effort in attempting to gain employment. This requires them to spend at least 35 hours per week

looking for work with penalties should the job seeker fail to meet conditions.²² Another objective of the change to UC was to reduce public spending on benefits, however the savings to the public purse appear minimal. The Office for Budget Responsibility (OBR) analysis below, suggests that the savings are modest as well as unpredictable:

"At first glance, the implications of UC for the public finances look modest. In the absence of the reform, we estimate that the legacy system would cost £63.2 billion in 2022-23. On the current design, UC would reduce that by £1.0 billion. But this small saving is the net effect of £10.7 billion of gross savings and £9.6 billion of gross costs. (The underlying net saving is a slightly larger £2.3 billion, if you exclude £1.3 billion of temporary payments to some people who moved to UC.) If any errors predicting these gross savings and costs add to rather than offset each other we could see large errors in the forecast for overall spending".²³

The incentives to combat, in the words of the coalition government, 'worklessness', could be seen as more carrot than stick, especially given that it was estimated that 1m people in work who are in receipt of UC will be £2800 per annum worse off by 2022.²⁴ At the

²⁰ [Universal Credit isn't working: proposals for reform \(parliament.uk\)](https://www.parliament.uk/news-and-analysis/2018/07/26/universal-credit-isn-t-working-proposals-for-reform)

²¹ [universal-credit-full-document.pdf \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/714447/universal-credit-full-document.pdf)

²² [Universal Credit and your claimant commitment - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/universal-credit-and-your-claimant-commitment)

²³ [Microsoft Word - WTR2018.docx \(obr.uk\)](https://obr.uk/wp-content/uploads/2018/07/Microsoft-Word-WTR2018.docx)

²⁴ [Universal credit to save taxpayers only 2% in spite of benefit cuts | Universal credit | The Guardian](https://www.theguardian.com/uk-news/2018/07/26/universal-credit-to-save-taxpayers-only-2-in-spite-of-benefit-cuts)

same time work, for millions of people, is not paying them enough to lift them out of poverty and they are classified as being in in-work poverty. Benefits being lowered have gone hand in hand with the decreasing value of wages and rising inflation, so for many moving from unemployment into work means moving from one level of poverty to another, which, ultimately, still leaves them in poverty.

In this regard, UC should not be seen as an instrument to increase social mobility. It could be argued instead that people are being incentivised out of fear of destitution should they be sanctioned, and a need to survive rather than any expectation that work will help them thrive and become better off. However, as noted above and discussed in more detail below, being in employment does not necessarily mean that people will earn enough to survive, let alone flourish.

The question of whether UC has made the benefits system more straightforward is contested and will be the subject of interrogation in this research. In one very obvious way, it is self-evidently more simple, in that recipients generally receive one overall payment during the course of a month instead of sometimes multiple payments from different agencies operating within the system. It is also beneficial that people can work whilst claiming and can keep a higher proportion of their earnings.

However, the amount people receive is often subject to a complex system based on individual circumstances and can change quickly meaning that people's income can at times rapidly fluctuate. As explained here:

"The amount you'll be paid from Universal Credit depends on your circumstances, such as how much you earn, whether you have any savings, whether you have children or other dependents, are disabled or have a health condition, care for a disabled person, or need help with housing payments".²⁵

Fluctuating incomes of people in receipt of UC was raised by the All Party Group on Universal Credit at Westminster,²⁶ and has also been identified as a problem by the recent House of Lords Economic Affairs Report into UC. They said, *"The monthly payment calculations which can result in big fluctuations to claimants' incomes should be fixed for three months."*²⁷ The Committee also described how UC is calculated, how it can and does result in wild fluctuations and recommends that safeguards should be put in place if and when this happens:

"The way that Universal Credit payments are calculated is based on a 'monthly assessment period' and is designed to mimic the world of work. However, it can result in substantial fluctuations in income month-to-

²⁵ [What is Universal Credit? - Which?](#)

²⁶ [UC-REPORT-FINAL-v2 1.pdf \(turn2us.org.uk\)](#)

²⁷ [Substantial reform of Universal Credit needed to protect the most vulnerable - Committees - UK Parliament](#)

month, which makes it extremely difficult for claimants to budget. This is impractical, fundamentally unfair and must be resolved. We recommend that the DWP fix the level of awards at the same level for three months. If claimants experience significant falls in income or experience disadvantageous changes in circumstances during this time, then a mechanism should be introduced to enable them to have an early reassessment.”²⁸

CONDITIONALITY

People claiming UC include people in work, people seeking work and people who are sick and disabled and unable to work. Every claimant has conditionality attached to their claim, which is based on their individual circumstances

People who are fit to work and searching for work have higher levels of conditions placed on their claim, if they don't meet these they are at risk of being sanctioned. That is, they can lose the vast majority of their standard allowance if they don't meet the conditions they agreed to in their claimant commitment.

Some people who are working and claiming UC still have conditions placed on them and others who are working more hours have less or no conditions. People who are considered incapable of work have no, or limited, conditions placed on their claim.

The number of people claiming UC in the different conditionality groups is changing. The DWP state:

“As people move across from legacy benefits, the composition of people on Universal Credit continues to change. At first, Universal Credit was only available to working age individuals with no children who were seeking employment. Over time, Universal Credit was made available to people in different circumstances. In April 2022, there were more people in the ‘no work requirements’ conditionality regime (1.6 million) than in the ‘searching for work’ conditionality regime (1.5 million) for the first time since reporting began.”...“Since July 2021, the number of claimants in the ‘searching for work’ conditionality regime fell from 2.0 million (35% of people on Universal Credit) to 1.4 million (25% of people on Universal Credit) in July 2022. Over the same period, the number of people on Universal Credit in the ‘no work requirements’ conditionality regime has risen from 1.3 million (22% of people

²⁸ [Universal Credit isn't working: proposals for reform \(parliament.uk\)](https://www.parliament.uk/reform-ideas-and-issues/universal-credit-isn-t-working-proposals-for-reform)

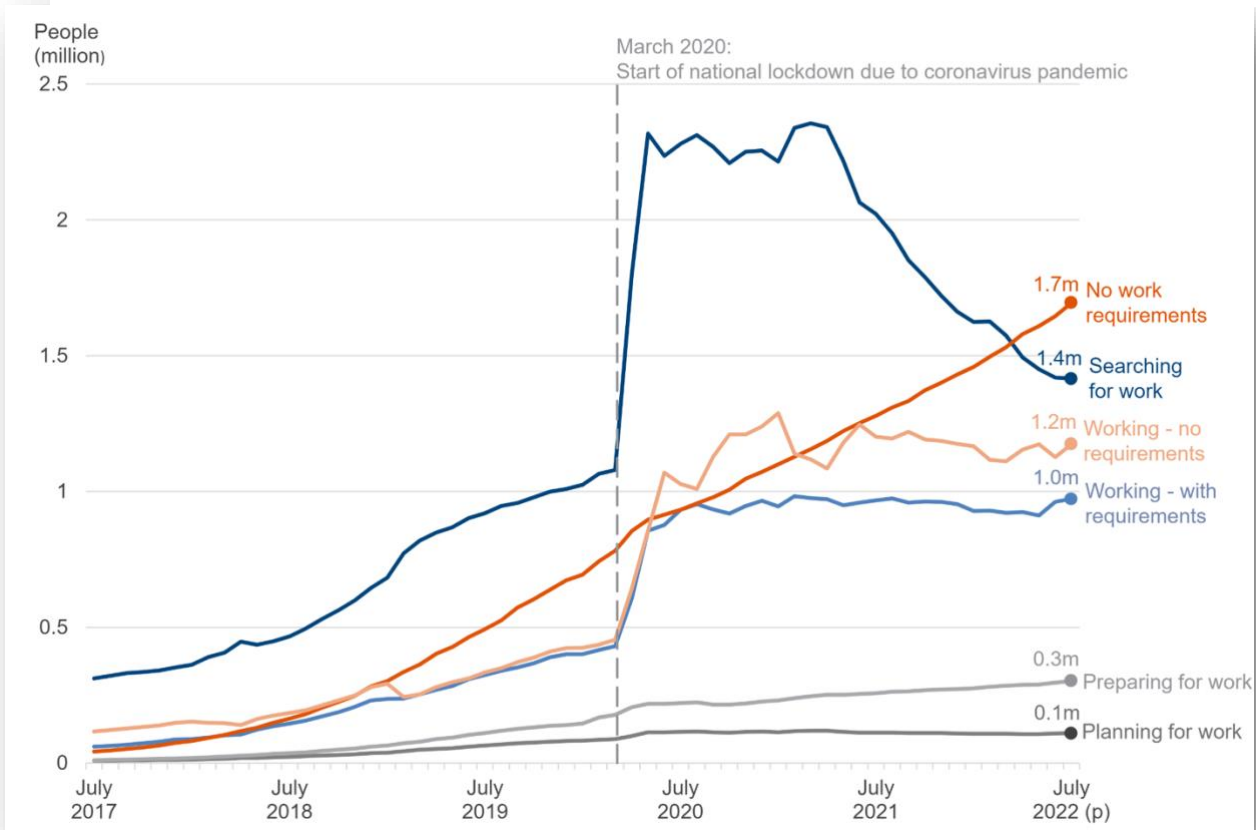
on Universal Credit) in July 2021 to 1.7 million (30% of people on Universal Credit) in July 2022."²⁹

Chart 1 lays out the different conditionality groups and the numbers of people who are in each group.³⁰

New regulations have recently been introduced that will place greater pressure on people already in work, but not seen as earning enough, to work more hours and/or take a second job to meet the new higher threshold of earnings that is about to be legislated. If they fail to comply then they will be at

risk of punitive measures such as sanctions. As noted in the new regulations, these changes will increase the number of working claimants being placed in the intensive work conditionality regime, and decrease in the numbers placed in the 'light touch' conditionality regime.³¹ As discussed in the staff focus groups section below, placing more conditions to work more hours on those UC claimants already in work, can and does impact on them especially those people who have health problems and other issues, who are unable to work any more hours.

Chart 1



²⁹ [Universal Credit statistics, 29 April 2013 to 14 July 2022 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/universal-credit-statistics-29-april-2013-to-14-july-2022)

³⁰ [https://www.gov.uk/government/statistics/universal-credit-statistics-29-april-2013-to-14-july-](https://www.gov.uk/government/statistics/universal-credit-statistics-29-april-2013-to-14-july-2022)

[2022/universal-credit-statistics-29-april-2013-to-14-july-2022](https://www.gov.uk/government/statistics/universal-credit-statistics-29-april-2013-to-14-july-2022)

³¹ [The Universal Credit \(Administrative Earnings Threshold\) \(Amendment\) Regulations 2022 \(legislation.gov.uk\)](https://www.gov.uk/government/legislation/the-universal-credit-administrative-earnings-threshold-amendment-regulations-2022)

UNIVERSAL CREDIT AND THE PANDEMIC

During the Covid pandemic many people felt the importance of social security for the first time. The number of people claiming UC grew exponentially as a result of the economic circumstances, which impacted so many households during the social and economic lockdowns that occurred.

The IFS reported in July 2021:

“On the eve of the pandemic 2.6 million families were claiming UC (with another 4 million or so claiming the ‘legacy’ benefits that UC replaces). Since then, the number on UC has nearly doubled to 5 million in February 2021. That increase is made up of both families who were previously not claiming any means-tested benefits, and families who were previously claiming one or more legacy benefits and had a change in circumstances (such as job loss) which caused them to transition to UC. It is also possible some claimants of legacy benefits will have chosen to move across to UC – not least because the £20 per week temporary uplift did not apply to legacy out-of-work benefits.”³²

This rise was replicated in Scotland. In January 2020 there were around

240,000 people on UC in Scotland; by January 2021 this number had almost doubled to 480,000.³³ The system itself responded by introducing temporary policies that recognised the severity of the crisis and the impact it was having on people. As a report from the Joseph Rowntree Foundation said:

“A series of temporary lifelines helped people living in destitution to weather the coronavirus storm. Many people claiming Universal Credit had their incomes boosted at a time when they may be faced with rising costs. Many people benefited from some short-term respite when faced with eviction by private sector landlords.”³⁴

As will be discussed in more detail below the £20 uplift to Universal Credit and Working Tax Credit was effective at helping some of the lowest income households.³⁵ The fact that people on legacy benefits were not paid the £20 uplift indicates that as well as helping people cope with added strains during the pandemic it was also used to incentivise people to migrate to UC.

Tenants were also supported during the pandemic. Academics from University College London (UCL) outlined the level of support:

“The [UK] Government's response to the Covid-crisis has been internationally recognised as an exemplar of great

³² [The expiry of the Universal Credit uplift: impacts and policy options - Institute For Fiscal Studies - IFS](#)

³³ [Homelessness and Universal Credit: research report - gov.scot \(www.gov.scot\)](#)

³⁴ [What is destitution? | JRF](#)

³⁵ [Getting the measure of deep poverty in the UK \(deep-poverty.co.uk\)](#)

*practice which has undoubtedly saved many lives. The temporary lifting of 'no recourse to public funds' (NRPF) rules for the duration of the pandemic, and the unconditional housing of people who have NRPF has been extremely important in preventing rough sleeping. Changes to the welfare system were also successful, particularly uplifts to LHA & UC. Research by Crisis showed that returning LHA rates to the 30th percentile significantly increased the number of properties available to claimants. The £20 per week increase in UC has been vital in enabling households to meet increased costs. Finally, enhanced protections for tenants and mortgage holders proved important in keeping people in their homes."*³⁶

Many of these policies were introduced as temporary measures and have now been abandoned. There are however still millions of people receiving one or other part of Universal Credit. The House of Commons library reported how, as of February 2022, in Scotland the number of all households receiving UC was 391,242, with 240,290 still in receipt of legacy benefits - this means that 62% of people receiving in-work tax credits or out-of-work benefit support were on UC. The number of households in Scotland in receipt of UC housing costs totalled 258,579 with 146,782 paid through (the legacy)

housing benefit. This equates to 64% of claimants receiving housing support from UC.

The number of Scottish households with children who receive UC is 151,094, and the number of people on legacy benefits is 90,281 meaning 63% of households with children receive UC. Of those described as being unable to work due to long-term illness, 88,662 are on UC and 129,026 are on legacy benefits meaning that only 41% are on UC. Finally, for those people out of work and seeking employment, 124,350 are on UC and 6,259 on legacy benefits meaning that 95% are on UC.³⁷

In Britain, as a whole 4,725,194 households are receiving UC with 2,566,584 on legacy benefits meaning that 65% of people receiving in-work tax credits or out-of-work benefit support were on UC. Of those households across Britain receiving support for housing costs, 2,986,766 receive it through UC and 1,472,872 through (the legacy) housing benefit. This equates to 67% of recipients getting housing support via UC. The number of British households with children who receive UC is 2,065,829, while those who are on legacy benefits is 1,210,875 meaning 63% of households with children receive UC. Of those described as having incapacity for work, there are 833,880 on UC and 1,130,726 on legacy benefits meaning that only 42% are on UC. Finally, for those people job seeking there are 1,623,877 on UC and 62,416 on legacy benefits meaning that 96% are on UC.³⁸

³⁶ *ibid*

³⁷ [Constituency data: Universal Credit rollout \(parliament.uk\)](https://www.parliament.uk/research-and-factsheets/constituency-data-universal-credit-rollout)

³⁸ *ibid*

These figures demonstrate how there is a significant effort still to be made to successfully implement the managed migration (discussed below) of every household still receiving legacy benefits. It also raises questions about the effort still to be made to transfer over, as part of the managed migration process, those people who because of disability and health problems are, in the main, on legacy benefits. Calling into question the suitability and appropriateness of UC for people with long-term health conditions, given the focus of UC is to get people back into work.

Finally, there are further questions about the number of people receiving housing support and the expectation placed upon RSLs to check the housing support eligibility for each tenant, through their annual uprating exercise. This is undoubtedly a result of a view built into the system that sees fraud as a central concern. The resource requirements to do this are onerous and costly and divert staff away from dealing with their core duties, this is discussed in the staff focus group data section below.

EXPERIENCING UNIVERSAL CREDIT

Whilst recognising UC has some positive features, for many the system is challenging for claimants and fails to provide enough financial support for the basic necessities of life. This has been the case since its introduction but at the time of writing (Summer/Autumn

2022), a combination of factors is intensifying the financial challenges and extreme difficulties people are facing.

Rising inflation across the economy, including soaring energy costs and rising food prices, are resulting in a cut to the value of UC in real terms. The economic challenge facing people has been compounded by the cut to the £20 uplift that UC claimants received during the pandemic. Whilst all of this is set against a widely held view that the rate of benefit paid is insufficient in the first place and even with an inflation matching rise people on UC would still struggle to get by. Taking into account below inflation pay rises and a long-term trend of falling wages,³⁹ the cumulative effect is driving even more people into poverty with many facing destitution.

Some elements of the benefits system rather than provide social protection are in fact exacerbating levels of poverty. These include the two-child limit for income-related benefits, the benefit cap, the five-week wait for a first Universal Credit payment, advance payments made during the wait and unaffordable debt deductions thereafter, and the freezing of Local Housing Allowance rates (frozen since April 2020), which has broken the link between housing costs and benefits".⁴⁰

These are all in addition to the bedroom tax. Shelter Scotland explains the so-called bedroom tax below. However, it should also be made clear that the Scottish Government has

³⁹ [Official data shows longest fall in living standards for 50 years | Economics | The Guardian](#)

⁴⁰ [Uk_poverty_2022_findings_1.pdf](#)

mitigated the bedroom tax and tenants can claim to have this paid through the Discretionary Housing Fund.

'If you have a spare bedroom and you're renting from the council or a housing association and getting housing costs through Universal Credit or are getting Housing Benefit, then the amount of benefit you receive may be reduced. This is commonly known as 'the bedroom tax'.⁴¹

The manifestations of rising levels of poverty are often heart-rending and tragic. Life outcomes are detrimentally impacted, people's quality of life is reduced to a fight for survival, as they struggle to heat their homes, feed themselves and their children and pay their rent. In short, human dignity is compromised and people's ability to enjoy a full and happy life is reduced.

Unsurprisingly, this is having a very significant impact on the short and long-term mental and physical health of people, contributing to a growing health inequality gap, and reduced life expectancy levels for those who are struggling. Eating sporadically, having a dependence on food banks and being unable to heat your home during

cold winter nights, are obvious symptoms of poverty and inevitably impact the health and life expectancy of people.⁴²

A PERFECT STORM

People claiming UC are currently facing a perfect storm of challenges. The rate of UC is low, welfare payments have been decreasing in real terms for years, inflation is at its highest rate since 1982^{43 44} and is predicted to rise further. Inflation, driven in large part by increasing oil and gas prices, has seen domestic heating bills and petrol and diesel prices soar, which has had a knock-on effect on housing and household services costs including rising food, transport and household bills.⁴⁵ Yet, just as the cost of living started soaring, the government cut the £20 uplift.

People in employment, particularly those in low-paid jobs, who are claiming UC, are also feeling the effects of inflation as pay falls well below the rising cost of living.⁴⁶ It was reported earlier in the year that incomes have fallen by 1% in real terms, the steepest decline since 2014.⁴⁷ These figures have just been updated and it is now reported that wages had fallen by 3% between April and May 2022, the most rapid fall on record.⁴⁸

⁴¹ [The 'bedroom tax' - Shelter Scotland](#)

⁴² [Trends in healthy life expectancy in the age of austerity | Journal of Epidemiology & Community Health \(bmj.com\)](#)

⁴³ [Inflation is now at its highest since 1982 – is this the peak? | MoneyWeek](#)

⁴⁴ [UK inflation hits 40-year high of 9% as cost of food and energy soars | Inflation | The Guardian](#)

⁴⁵ [Consumer price inflation, UK - Office for National Statistics](#)

⁴⁶ [Cost of living: Fall in real wages intensifies as inflation hits earnings - but jobless rate at lowest level since 1974 | Business News | Sky News](#)

⁴⁷ [Cost of living: Biggest real terms fall in wages since 2014 as inflation bites | Business News | Sky News](#)

⁴⁸ [Inflation drives fastest fall in real pay on record - BBC News](#)

Before the most recent figures, trade unions were already warning that millions of workers will be plunged into absolute poverty.⁴⁹ Across the political spectrum, politicians were warning of the impact of the cut to UC amid falling wages; with former Conservative Minister for Welfare, Stephen Crabb, saying that workers would suffer, and be pushed into poverty, as a result of the UK Government's approach to UC.⁵⁰

Economists are warning that household incomes will see their biggest drop since the 1950s. It is estimated that in real terms this will be a reduction of 3.1% on average.⁵¹ For those who receive unemployment benefits, this year saw the greatest fall in the basic value of unemployment benefits since 1972. This is consistent with a longer trend that has seen 8 of the 10 upratings of unemployment benefits, between 2013 and 2022, lose value.⁵²

Analysis from earlier this year prior to the start of the war in Ukraine, which has escalated and intensified inflationary pressures, especially concerning fuel, energy and food prices, suggested that the impact of the huge increase in energy prices would devastate poorer families.⁵³ Researchers contrasted the proportion of money that low-income families will spend on energy with that of middle-income families. The findings are stark and demonstrate how the poorest are disproportionately

affected by rising domestic energy costs.

⁴⁹ [As inflation soars to 40-year high, unions warn millions of low-paid workers are being driven into absolute poverty | Morning Star \(morningstaronline.co.uk\)](https://www.morningstaronline.co.uk)

⁵⁰ [Universal credit cut will push workers into poverty, warns Tory former minister - BBC News](https://www.bbc.com/news)

⁵¹ [Official data shows longest fall in living standards for 50 years | Economics | The Guardian](https://www.theguardian.com/economics)

⁵² [Fifty years of benefit uprating | JRF](https://www.jrf.org.uk)

⁵³ [Rising energy bills to 'devastate' poorest families | JRF](https://www.jrf.org.uk)

JRF research (see table 1) found that following major price rises in April 2022, average low-income households would spend 18% of their income, after housing costs, on energy. For low-

was increased again in October 2022. The assistance announced by then Chancellor Rishi Sunak in May 2022 was intended to offset this further increase, with additional financial help being

Table 1

Percentage of income spent on gas and electricity for a low-income and middle income family

Family type	Low income family			Middle income family		
	Proportion of income After Housing Costs spent on gas and electricity		Ppt increase	Proportion of income After Housing Costs spent on gas and electricity		Ppt increase
	2019/20	April-Sept 2022		2019/20	April-Sept 2022	
Working-age family with children ^[2]	10%	16%	6%	3%	6%	2%
of whom with couple parents	9%	14%	5%	3%	6%	2%
of whom with lone parent family	15%	25%	9%	4%	7%	3%
Working-age family without children ^[2]	19%	29%	11%	4%	6%	2%
of whom couple without children	14%	22%	8%	4%	6%	3%
of whom single adults without children	33%	54%	21%	5%	8%	2%
Pensioner family	10%	15%	5%	4%	7%	2%
All families	12%	18%	7%	4%	6%	2%

income single households with no children, this figure rises to a remarkable 54% of income, an increase of 21%. Single parents and couples without children are spending approximately a quarter of their income on energy bills, an increase of almost 10% in the same period.^{54 55}

It must be stressed that these stark figures are likely to get worse before they get better. The energy price cap

given to those on the lowest incomes.⁵⁶ Since then there has been a political merry go round with much political turbulence, with a corresponding evolution and some confusion about what support people will get with their energy bills.

The then, new Prime Minister Liz Truss froze the energy cap within days of taking office. However, even this intervention, which drew wide criticism

⁵⁴ [Rising energy bills to 'devastate' poorest families | JRF](#)

⁵⁵ [ibid](#)

⁵⁶ [Every household to get energy bill discounts of £400 this autumn - BBC News](#)

over how it was being funded, still meant energy costs would have doubled from the previous year.⁵⁷ Since then, Jeremy Hunt, a new Chancellor appointed by Liz Truss and still Chancellor under new PM Rishi Sunak, announced that the Government will be withdrawing this support from April next year.⁵⁸ This was reversed again in the Autumn Statement with a commitment to offer support to people, albeit support will not be given until bills reach £3000, up from £2500. People on means tested benefits, such as UC, will be given additional help up from £650 to £900 with their energy bills.⁵⁹

Food prices have also risen exponentially and are likely to go on increasing. The UN Food and Agricultural Organisation (FAO) reported that global food prices have increased by a third in a year and that in March 2022 they had reached their highest ever level in the 30-year history of statistical analysis of global food prices. In March earlier this year, prices jumped by 12.6% in a single month, highlighting the impact of the Ukraine and Russia war on the cost of food.⁶⁰

Global food prices have had an impact on the cost of food in the UK. The rising costs have been described as 'apocalyptic' by the Governor of the Bank of England and are a major contributory factor in the cost of living crisis.⁶¹ However, it is not just the conflict

in Ukraine that is driving food price inflation. The pandemic has had a significant impact on production costs, which have been passed on to the consumer. The Food and Drink Federation reported how:

"Food and non-alcoholic drink inflation picked up speed for the ninth consecutive month, reaching its highest level since June 2011. April's food and non-alcoholic drink prices rose on an annual basis by 6.7%, up from 5.9% in March. Many goods saw prices rising at double-digit rates, such as margarine and other vegetable fats (22.7%), butter (12.5%), beef and veal (10.2%) or poultry (10.1%). These price pressures reflect increases in production costs brought on by the pandemic. Prices of agricultural commodities started rising in the second half of 2020. As it takes up to a year for production cost inflation to filter through into consumer prices, pandemic-related upward price pressures will be felt for months to come. The war in Ukraine continues to exacerbate inflationary pressures. This means food inflation is likely to remain high well into 2023, as evidenced by the continued rise in producer prices in April. Ingredients produced in the UK were 9.6%

⁵⁷ [Energy bills plan explained: What £2,500 cap means and how we'll all be paying it back - Mirror Online](#)

⁵⁸ [Energy bill help to be reduced from April, says Jeremy Hunt - BBC News](#)

⁵⁹ [What is the energy price cap and what will happen to bills? - BBC News](#)

⁶⁰ [These charts show food prices have increased sharply | World Economic Forum \(weforum.org\)](#)

⁶¹ [Cost Of Living: Why Are UK Food Prices Rising? | HuffPost UK Politics \(huffingtonpost.co.uk\)](#)

more expensive than a year ago (up from 7.4% in March) and those imported 15.7% dearer (up from 11.3% in March). Record-high agricultural prices will continue to put additional strain on food manufacturers. In April, global prices of vegetable oils were 28% higher than in the beginning of the year (January 2022) and cereals 21% higher.”⁶²

These unprecedented increases in the cost of essential goods are having a detrimental impact on the lives of people, who even before these increases, were already struggling to make ends meet. One significant impact is on the health and well-being of a large proportion of the population who struggle to heat their homes and eat healthily and adequately.

COST OF LIVING/EARNINGS AND INCOME CRISIS

This rising cost of everyday items has rightly been framed as a cost of living crisis. This is true but it also could be framed as an earnings and income crisis and nowhere is this felt harder than by those on the lowest rungs of the income ladder. More than half of people on UC or legacy benefits are classified as being in poverty.⁶³

Research from the Resolution Foundation showed that “The gap in the inflation experienced by the richest and poorest tenth of households grew

to 1.5 percentage points in April – the largest gap since records began in 2006 – illustrating how low-income families are at the heart of the UK’s cost of living crisis”. They go on to say that:

“The Foundation’s analysis shows that headline inflation for the poorest tenth of households has now hit double digits at 10.2 per cent, significantly higher than the (still high) 8.7 percent inflation rate experienced by the richest tenth of households. This is because lower income households spend a greater share of their family budgets on energy bills where prices are rising sharply.”⁶⁴

Prior to the spike in inflation, there were already serious concerns that millions of people in the UK were struggling to pay their household bills. The Citizens Advice Bureau produced a report in November 2021, warning that people across the UK were going to be unable to meet their essential needs. They concluded that “One in 10 UK families – about 3m households – are facing a cost of living crunch this winter, unable to cover even basic bills such as food and heating.”⁶⁵

Also, before the pandemic and the current economic challenges facing people on UC, the Government introduced a benefits freeze and a real-term cut to benefits. The clear consequence being money saved

⁶² [Food prices are rising as UK inflation hits 40-year high | The Food & Drink Federation \(fdf.org.uk\)](#)

⁶³ [Uk_poverty_2022_findings_1.pdf](#)

⁶⁴ [Cost of living gap between rich and poor highest since records began in mid-2000s • Resolution Foundation](#)

⁶⁵ [One in 10 UK families will struggle to cover basics this winter, charity finds | Poverty | The Guardian](#)

through a reduction of income of people already poor. The benefits freeze demonstrates how the value of benefits has fallen over time and that a rise now in line with inflation will not make up the falling value that has accrued over time. An IFS report, from the time of the introduction of the benefits freeze, assessed how:

*"Most working-age benefits are frozen in cash terms between April 2015 and March 2020. Low inflation in 2015 and 2016 meant that this freeze has so far only reduced the value of benefits by 1% relative to the default of CPI uprating. However, the OBR forecast for inflation implies that the next two years of freezes will represent around a 5% cut relative to CPI uprating. This is expected to save the government over £3 billion per year. Excluding households that only lose out from the freeze of child benefit, the four-year benefit freeze represents a reduction in benefit entitlements of over £500 for the 7.5 million affected households."*⁶⁶

ENDING THE £20 UPLIFT

The pressures caused by the pre-existing benefits freeze and real terms

cut and insufficient income alongside rising costs of essentials and basic goods and services, have been exacerbated by the cut made to the UC uplift. This additional support of £20 per week was provided during the pandemic and subsequent lockdowns. Its introduction was a tacit acknowledgement by the UK Government that UC did not pay people enough to meet their basic needs. Its introduction was explained by the IFS:

*"In his initial response to the Covid-19 crisis in the March 2020 Budget, the Chancellor announced a temporary one-year uplift in entitlements to Universal Credit (UC) and Working Tax Credit (WTC), of £20 per week. In the following Budget – March 2021 – the UC increase was extended for another six months, and claimants of WTC were paid a one-off equivalent amount (£500)."*⁶⁷

At the start of the pandemic, current PM, and then Chancellor Rishi Sunak announced that the standard allowance of UC and the basic element of working tax credit would be increased by £1000 a year, or £20 a week.⁶⁸ In November 2020, it was reported that although poverty had risen during the pandemic, some of the measures taken by the Government

⁶⁶ [Living standards, poverty and inequality in the UK: 2017–18 to 2021–22 R136.pdf \(ifs.org.uk\)](#)

⁶⁷ [The expiry of the Universal Credit uplift: impacts and policy options - Institute For Fiscal Studies - IFS](#)

⁶⁸ [The Chancellor Rishi Sunak provides an updated statement on coronavirus. - GOV.UK \(www.gov.uk\)](#)

had helped alleviate some of the pressures felt by the poorest⁶⁹ and how:

*“Government policy—including the uplift to UC and working tax credits—“has insulated many families”...It estimated that the policies had protected 690,000 people from poverty in winter 2020. It also reported that some groups had seen a fall in poverty. For example, it found a reduction of 100,000 in poverty amongst people living in lone-parent families and a reduction of 170,000 amongst people in workless families. However, it also reported that there have been “significant increases in poverty amongst people living in families that were working prior to the Covid-19 crises”.*⁷⁰

Ending the payment of this additional support represents the biggest cut to any benefit ever. It was said that around 6 million low-income families will lose £1,040 from their annual income.⁷¹ The Resolution Foundation described how “This policy would be the biggest ever overnight benefit cut – larger even than the partially reversed Housing Benefit cuts of 1988. Only the disastrous 10 per cent cut to unemployment support at the height of the Great Depression in 1931 comes close.”⁷² The JRF stated that “A cut of £20 a week to

Universal Credit, scheduled for 6 October (2021), will impose the biggest overnight cut to the basic rate of social security since the modern Welfare State began, more than 70 years ago.”⁷³

The Scottish Government, alongside other signatories including the Welsh Government, said of the cut to the £20 uplift:

*“This planned reduction means the biggest overnight reduction to a basic rate of social security since the modern Welfare State began, more than 70 years ago. Failing to maintain the recent uplift to Universal Credit will increase hardship and poverty for people who are already struggling.”*⁷⁴

The consequences of this action cannot be underestimated. By cutting the income of those 6 million low-income families who were then claiming UC, it was said that “It would create serious financial hardship and leave 500,000 people to be swept into poverty - including 200,000 children.”⁷⁵ Others estimated 800,000 would risk being plunged into poverty.⁷⁶ Citizens Advice estimated that cutting the uplift will impact nearly six million people, with 38% of those in work and 16% under 25, with approximately 1.9 million

⁶⁹ [Poverty during the Covid-19 crisis | Legatum Institute \(li.com\)](#)

⁷⁰ [Universal credit: an end to the uplift - House of Lords Library \(parliament.uk\)](#)

⁷¹ [#KeepTheLifeline: urging the Government not to cut Universal Credit | JRF](#)

⁷² [Chancellor should avoid the biggest overnight benefit cut in history and the biggest state pension increase in 30 years • Resolution Foundation](#)

⁷³ [#KeepTheLifeline: urging the Government not to cut Universal Credit | JRF](#)

⁷⁴ [Universal Credit uplift: joint letter to UK Government - gov.scot \(www.gov.scot\)](#)

⁷⁵ [#KeepTheLifeline: urging the Government not to cut Universal Credit | JRF](#)

⁷⁶ [Universal credit cut will push 800,000 people into poverty, Boris Johnson is warned | Universal credit | The Guardian](#)

families with children seeing their benefits cut".^{77 78}

The impact is being broadly felt, but the extent of the impact depends on an individual's circumstances and the amount of UC they receive. Those who are paid the least are again those most affected. According to the IFS:

"How much that uplift matters to family incomes varies substantially. On average it represents 12% of entitlements, but for a quarter of claimants (1.2 million) it makes up at least 20%, while for another quarter it is less than 8%. That variation comes from differences in circumstances. Nearly a third of UC claimants are single without children who are not liable for any rent, and are generally entitled to no more than £95 of UC per week, including the £20 boost, even if they have no other income."⁷⁹

As the driving principle of UC is based on getting people into work, the cutting of the uplift was seen by its architects as a move to 'encourage' people into employment. But as the Scottish Government and others pointed out, for millions of people in receipt of UC, this did not apply because they either were already in work or were disabled and/or a carer and unable to work:

⁷⁷ [Universal Credit cut: Everything you need to know - Citizens Advice](#)

⁷⁸ [Universal credit: an end to the uplift - House of Lords Library \(parliament.uk\)](#)

⁷⁹ [The expiry of the Universal Credit uplift: impacts and policy options - Institute For Fiscal Studies - IFS](#)

"You have publicly stated that your Department's policy not to further extend or make permanent the £20 per week increase to Universal Credit and Working Tax Credits is to encourage people into work. However, the statistics from your Department show that of the 6 million people on Universal Credit, 2.2 million are already working and 1.6 million are not required to work due to health and caring responsibilities that prevent them from seeking employment. We query, therefore, how failing to maintain the uplift to Universal Credit for households in these situations encourages people into work, and are concerned about the need to ensure that it provides them with adequate financial support that takes into account their personal circumstances."⁸⁰

There remains wide support for reinstating the £20 uplift and making it permanent.⁸¹ This support is drawn from across civil society and the political spectrum, including some on the political right. The architect of UC, Sir Ian Duncan Smith, was a vocal supporter of the UC uplift being permanently maintained,⁸² whilst Tory peers in the House of Lords attempted

⁸⁰ [Universal Credit uplift: joint letter to UK Government - gov.scot \(www.gov.scot\)](#)

⁸¹ [Universal credit: an end to the uplift - House of Lords Library \(parliament.uk\)](#)

⁸² [Iain Duncan Smith: The Universal Credit uplift is an opportunity, not a problem. It helps to save taxpayers' money and improve lives. | Conservative Home](#)

to halt the plans to cut it.⁸³ Other former Conservative Ministers also argued for its retention.⁸⁴ The centre-right think tank, the Centre for Social Justice, published a paper arguing that the Government should retain the uplift, which they say only restores the cuts made to welfare payments by former Tory Chancellor, George Osborne.⁸⁵ It is entirely understandable why so many people and organisations were against cutting the uplift. The Chartered Institute of Housing expressed concern that poverty and homelessness will increase:

"With the end of the furlough system, increasing energy bills, the end of the extra £20 weekly allowance in Universal Credit (UC) and Working Tax Credit (WTC) across the UK, many households now face a 'cliff edge' where their total income will no longer meet their basic household bills."⁸⁶

The effects of this policy will drive more people into even deeper poverty, including the third of those receiving UC who are actually in work, thus undermining the central aim of the system, which is to 'incentivise' people getting back into employment.

IN-WORK AND OUT OF WORK POVERTY

⁸³ [Tory peers to make last-ditch effort to reverse Universal Credit cut | Universal credit | The Guardian](#)

⁸⁴ [Universal Credit £20 uplift should be permanent, say Tory ex-welfare ministers | The Independent](#)

Increasing numbers of people are struggling and without the resources necessary to meet their basic requirements to heat their homes, and eat healthy, nutritional food in sufficient quantities whilst meeting their housing costs; not to mention their other bills including their phone, broadband and wi-fi, which are core needs for anyone claiming UC. Recent research from One Parent Families Scotland, like this research, took a qualitative approach looking at the impact of poverty. Its results were devastating. Neil Mackay in the Sunday Herald described how it showed:

"One in five single parents say they can no longer afford clothes. Children are going to school in dirty uniforms. Food and energy costs are crippling. Debt is spiralling. Luxuries like cinema trips are simply beyond financial reach."⁸⁷

The pressure of this results in stress, anxiety and growing mental and physical health problems, family breakdown, reliance on charity for food and the accompanying loss of dignity, shame and other unseen consequences, of having to live life without the means to get by and live life in dignity and in comfort.

⁸⁵ [CSJ-Universal Credit Briefing_v4.pdf \(centreforsocialjustice.org.uk\)](#)

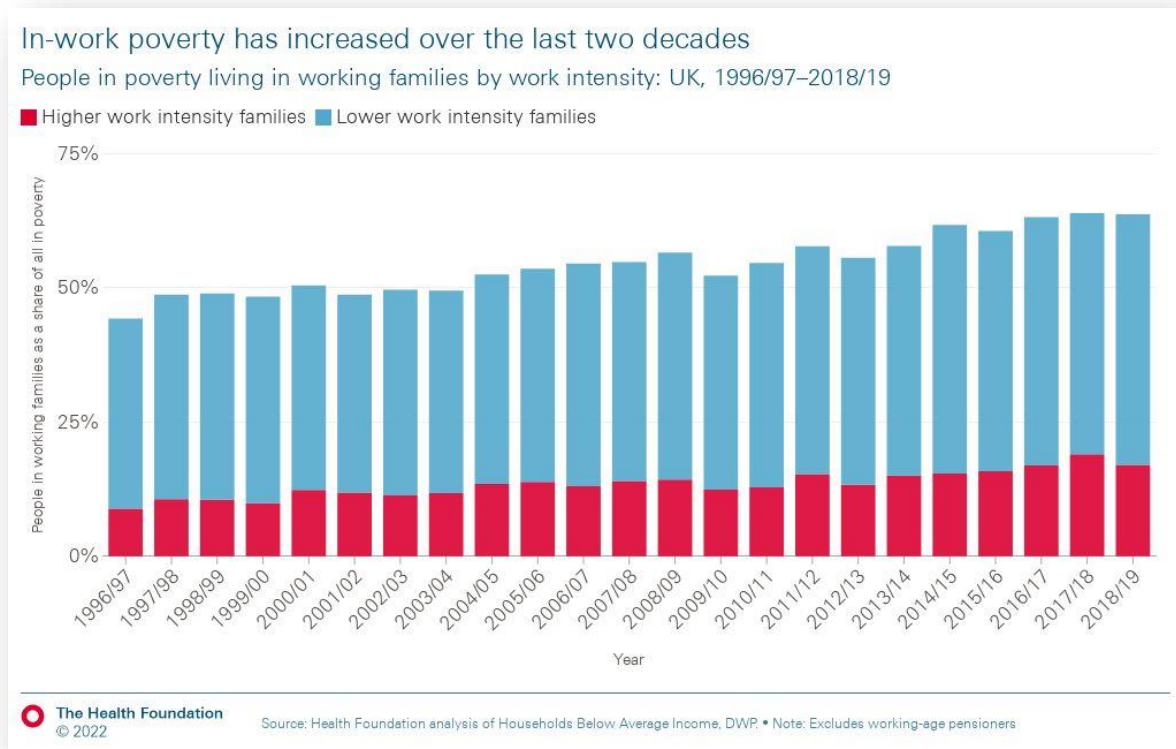
⁸⁶ [urgent-call-to-government-cliff-edge-october-2021.pdf \(cih.org\)](#)

⁸⁷ [NEIL MACKAY'S BIG READ: Scots parents are starving themselves to feed their children | HeraldScotland](#)

Poverty in the UK is endemic. “More than 1 in 5 of our population (22%) are living in poverty in our country – 14.5 million people. Of these, 8.1 million are working-age adults, 4.3 million are children and 2.1 million are pensioners”.⁸⁸ An alternative framing suggests that “Around one in six people in the UK are in relatively low income

According to JRF, “over half of individuals in families, in receipt of UC and the legacy benefits it is replacing,”⁹⁰ are living in poverty. In-work poverty has also grown over the past 20 years, with there being more people in work who are considered to be in poverty. It is said that wages have been consistently falling in real terms

Chart 2



before housing costs (BHC), rising to around one in five once we account for housing costs (AHC)."⁸⁹

since 2010.⁹¹ See chart 2.

92 93

⁸⁸ Uk_poverty_2022.pdf

⁸⁹ [Poverty in the UK: statistics - House of Commons Library \(parliament.uk\)](https://www.parliament.uk/commons/libraries/poverty-in-the-uk)

⁹⁰ [UK Poverty 2022: The essential guide to understanding poverty in the UK | JRF](https://www.jrf.org.uk/understanding-poverty-in-the-uk)

⁹¹ <https://www.theguardian.com/uk-news/2022/mar/23/uk-living-standards-fall-sunak>
<https://www.theguardian.com/business/2014/jan/31/official-longest-fall-wages-living-standards-50-years>

⁹² The chart looks at the share of people living in households that are in poverty and have at least

one adult in work in each year since 1996/97 in the UK. It is divided into higher and lower family work intensity. Higher work intensity families are those with all adults working and at least one adult working full time; and lower work intensity families are those where one adult is self-employed, only one adult works full time and the other adult does not work, or those families where adults only work part time.

⁹³ [In-work poverty trends - The Health Foundation](https://www.thehealthfoundation.org.uk/in-work-poverty-trends)

Insecurity at work is another driver of poverty, JRF research found:

“For some, this means unpredictable hours and pay that varies from week to week. For others, their job provides few protections or benefits to support them in times of emergency. These experiences are not that rare. At least 7% of the workforce have elements of insecurity built into their contracts and others are exposed too, such as the 2 million low-earning self-employed people, or those not given notice of changing and cancelled shifts.”⁹⁴

The JRF research also explained how those on UC, who are in insecure work and whose wages fluctuate, need greater stability and less insecurity from UC. Too often their income from UC fluctuates due to assumptions based on previous earnings rather than the income they actually earned in that particular assessment period. Stating:

“The social security system should enhance stability rather than amplify insecurity, and support people to manage their budgets in a way that works with their working patterns. Given the common use of less secure forms of work, it must be able to handle fluctuating earnings in a way that is both helpful and fair for claimants. Currently Universal Credit is failing to do this for many people. The Government

must look at ways to make Universal Credit work better for the many workers and self employed people who have irregular earnings or pay cycles. One route would be to explore ways to average earnings across multiple monthly assessment periods.”⁹⁵

As a general rule, if you are in work then your chances of being in poverty reduce. The reality is that poverty is variable depending on your circumstance. The following analysis from the JRF helps elaborate on this point. They said:

“6% of working-age adults in families where all adults are in full-time work are in poverty compared with almost half of working-age adults in workless families. It is worth stating that many of the out-of-work families at risk of being left behind are not expected to work due to their disability or caring responsibilities, factors in themselves increasing the likelihood of poverty, with a gap of around 12 percentage points in poverty rates between disabled and non-disabled people.”⁹⁶

“Larger families and single-parent families have particularly high poverty rates at almost half for both single-parent families and for families containing three or more children. We are likely to see individuals in Bangladeshi,

⁹⁴ [Making_work_secure_-_unlocking_poverty_and_building_a_stronger_economy_0.pdf](#)

⁹⁵ [ibid](#)

⁹⁶ [uk_poverty_2022_findings_1.pdf](#)

Pakistani and Black families continuing to have higher poverty rates (over 40% for individuals in households headed by someone of each of these ethnicities) and worse outcomes across many areas.”⁹⁷

In Scotland rates of poverty are said to be very slightly lower than elsewhere in the UK. This is explained by the higher density of social housing and the fact that rents in this sector are lower than private rents and mortgages. It is said that:

“Scotland has a slightly lower rate of poverty (19%) than England (22%) and Wales (23%) and around the same rate as Northern Ireland (18%). Housing costs are a key factor in the lower rate of poverty; renters in Scotland disproportionately live in the lower-cost social rented sector (59% of renters are in social rented, compared with 45% of renters in the rest of the UK). Social renters in Scotland also have lower rents, with low-income renters spending on average (median) £83 a week on housing costs compared with an average of £102 in England and £101 in Wales.”⁹⁸

Poverty is measured as earning less than 60% of the average median income. Over the last 25 years, the number of people falling below the

relative poverty line in the UK has increased by 7.5%, but the number falling more than 50% below this line has jumped by 52.5% (from 2.6 to 4.1 million).⁹⁹ JRF research found that over 1.8m children are in deep poverty.¹⁰⁰

The number of people living in destitution is growing. Destitution is when people lack the means and the financial wherewithal to access basic requirements. Put another way, it means when human beings are “going without the essentials we all need - to eat, stay warm and dry, and keep clean.”¹⁰¹ Prior to the pandemic and the current economic challenges JRF research found that “4 million people experienced destitution in the UK at some point during 2019, including over half a million children”.¹⁰²

We have evidenced earlier how people claiming UC and legacy benefits are disproportionately affected by poverty. We know people on low incomes have little protection, by way of savings or assets, to help protect them from unexpected financial shocks, such as sudden price increases. They can often find themselves in debt trying to cope; which further exacerbates and intensifies their plight. It was reported earlier this year that:

“Just over a third of people in the poorest fifth of households have liquid savings of less than £250 compared with 1 in 6 of the

⁹⁷ [ibid](#)

⁹⁸ [uk_poverty_2022 \(3\).pdf UK Poverty 2022: The essential guide to understanding poverty in the UK | JRF](#)

⁹⁹ [Getting the measure of deep poverty in the UK \(deep-poverty.co.uk\)](#)

¹⁰⁰ [Rising energy bills to ‘devastate’ poorest families, adding to harmful legacy for millions of children sinking deeper into poverty | JRF](#)

¹⁰¹ [What is destitution? | JRF](#)

¹⁰² [ibid](#)

overall population. People in the poorest fifth of households are more likely to say that they are finding their existing debt a burden.”¹⁰³

In May 2022 the National Institute of Economic and Social Research also forecast that the current situation of falling incomes set against rising prices will impact the poorest the most and drive increasing numbers of people into deeper poverty and debt because of an inability to pay their bills. They said:

“We found in our quarterly outlook that 1.5 million households (5 percent of the population) have food and energy bills greater than their disposable income. For these households, who likely do not have sufficient savings or access to credit cards to help them cope with these prices, we can expect them to either resort to payday loans, or simply not pay their bills by going into arrears and incurring more long-term debt.”¹⁰⁴

According to the TUC in 2018 “In areas where Universal Credit has been rolled out, there are more people turning to food banks, falling into rent arrears, and getting into problem debt.”¹⁰⁵ The Church-led ‘Joint Issues Public Team’ described UC not as a poverty-

reducing measure but a ‘poverty increasing measure’.¹⁰⁶

The manifestations of poverty are palpable for those impacted. The homeless charity, Crisis, estimated that the cut to UC could see 100,000 people in England at risk of eviction and homelessness as a result of the cut to the £20 uplift.¹⁰⁷ Whilst over 300,000 unpaid carers of disabled people will see a £1,000 annual benefit cut because of the reversal of the UC £20 uplift. Emily Holzhausen, of Carers UK, made clear what impact this has on carers:

“For many (Carers) they have had no choice but to turn to food banks and get into debt to manage. “The £20 uplift has been a lifeline to those carers receiving Universal Credit and it is vital that the government keeps it in place. Without targeted financial support many carers are continuing to face hardship and suffering as they remain caring around the clock for loved ones.”¹⁰⁸

Poverty and deprivation place significant pressure on families. Research from Liverpool University concluded that an additional 1500 children, across the UK, could be taken into care as a result of the surge in child poverty that will occur as a result of the UC cut, stating:

¹⁰³ [uk_poverty_2022 \(2\).pdf](#)

¹⁰⁴ [What Can Be Done About the Cost-of-Living Crisis? - NIESR](#)

¹⁰⁵ [Universal Credit is driving workers into poverty - stop and scrap it now | TUC](#)

¹⁰⁶ [Universal Credit: Increasing poverty by design | Joint Public Issues Team](#)

¹⁰⁷ [100,000 renters in England ‘risk eviction’ when Universal Credit is cut | Universal credit | The Guardian](#)

¹⁰⁸ [Universal credit cut will cost carers for disabled £1,000 a year | Universal credit | The Guardian](#)

“The impact of the cut on already struggling families would drive a 5% increase in children in care and see 5,500 extra children placed on child protection plans, with thousands more formally classified as “in need” after being referred to social services.”¹⁰⁹

Co-author of the research, David Taylor-Robinson, professor of public health and policy at the University of Liverpool said:

“Put simply, it is more difficult to keep children safe from adversity if families are living in material hardship. Poverty affects children directly and causes toxic stress within families, putting them at increased risk.”

It is however important to recognise that the Scottish Government introduced the 'Scottish Child Payment', for children under 6 if parents are in receipt of certain benefits. The rate was increased to £20 per week in April 2022, and from November 2022 it will be increased to £25.00 per week per child and the upper age limit will be increased to capture children under the age of 16.¹¹⁰

MENTAL AND PHYSICAL HEALTH AND POVERTY

Recent evidence has shown that political choices, which lead to

poverty, result in reduced life expectancy. In short, poverty and the decisions that lead to people living in poverty, see people dying before their time. Recent research found that over 330,000 excess deaths across Great Britain can be:

“Attributed to spending cuts to public services and benefits introduced by a UK government pursuing austerity policies.” Moreover, “the authors of the study suggest additional deaths between 2012 and 2019 – prior to the Covid pandemic – reflect an increase in people dying prematurely after experiencing reduced income, ill-health, poor nutrition and housing, and social isolation.”¹¹¹

There is also clear evidence linking poverty and mental illness.

“Poverty increases the risk of mental health problems and can be both a causal factor and a consequence of mental ill health. Mental health is shaped by the wide-ranging characteristics (including inequalities) of the social, economic and physical environments in which people live.”¹¹²

The cut to the UC uplift, was also seen as negatively impacting the mental health and well-being of those

¹⁰⁹ [Universal credit cut will lead to more UK children in care – study | Universal credit | The Guardian](#)

¹¹⁰ [What is the Scottish child payment and can I get it? - BBC News](#)

¹¹¹ [Over 330,000 excess deaths in Great Britain linked to austerity, finds study | Austerity | The Guardian](#)

¹¹² [Poverty and Mental Health.pdf](#)

experiencing the cut.¹¹³ During the period that UC was first introduced, there was a sharp rise in the number of unemployed people suffering from mental health problems.¹¹⁴ The Lancet conducted a longitudinal study into the link between mental illness and psychological distress with UC. Their findings suggested *“that the introduction of Universal Credit led to an increase in psychological distress, a measure of mental health difficulties, among those affected by the policy.”*¹¹⁵

This is especially pertinent given a more recent study that demonstrates how when the benefit cap was lowered the *“prevalence of depression or anxiety among those at risk of being capped increased by 2.6 percentage points”*. Ironically, given the central aim of UC is to encourage people back into employment, the academic authors of this report suggest, *“Capping social security may increase the risk of mental ill health and could have the unintended consequence of pushing out-of-work people even further away from the labour market.”*¹¹⁶

Analysis based on polling from May 2022, showed clearly how people are struggling with their mental health as a consequence of the economic difficulties. The polling showed *“six in ten (59%) UK adults say that the cost of*

living crisis has had a negative impact on their mental health, such as leaving them feeling anxious, depressed or hopeless,” while *“1 in 5 UK adults (21%) say they have felt “unable to cope” due to the rising cost of living — amounting to 11m people in total.”*¹¹⁷

People who are unemployed and claiming benefits are more likely to suffer mental illness than those in employment. *“In January 2021, 43% of unemployed people had poor mental health. This was greater than for people in employment.”*¹¹⁸ The Money and Mental Health Institute assert:

- More than one in three (37%) of those in work who have a mental health problem are in the three lowest-paid occupational groups, in contrast to one in four (26%) of those who have not had mental health problems.
- People with mental health problems are more likely to receive benefits¹¹⁹, which provide a low level of financial support. A third of Housing Benefit claimants (35%) and nearly half (47%) of adults aged 16-64 in receipt of some kind of out-of-work benefit have a common mental disorder, such as depression or generalised anxiety disorder. This rises to two

¹¹³ [Universal credit cut will risk the mental health of millions | Universal credit | The Guardian](#)

¹¹⁴ [Government welfare cuts blamed for 50% surge in mental health issues among unemployed | The Independent | The Independent](#)

¹¹⁵ [Effects on mental health of a UK welfare reform, Universal Credit: a longitudinal controlled study - The Lancet Public Health](#)

¹¹⁶ [Does capping social security harm health? A natural experiment in the UK \(wiley.com\)](#)

¹¹⁷ [Cost of living crisis effect on mental health - Money and Mental Health](#)

¹¹⁸ [Unemployment and mental health - The Health Foundation](#)

¹¹⁹ [Report: Income in Crisis - Money & Mental Health Policy Institute \(moneyandmentalhealth.org\)](#)

thirds (66%) of people claiming Employment and Support Allowance (ESA), a benefit aimed at those unable to work due to poor health or disability.¹²⁰

Our own qualitative research conducted for this report also demonstrates clearly the link between mental health and Universal Credit.

FOOD AND FUEL POVERTY

Being unable to meet your basic needs is undoubtedly stressful. If people lack the means to eat adequately, and pay the energy costs necessary to cook food and heat their homes then anxiety and worry is induced. Food insecurity and fuel poverty have increased since the Conservative/Liberal Democrat government introduced their welfare reforms. A 2018 Church report linked mental illness with food insecurity, it stated:

“People experiencing food insecurity are more likely to report depression and anxiety. Food insecurity damages the mental health of children as well, and early life experiences of hunger have scarring effects many years later, with child hunger associated with suicide ideation and poor mental health in teenage years.”¹²¹

¹²⁰ [Money and mental health facts and statistics - A Money and Mental Health Policy Institute factsheet](#)

¹²¹ [Why-End-UK-Hunger.pdf \(church-poverty.org.uk\)](#)

¹²² “In general, fuel poverty relates to households that must spend a high proportion of their household income to keep their home at a reasonable temperature. Fuel poverty is

Research from the University of York suggested that due to escalating energy prices up to another 1 million people could be classified as living in fuel poverty.¹²² Energy Action Scotland suggests that fuel poverty is a causal factor for both physical and mental health problems:

“Fuel poverty, through living in a cold and damp home, is a clear contributory factor in health issues such as respiratory diseases, heart diseases, circulatory diseases, and mental health problems. It also contributes towards increased winter deaths, repeat visits to GPs and admissions to hospitals.”¹²³

Research conducted by York University showed there are currently just over 2.5m households in fuel poverty. They classify fuel poverty if 10% of net income is spent on energy bills. Based on an estimate of a cumulative 15% increase in gas and electricity bills over the next year, the study said the number of households in fuel poverty would rise to just under 3.5m.

Former Prime Minister Gordon Brown said of this research:

“These figures show poor families face the worst winter for decades...I am surprised to see

affected by three key factors: a household’s income, their fuel costs, and their energy consumption (which in turn is affected by the energy efficiency of the dwelling). Fuel poverty is a devolved policy area and is defined and measured differently in different parts of the UK.” [Fuel poverty in the UK - House of Commons Library \(parliament.uk\)](#)

¹²³ [Fuel Poverty and Health \(eas.org.uk\)](#)

how bad the figures are. They show how many people are living on the edge. 2021 is the worst time to be poor in Britain. Food prices are rising, fuel prices are rising and benefits are being cut.”¹²⁴

Research for Public Health Scotland also laid bare concerns about the impact of fuel poverty. Fuel poverty already leads to a significant number of excess deaths each year in Scotland and exacerbates health inequalities in Scotland. They said in relation to expected energy price rises this year:

“The consequence of the April and October 2022 raises to the energy price cap, linked to the current cost of the fossil fuels used to generate significant proportions of the energy used in Scottish households, is almost certain to lead to significant increases in fuel poverty in the short **Table 2**

term....For many households across Scotland, coming out of the financial uncertainties associated with the COVID-19 pandemic to face cost of living rises that are unprecedented will be beyond challenging. The decision to ‘heat’ or ‘eat’ is already a very real and immediate one for many and is

likely to be one facing others as the summer progresses. Already the coming winter is looking bleaker.¹²⁵

After the decision by the new Chancellor Jeremy Hunt to withdraw the support promised to help with energy bills it has been estimated that the numbers of people experiencing fuel poverty will significantly increase. The “*End Fuel Poverty Coalition estimates that the number of people in fuel poverty would jump from 7mn to 10.7mn in April without fresh support from the government.*”¹²⁶

Prompted by other concerns about the benefit cap increasing in October, Citizens Advice Scotland has also recently published very sobering research. They estimate that the standard allowance of UC would be wiped out for those people who have prepayment meters, more often than not the poorest, by the exponential

increases in energy costs.¹²⁷ The impact of this was summed up in a statistical table from the Director of Communications for Citizens Advice Scotland. **See table 2**¹²⁸

¹²⁴ [Gordon Brown warns 3.5m households face fuel poverty this winter | Fuel poverty | The Guardian](#)

¹²⁵ [Tackling fuel poverty in Scotland – a 2022 commentary \(scotphn.net\)](#)

¹²⁶ [Fuel poverty warning for 11mn UK homes after energy support shake-up | Financial Times](#)

¹²⁷ [Scots who claim Universal Credit could see benefits 'wiped out' by using prepayment meters amid soaring energy costs \(msn.com\)](#)
¹²⁸

https://twitter.com/HigginsKieron/status/1559176786021343237?s=20&t=HZnMdtsUEOPazN0Yi_Blmw

"From 1st October, the average annual bill could be £3,592, increasing to £4,266 in January 2023. For prepayment meter customers, the situation could be even more dire, with forecasts suggesting monthly payments of £595."

Analysis from CAS based on prepayment meter costs of £595 per month and various Universal Credit demographics.

Universal Credit claimant	Standard allowance	Average £595/month bill
Single claimant under 25	£265.31	224%
Single claimant aged 25 or over	£334.91	178%
Joint claimants both under 25	£419.45	141%
Joint claimants either aged over 25	£525.72	113%

Choosing between heating and eating and/or reducing the use and consumption of both, is a fact of life for increasing numbers of people. Dependence on charitable food has become normalised, including for many who are 'in work'. Food banks and the number of emergency food parcels provided have grown rapidly over recent years,¹²⁹ ¹³⁰ and increasing numbers of people are feeling insecure about food.

2021, in the midst of the pandemic, but before inflation started to rise steeply, research conducted by Citizens Advice found that "One in 10 UK families – about 3m households – are facing a cost of living crunch this winter, unable to cover even basic bills such as food and heating...One in five of all adults had cut back on their food shop or turned off the heating, while one in 10 anticipated having to use food banks"...and "a further 400,000 were left with just £50 a month once bills were paid."¹³¹ A very recent report showed

¹²⁹ [Trussell Trust sees 81% increase in food bank usage across its network \(civilsociety.co.uk\)](https://www.civilsociety.co.uk)

¹³⁰ [Food Banks in the UK - House of Commons Library \(parliament.uk\)](https://parliament.uk)

¹³¹ [One in 10 UK families will struggle to cover basics this winter, charity finds | Poverty | The Guardian](https://www.theguardian.com)

that teachers were stepping in to help pupils by providing them with food, clothes and advice about how and where they could access food from food banks.¹³²

The UK Government's Food Security report stated that in 2020, 92% of households were feeling food secure leaving 8% feeling food insecure. That 8% of the population amounts to over 5 million people (this analysis was pre-pandemic and prior to the steep increase in inflation). This is especially pertinent given that according to the same report "The poorest 20% of households, for whom income has decreased since 2017, spend a higher proportion of their income on food and are thus more impacted by changes in food prices."¹³³

This is the reality for many who are in work too, as well as those not in employment. It is said that more people in employment are now seeking help from food banks or other charities providing basics like clothes.¹³⁴ This was evidenced by a survey conducted by the Bakers Food and Allied Workers Union (BFAWU) of their own members. It found that the very people who help produce and supply the food we all eat were themselves experiencing food insecurity. Over 40% reported being worried about running out of food; 35% had eaten less than they

would do normally to ensure others had enough to eat; over 18% had run out of food due to a lack of money; more than a fifth had relied on friends and family to provide enough food and 7.5% had relied on a foodbank.¹³⁵

The Food Foundation has published regular research showing increasing levels of food insecurity. Their food insecurity tracker, published in May 2022, found that there had been a 57% jump in the proportion of households cutting back on food or missing meals altogether in just 3 months earlier this year. "In April, 7.3 million adults lived in households that said they had gone without food or could not physically get it in the past month, which includes 2.6 million children. This is compared with 4.7 million adults in January."¹³⁶ Their most recent research (in October 2022) suggests that one in four of households are feeling food insecure.¹³⁷ A quite extraordinary figure. This demonstrates how volatile and sudden the increase has been as a result of rising inflation, the cut to the £20 UC uplift and real terms cuts to earnings (wages) and general incomes, including of those claiming UC and legacy benefits.

The Environment, Food and Rural Affairs Committee of the House of Commons, reported in March 2021 on Covid-19 and the issues of security in the food supply. They took evidence about the

¹³² [Most teachers giving pupils food and clothes as cost of living crisis hits households - Mirror Online](#)

¹³³ [United Kingdom Food Security Report 2021_19may2022.pdf \(publishing.service.gov.uk\)](#)

¹³⁴ [UK working poor increasingly rely on charities for basic needs | Financial Times \(ft.com\)](#)

¹³⁵ [Right to Food – Bakers, Food and Allied Workers Union \(BFAWU\)](#)

¹³⁶ [Millions of adults missing meals as cost of living crisis bites | Food Foundation](#)

¹³⁷ [One In Four Households Now Affected By Food Poverty, Charity Finds \(msn.com\)](#)

growing issue of food insecurity in the UK during and before the pandemic. They said:

“Anna Taylor of the Food Foundation told us that in the six months prior to 9 February 2021, 9% of all households had experienced food poverty and 12% of these were households with children. This translated to 5.9 million adults and a further 1.7 million children. Emma Revie, Chief Executive at the Trussell Trust, explained that throughout the pandemic, its food banks had “distributed more than 1.2 million emergency food parcels [...], which was a 47% increase on the previous year. This was building on year on year increases in the previous five years. We saw a 74% increase in demand over those five years.”¹³⁸

Reports have also recently suggested that demand is outstripping supply and some Scottish food banks do not have sufficient stocks of food in place to feed everyone looking for help.¹³⁹ Moreover, there was a recent report showing a food bank in Yorkshire that had to turn people away as they had run out of food due to insufficient donations, which would suggest that some people who beforehand were donating to food banks are themselves struggling and no longer able to donate.¹⁴⁰

¹³⁸ [Covid-19 and the issues of security in food supply \(parliament.uk\)](#)

¹³⁹ [Scots food banks struggle to meet demand as cost of living soars | HeraldScotland](#)

There are other unseen impacts from poverty. Lacking the means to purchase basic necessities is the most obvious impact on people but there are many other unseen impacts and hidden crises facing people in their daily lives. One such impact is the so-called hygiene crisis, with people being unable to purchase products to help them keep clean and healthy. A recent report laid bare the scale of the problem and the numbers of people impacted. It was reported how:

“According to a new report, about 3.2 million adults living in Britain are foregoing healthy habits. This is because they face the harrowing decision of buying hygiene products or heating their homes.”

These types of unseen impacts that go beyond the standard understanding of what life is like for people on UC forms some powerful parts of the qualitative research that we conducted with Wheatley tenants and are chronicled below.

CHILD POVERTY

Child poverty is a reality for many families across the UK and the situation is predicted to get worse. A recent IFS study found that relative child poverty rates are expected to increase by 7 per cent between 2015 and 2021 rising from 29.7% to 36.6%.¹⁴¹ While, “around 1.8 million children are growing up in deep poverty, where the household’s income is so low that it is incapable of

¹⁴⁰ [Food banks 'running out' due to cost of living crisis | UK News | Sky News](#)

¹⁴¹ [R136.pdf \(ifs.org.uk\)](#)

covering even the basics. This represents an increase of half a million children between 2011-12 and 2019-20."¹⁴²

These numbers represent children who are born into poverty created by circumstances outside their control and whose health, educational attainment and future employment and life opportunities are negatively impacted by their socio-economic circumstances. The UN Special Rapporteur said in his report on poverty in the UK: "For almost one in every two children to be poor in twenty-first century Britain would not just be a disgrace, but a social calamity and an economic disaster rolled into one."¹⁴³

One element of UC that impacts children and families is the 2-child cap on benefits. This policy is designed to make sure parents do not receive any further financial support for a third or subsequent child either through UC or the legacy benefit child tax credit. The result is "they lose out on up to £2,935 a year, putting family budgets under enormous strain."¹⁴⁴ It is said that "Five years after the introduction of the two-child limit, an estimated 1.4 million children in 400,000 families are now affected by the policy. Unless it is abolished, the number of children affected will reach 3 million, as more children are born under the policy."¹⁴⁵

'The Benefit Changes and Larger Families research project', a Nuffield Foundation-funded research project with the University of York, the London

School of Economics, the University of Oxford and Child Poverty Action Group (CPAG), carried out a survey of over 2500 families to get a sense of how the two-child limit was affecting families and children in their day to day lives. They concluded it was having a 'severe impact'.¹⁴⁶ One parent said:

"Having four children is hard as two was not planned (failed implant). I struggle buying day to day things for my children and I go without food most days just so my children can eat and be clothed." "I find that I just do not have enough to cover the essentials every month and there is always something that I am behind on. I struggle with affording food every week especially as the cost of that seems to be going up constantly." "We wear extra layers of clothes as I cannot afford to put the heating on. We shower on Wednesday and Saturday to reduce energy bills but we shouldn't have to live like this."¹⁴⁷

Another said:

"Sometimes I struggle to pay rent and bills because I don't always have enough money to buy food and get gas and electricity. So I'm now in a lot of debt. I also don't believe in abortions so that was not an option. I fell pregnant while using contraception." "Having 4

¹⁴² [Rising energy bills to 'devastate' poorest families, adding to harmful legacy for millions of children sinking deeper into poverty | JRF](#)

¹⁴³ [G1911213.pdf \(un.org\)](#)

¹⁴⁴ [Cpag_2cl_5yr_report.pdf](#)

¹⁴⁵ *ibid*

¹⁴⁶ *ibid*

¹⁴⁷ *ibid*

*children it's a struggle to buy electricity, food and clothing etc. My money is meant to last a month but is gone within 2-3 days because I'm in a vicious circle of having to borrow or use debt to get by."*¹⁴⁸

And another parent said:

*"My children have been affected socially and emotionally [and] have to give up their sports and extra educational programs. They lost close friends, confidence and I have been affected mentally with the guilt I cannot give my younger children the opportunities I used to afford the older kids." "I dread when the children come home with a letter for a school trip/scouts trip etc. as I know I am going to struggle to find the money to pay for it. I know it was my choice to have 4 children but it wasn't my plan to become a single parent. I feel like [I] fail my children. I want them to have all of the opportunities possible to become successful in their lives but it feels that in order to do this you need money." "The two-child limit makes me feel like my third child is non-existent and or [not] considered in this world, and it's heartbreaking that I feel I cannot fully provide for my youngest without struggling."*¹⁴⁹

Across the UK there are 3.6 million children in families claiming UC. Those families are experiencing a real-term cut to their income as a result of the failure of UC payments to keep up with rising inflation and the cut to the uplift.¹⁵⁰

It is estimated the Scottish child poverty rate will be 29% by 2023-24 - the highest level in 20 years.¹⁵¹ Of the 260,000 children currently in poverty 68% are living in a household where at least one parent is in work, "Child poverty has increased by 3 percentage points – the most sustained rise in relative child poverty since the early 1990s."¹⁵² Trends are heading in the wrong direction and the effects are immediate and long-lasting. Hunger, mental health problems, reduced educational attainment and employment prospects are the very real consequences. The CPAG summarises the effects of poverty on children and young people:

In education:

- Children who have lived in persistent poverty during their first seven years have cognitive development scores on average 20 per cent below those of children who have never experienced poverty.
- Gifted children from the most deprived families begin school on a par with gifted children facing least deprivation, but

¹⁴⁸ [ibid](#)

¹⁴⁹ [ibid](#)

¹⁵⁰ [Nothing left to cut back: rising living costs and Universal Credit | CPAG](#)

¹⁵¹ [Wrong direction: can Scotland hit its child poverty targets? • Resolution Foundation](#)

¹⁵² [R170-Living-standards-poverty-and-inequality-in-the-UK-2019-2020 .pdf \(ifs.org.uk\)](#)

their performance falls away by the age of 16.

- In 2015, 33 percent of children receiving free school meals obtained five or more good GCSEs, compared with 61 percent of other children.

In health:

- In the most deprived areas, boys can expect to live 19 fewer years of their lives in 'good' health, and girls 20 fewer years, than children in the least deprived areas.
- Children living in overcrowded inadequate housing are more likely to contract meningitis, experience respiratory difficulties and have mental health problems, such as anxiety and depression.
- The Millennium Cohort Study shows that poor children are four times more likely to develop a mental health problem by the age of 11

Communities:

- People living in poverty are more likely to live in disadvantaged neighbourhoods, and in overcrowded or unsuitable housing.
- Children from low income families often miss out on events that most of us would take for

granted. They miss school trips, can't invite friends round for tea, and can't afford a one-week holiday away from home¹⁵³

In another Scottish specific report the CPAG said that:

- Children from higher income families significantly outperform those from low income households at ages 3 and 5. By age 5 there is a gap of ten months in problem solving development and of 13 months in vocabulary. The Growing Up in Scotland study recently found that there is still a gap in language ability between more and less advantaged children as children reach the last years of primary school. This is the case regardless of whether the gap is measured with respect to family income, area deprivation or the parent's level of education.
- Three-year-olds in households with incomes below £10,000 are two and a half times more likely to suffer chronic illness than children in households with incomes above £52,000.
- There are strong links between the experience of child poverty and poor mental health. Some studies suggest that children living in low-income households are nearly three times as likely to suffer mental health problems than their more affluent peers.

¹⁵³ <https://cpag.org.uk/child-poverty/effects-poverty>

- Children from lower-income many children in Scotland are growing



households are also more likely than children from more affluent households to experience

Picture 1

behavioural and emotional problems.¹⁵⁴

Picture 1, from CPAG, effectively outlines how poverty feels for the children and indicates what the long-term, residual impacts might be on children growing up in poverty. While the Scottish Government has sought to mitigate, to an extent, the impact on children through the Scottish Child Payment,¹⁵⁵ It is still the case that too

up in poverty with the result being long term challenges for them as they grow up and seek to make their own way in

life.¹⁵⁶

As the Government cuts the level of benefits, and people find themselves navigating the many challenges that come with having very little money, there are individuals and organisations that have emerged to help. Third sector organisations such as food banks, pantries, community supermarkets etc. are obvious examples of this and in the public sector, organisations on the front line have stepped up to assist people.

¹⁵⁴ [CHILD POVERTY IN SCOTLAND: THE FACTS | CPAG](#)

¹⁵⁵ [Scottish Child Payment - mygov.scot](https://mygov.scot)

¹⁵⁶ <https://cpag.org.uk/child-poverty/effects-poverty>

For example, schools and teachers have worked with others to provide support to children and their families by helping feed and clothe them, provide school equipment and help source housing advice .¹⁵⁷ ¹⁵⁸ ¹⁵⁹ ¹⁶⁰

Similarly, RSLs such as the Wheatley Group, have provided essential support to their tenants. However, it must be stressed that these other public bodies have, in the absence of state support, been forced to step in to help tenants in immediate need. This work is an unbudgeted cost that they are having to carry out due to the current welfare system's inability to provide.

This opening section has outlined the intensified economic challenges currently facing the whole of the British population but with a specific focus on the poorest people - who are suffering disproportionately from rising inflation and decreasing incomes. As a result, more people are falling into poverty. This impacts disproportionately on people in receipt of UC and legacy benefits.

The effect on people's lives is significant and arguably impacts their ability to gain employment. Anchoring people in poverty runs contrary to the rationale behind the Universal Credit system which was supposed to incentivise and encourage people into employment.

There is a growing concern that UC is an enabler of poverty rather than a means to reduce it and that the

mechanics of UC and how it works in practice are contributing to this.

The data sections below will draw on some of the themes discussed in this section, particularly from the voices of Wheatley tenants. Prior to the data sections, we will discuss the second main strand of work and that is how the design of UC is impacting people claiming it.

UC CLAIMS AND PROCESSES

In addition to the serious concerns around the prolonged cuts in the value of benefits including legacy benefits as well as UC and how that is set against wider economic challenges and the cost of living crisis, there are also concerns about the system itself and the processes, rules and the application of these on the ground.

From the outset, the creation of UC raised concerns about how it would impact claimants. In designing the system, assumptions were built in that did not accurately reflect the reality of people's lives. It assumed that claimants had savings, that they experienced wages being paid monthly and how waiting 5 weeks for UC would mimic their experience of how they were paid at work, and that all claimants were IT literate and had access to electronic devices to make a claim. These were flawed and unrealistic assumptions.

¹⁵⁷ [Schools providing 'basic needs' like food to struggling families, report finds | The Bolton News](#)

¹⁵⁸ [Tackling Child Poverty in Schools: a role for school librarians? | CPAG](#)

¹⁵⁹ [Child poverty harms children's educational opportunities | NEU](#)

¹⁶⁰ [Schools providing 'basic needs' like food to struggling families, report finds | The National](#)

The Church-led Joint Public Issue Team said:

“The design assumes substantial savings, IT access and literacy as well as monthly salaries. While these are the norm for many members of society, including those who designed UC, they are not the experience of many people who will have no choice but to rely on UC.”¹⁶¹

We now consider some of the main systemic problems of UC that compound the struggles that people face, and how they arguably entrench rather than alleviate poverty. There is a body of research that shows how the processes and rules around UC are making things worse rather than better. Raising fundamental questions about why the Government insists on maintaining the current rules, given the growing evidence showing how the current system is having a negative impact on so many people.

THE FIVE-WEEK WAIT

From the outset of the UC process there is a problem with claims being rejected at the very first stage of a claim, with a fifth saying that they have had their claims rejected at the first hurdle due to alleged ‘non-compliance with the process’.¹⁶² For those whose claim is not rejected, having to wait at least 5 weeks for support is a very significant issue. Previously, people claiming social security benefits had to wait 2 weeks before receiving state support. Waiting

on UC has more than doubled that to 5 weeks and was deliberately designed in this way. The Department of Work and Pensions (DWP) explains the five-week wait. Stating:

“It usually takes around 5 weeks to get your first payment. If you need help with your living costs while you wait for your first payment, you can apply for an advance. The wait before your first payment is made up of a one month assessment period and up to 7 days for the payment to reach your account.

Example: *You make a new Universal Credit claim on 1 September. Your first assessment period runs for one month to 30 September, with a new assessment period beginning on 1 October. You get paid on 7 October and on the 7th of each month after that.”¹⁶³*

The (at least) five-week wait is based on the often mistaken assumption that people have savings that act as a personal safety net until their UC comes through. And, also that claimants have experience of receiving monthly pay, which a monthly UC payment would mirror with the aim of claimants seamlessly moving from monthly wages to monthly UC and back again when they restart employment. For many people their circumstances mean they have no savings; it is estimated that 6.5 million UK households have no savings

¹⁶¹ [Universal Credit: Increasing poverty by design | Joint Public Issues Team](#)

¹⁶² [Why are 1 in 5 Universal Credit claims rejected? - Turn2us](#)

¹⁶³ [Universal Credit: How you're paid - GOV.UK \(www.gov.uk\)](#)

at all.¹⁶⁴ While analysis from two years ago suggested the majority of all new UC claimants were previously paid weekly or fortnightly.¹⁶⁵

People claiming UC often find themselves in debt from the DWP as a result of having to wait at least five weeks on being paid. During this waiting period they find they do not have enough money to meet their basic needs and therefore have to borrow money. In paying this money back they find themselves further in debt. Debt from advance payments is owed to the DWP. How this state-sponsored debt is facilitated is explained here:

"If you will have little or no money until your first payment, you can request an advance payment from your work coach or by calling the free Universal Credit helpline. You will have to pay this money back within 12 months and the first repayment is usually taken from your first Universal Credit payment, so only ask for what you need. If you've been claiming Universal Credit for six months, you might be able to claim a Budgeting Advance for essential costs."¹⁶⁶

According to the National Audit Office, some claimants have to wait longer than 5 weeks. In February 2020, 90% of Universal Credit claimants received their first payment on time and in full. In

2019, 312,000 new claims saw some or all of the payments paid late.¹⁶⁷ People on legacy benefits who have to migrate over to UC will also have to wait at least 5 weeks. Concerns around this are discussed below.

According to research conducted by the Trussell Trust:

"The wait for a first payment had severe and immediate consequences: 70% of respondents found themselves in debt, 57% experienced issues with their mental or physical health, and 56% experienced housing issues."¹⁶⁸

The Work and Pensions Committee conducted an inquiry into the five-week wait. This report, with a Conservative majority on the committee, recognised the wait was having a negative impact on claimants and that those migrating should not have to wait at all, whilst those making a new claim should get a grant as well as advance payment loan.

"People claiming Universal Credit for the first time wait at least five weeks for their first regular payment. This is manageable for some claimants, but causes difficulty for many others. We see no reason why claimants moving to Universal Credit when their circumstances have not

¹⁶⁴ [Universal Credit and the impact of the five week wait for payment | TUC](#)

¹⁶⁵ [Universal Credit and the impact of the five week wait for payment | TUC](#)

¹⁶⁶ [Universal Credit explained - Money Advice Service](#)

¹⁶⁷ [Universal Credit getting to first payment \(Summary\) \(nao.org.uk\)](#)

¹⁶⁸ [Universal Credit and Foodbank Use - The Trussell Trust](#)

changed should have to endure the five week wait: the Department should ensure that they can move seamlessly to Universal Credit. For brand new claimants, it should offer their household a starter payment equivalent to three weeks of the standard allowance.”¹⁶⁹

The House of Lords Economic Affairs Committee said:

“The five-week wait is the primary cause of insecurity in Universal Credit. It entrenches debt, increases poverty and harms vulnerable groups disproportionately. The DWP has introduced some measures to mitigate its worst effects but these fall short of what is needed.”¹⁷⁰

Charities, trade unions, parliamentarians and members of the House of Lords have repeatedly raised concerns about the impact of the five-week wait leading to debt and reliance on charity. The Trussell Trust believes that rather than lifting people out of poverty it is driving people to use food banks. Their research has shown “a 52% average increase in food bank use twelve months after Universal Credit rolled out in an area. Food banks not in Universal Credit areas, or that had only had the system for up to three months, showed an average increase of 13%.”¹⁷¹ Such were their concerns they

launched a campaign #FiveWeeksTooLong.¹⁷² The TUC has also campaigned against the five-week wait since its inception.¹⁷³

Shelter said that the five-week “waiting period is causing extreme hardship and pushing people towards debt, rent arrears and ultimately homelessness”.¹⁷⁴ The JRF said it was pulling people further into poverty. They took testimony from a man who had just started claiming UC after an accident at work, he said:

“I can't wait to go back to work because this is just a nightmare... I'm a month basically behind with everything now... plus paying back the advance all the time... I was borrowing money off of friends and family to survive that first month but I'm still catching up with everything.”¹⁷⁵

A senior fellow at the Institute of Government conducted a report on UC and said of the five-week wait that:

“The overall effect has been to plunge people already on low incomes into rent arrears and debt and in some cases homelessness. In other cases, it has caused job losses - the very opposite of what Universal

¹⁶⁹ [Universal Credit: the wait for a first payment \(parliament.uk\)](#)

¹⁷⁰ [Universal Credit isn't working: proposals for reform \(parliament.uk\)](#)

¹⁷¹ [Universal Credit FAQs - The Trussell Trust](#)

¹⁷² [Five weeks too long - The Trussell Trust](#)

¹⁷³ [Universal Credit and the impact of the five week wait for payment | TUC](#)

¹⁷⁴ [The five-week wait is five weeks too long | Shelter](#)

¹⁷⁵ [We need to end the five-week wait for Universal Credit – here's how | JRF](#)

Credit is intended to achieve.”¹⁷⁶

The Salvation Army has also called for an end to the five-week wait. They said:

“If you're a new claimant you have to wait five weeks to receive your first payment. We don't think that's right. The five-week wait is having an untold impact on communities and individuals across the UK and The Salvation Army is seeing an increase in demand for its services...The Salvation Army has tracked a rise in the number of people approaching our churches and services who are struggling to use Universal Credit. Over the last six months, nearly half of all food bank uses recorded were due to changes or delays in benefits, including the five-week wait.”¹⁷⁷

The trade union think tank Class said that the deliberate policy decision to make people wait at least 5 weeks for UC meant “Universal Credit (UC) is fast threatening to turn into universal debt.”¹⁷⁸ Spiralling debt is the central consequence of claiming social security due to the five-week wait combined with the insufficient value of payments.

In 2019, Scotland's Citizens Advice Bureau conducted research and spoke to many of their clients who had been

claiming UC. They found that the five-week wait resulted in people getting into debt, feeling stressed and becoming ill and reliant on food banks.”¹⁷⁹ In their ‘Voices from the Frontline’ briefing they stated how:

“Our evidence has consistently shown this lengthy wait to be one of the most problematic features of UC for CAB clients. It can cause or exacerbate debt problems, as payment of rent, council tax, utilities and other priority bills may immediately be put at risk, particularly if someone has no savings. It can also leave people struggling to afford food and other essentials. Indeed, clients have had to resort to food banks, Crisis Grants and high cost credit, such as payday loans, just to get by. Many clients have also reported increased stress and negative impacts on their mental and physical health as a result of the wait.”¹⁸⁰

Research found “hardship (as a result of the five-week wait) is felt particularly by people with additional inescapable costs, like disabled people and families with children”.¹⁸¹ Debt impacts the poorest people most, low-income households have less of a buffer against rising costs or any unexpected expenses. They are less likely than other households to have savings, with just over a third of people in the poorest

¹⁷⁶ [The problems with Universal Credit | The Institute for Government](#)

¹⁷⁷ [Five-week wait | The Salvation Army](#)

¹⁷⁸ [Six Week Wait for Universal Credit Isn't a 'Delay' - It's a Damaging Policy Decision | Blog | CLASS \(classonline.org.uk\)](#)

¹⁷⁹ [Universal Credit; '5 week wait' leads people to debt, stress, foodbanks and ill health | Citizens Advice Scotland \(cas.org.uk\)](#)

¹⁸⁰ [vff five-week wait final.pdf \(cas.org.uk\)](#)

¹⁸¹ [stepchange-debt-charity-trussell-trust-universal-credit-report.pdf](#)

fifth of households having liquid savings of less than £250 compared with 1 in 6 of the overall population. People in the poorest fifth of households are more likely to say that they are finding their existing debt a burden, with around half of people in the poorest fifth of households describing their debt in this way compared with just under 1 in 3 overall.

DEBT AND DEDUCTIONS

With regards advance payments from the DWP, the National Audit Office estimate that:

“57% of households making a new claim received a repayable Universal Credit advance in the six months to February 2020. 80% of low-income households have their first Universal Credit payments reduced as they are more likely to claim an advance and have other debts to repay.”¹⁸²

By offering advance payments, the government is making a tacit acknowledgement that the five-week wait is too long. Whilst these advance payments meet an immediate need, in the longer term they lead to claimants being worse off as repayments are paid from their ongoing, already too low, UC.

This could be described as state-sponsored debt, repaid from a level of benefit that is already insufficient to help pay for basic needs. As the TUC states *“this is actually a loan and has to*

be paid back as a deduction from future Universal Credit payment. This essentially means you are starting your Universal Credit claim in debt.”¹⁸³ Effectively, this debt, owed to the state, further minimises their income and exacerbates their hardship and occurs because they have to wait so long for their UC claim to be processed.

The UK Parliament Work and Pensions Committee, which has a majority of Conservative MPs, has recently published a report that calls for debt repayments and deductions to be suspended. The Committee released a statement saying:

“With inflation set to peak at its highest level for 40 years, the report from the cross-party Work and Pensions Committee highlights how the deductions from benefits, usually taken to recover money owed for a variety of debts and advances, are pushing some people into hardship and leading them to depend on foodbanks. The Committee calls on DWP to pause the deductions and restore them gradually only as the rate of inflation reduces, or when benefits have been increased to accurately reflect the rise in prices. In addition, the Committee recommends that the Government reviews and increases the benefit cap - which has remained frozen since it was lowered in 2016.”¹⁸⁴

¹⁸² [Universal Credit getting to first payment \(Summary\) \(nao.org.uk\)](https://nao.org.uk/publications/universal-credit-getting-to-first-payment-summary)

¹⁸³ *ibid*

¹⁸⁴ [Pause deductions from benefits to ease cost of living crisis, MPs say - Committees - UK Parliament](https://www.parliament.uk/business/committees/committees-a-z/w-and-p/committees/w-and-p-committee/news/2020/09/2020-09-23-mp-report-pause-uc-deductions)

The Work and Pensions Committee also recommended amongst other things to urgently review the benefit cap, build in flexibility to allow the uprating of benefits more than once a year, given how inflation has been sharply and suddenly rising and also to provide more housing support to people amid increasing housing costs.¹⁸⁵ The UK Government responded and rejected the recommendations made by the committee.¹⁸⁶

The fact that UC's design sees many claimants fall into debt from the outset raises some quite profound questions. Does the state know about the impact on already vulnerable people when they have to wait 5 weeks for their first payments? Is the state aware that these vulnerable people don't have sufficient funds to pay their bills to meet their basic needs when they claim UC? If they know that offering advance payments to help cope with this situation leads to increased debt and entrenched poverty, why then does the state facilitate unnecessary debt instead of paying UC from week 1? Why don't they take the advice from the likes of the Work and Pensions Committee who, while not suggesting a full grant from the start of a claim did recommend to alleviate the impact, that, "The Government should introduce a non-repayable, two-week initial grant for all claimants."¹⁸⁷

HOUSING AND UNIVERSAL CREDIT

¹⁸⁵ [The cost of living \(parliament.uk\)](https://www.parliament.uk)

¹⁸⁶ [The cost of living: Government Response to the Committee's Second Report of Session 2022-23 \(parliament.uk\)](https://www.parliament.uk)

In an effort to simplify the social security system UC was intended to be paid as one single payment, with for example the personal allowance, tax credits and housing benefit rolled into one. Whereas previously Housing Benefit, Tax Credits and Job Seekers Allowance were all paid separately. Having the housing element of UC paid straight to the tenant was designed to encourage 'personal responsibility', financial management and reflect what happens with wages.

However, this raised concerns that tenants who were used to having housing benefit paid directly to their landlord would be plunged into debt as they tried to manage rent, food, energy and other financial demands. As a result of wider concerns, the Scottish Government legislated to give tenants the option to continue to have the housing element of UC to go straight to the landlord.

Housing support costs of UC and housing benefits represent a significant proportion of the welfare budget, accounting for 15% of total spending. In February 2021, 2.91 million households were receiving a housing cost element in their Universal Credit, considerably more than the 1.77 million working-age Housing Benefit recipients.¹⁸⁸ When UC was created, an overarching objective - and the rationale for the inclusion of Housing Benefit - was to tackle the cost of Housing Benefit. When UC was introduced in 2010 it was set against the context of a political 'debate' that

¹⁸⁷ [Economic Affairs Committee report on Universal Credit - House of Lords Library \(parliament.uk\)](https://www.parliament.uk)

¹⁸⁸ [Housing costs in Universal Credit - House of Commons Library \(parliament.uk\)](https://www.parliament.uk)

claimed that the cost of Housing Benefit was rising and unsustainable and that the government was committed to tackling the national deficit by reducing public spending on welfare.^{189 190}

However, as budgets were cut and the qualifying criteria for benefits tightened, debt and rent arrears increased.¹⁹¹ If in arrears, the sustainability of a tenancy is put at risk with the potential of eviction and ultimately homelessness.¹⁹² Shelter Scotland reported in 2017 that the rollout of UC and other welfare changes had seen an increase in evictions in Scotland.¹⁹³ Increased levels of eviction can result in additional spending pressures on public agencies, such as local authorities who have a statutory duty to house the homeless, not to mention other social landlords such as those within the Wheatley Group.

While the wait of at least 5 weeks for UC, including the housing support element, means that people automatically go into arrears on their rent. The housing support people receive is intended to help pay their actual housing costs in full or in part. How it is calculated is dependent on a claimant's circumstances and whether they rent via a social or private landlord.

¹⁸⁹ [Welfare spending to be cut by £4bn, says George Osborne - BBC News](#)

¹⁹⁰ [Housing benefit cuts will stop social unrest, claims Cameron | Housing benefit | The Guardian](#)

¹⁹¹ [Impact of housing benefit changes 'worse than feared' - BBC News](#)

¹⁹² [Final cost of evictions report.pdf \(ctfassets.net\)](#)

A House of Commons Library Paper explained:

“Where a claimant is liable to pay rent, their level of assistance is calculated with reference to their household size and circumstances, in addition to the actual rent level charged, but is calculated differently depending on tenure type:

- Support for housing costs for social sector tenants is based upon their actual housing costs minus any under-occupancy deduction where the tenants live in housing that is deemed to be too large for their needs.
- For private sector tenants, support is the lower of actual rent or the Local Housing Allowance (LHA). LHA is a flat rate allowance for different sizes of properties within a local 'Broad Rental Market Area' (BRMA).¹⁹⁴

The number of actions taken against local authority tenants in 2019-20 saw 24,552 notices of proceedings issued. Of these, 7,321 proceeded to court, with 3,033 court orders being granted; 1,151 tenancies were terminated through an eviction or abandonment of the dwelling.¹⁹⁵ Evictions in Scotland ground to a halt during the pandemic

¹⁹³ [Inside Housing - News - Social sector evictions on the increase in Scotland, Shelter reveals](#)

¹⁹⁴ [Housing costs in Universal Credit - House of Commons Library \(parliament.uk\)](#)

¹⁹⁵ [Housing Statistics 2020 & 2021: Key Trends Summary - gov.scot \(www.gov.scot\)](#)

due to emergency legislation preventing them from occurring.

There is a correlation between welfare changes, the introduction of UC and increasing arrears. Evidence suggests the welfare system is creating these conditions. Citizens Advice Scotland reports how they have seen a 40% rise in people seeking advice on rent arrears since 2012. They also found that the incidence of rent arrears is far higher among tenants receiving UC.¹⁹⁶ The very real consequence of this is more eviction notices being served, more evictions and more homelessness.

Social landlords, housing associations and councils, see eviction as the very last option and worst-case scenario (and face legal checks and balances before initiating eviction proceedings) but ultimately some social housing tenants are evicted as a result of arrears. As recent research said:

“Despite having some of the most progressive aspirations in Europe with regard to tackling homelessness, Scotland still records a significant number of legal proceedings in pursuit of eviction from social tenancies each year. In 2019/20 a total of 10,431 cases of eviction proceedings were initiated by social landlords – the fewest of the period considered as part of

this study. In 2016/17 a total of 13,565 cases were initiated.”¹⁹⁷

The threat of eviction and homelessness causes serious stress and anxiety in tenants. This is acutely felt by children:

“Housing upheaval can have a lasting impact on children in particular: children who are homeless are three to four times more likely to have mental health problems than other children, even one year after being rehoused.”¹⁹⁸

The Scottish Government voiced its concerns about UC leading to arrears and ultimately increasing homelessness:

“The most direct way that UC can contribute to homelessness is by increasing rent arrears and ultimately evictions. There is also evidence that various aspects of UC contribute to relationship issues and mental and physical health problems, which are in turn associated with homelessness.”¹⁹⁹

UC has limited the level of housing costs people can receive. Taken together the benefits freeze, the benefit cap²⁰⁰, the rule on under occupancy of houses and the deductions imposed if a house is under occupied (known as the

¹⁹⁶ [cas briefing - universal credit debate 201119.pdf](#)

¹⁹⁷ [Final cost of evictions report.pdf \(ctfassets.net\)](#)

¹⁹⁸ [Final cost of evictions report.pdf \(ctfassets.net\)](#)

¹⁹⁹ [Homelessness and Universal Credit: research report - gov.scot \(www.gov.scot\)](#)

²⁰⁰ <https://www.cih.org/blogs-and-articles/what-does-the-new-data-on-universal-credit-tell-useur>

bedroom tax²⁰¹) as well as national caps on the Local Housing Allowance entitlement ('LHA rates were cut in real terms since 2011 and the link between market prices and payments was lost'²⁰²) have squeezed welfare entitlement generally and reduced housing support. This has helped contribute to increasing levels of arrears, increased stress and anxiety amongst tenants, and the rising number of evictions and eviction notices given to tenants.

People receiving welfare, whether UC or legacy benefits, are more likely to be in poverty and those living in the social housing sector are also more likely to be poor. "Social renters have the highest rate of poverty at 46% reflecting their comparatively lower incomes, while a third of private renters are in poverty"²⁰³:

"Housing costs are a major factor in determining whether people are pulled into poverty, with the cost of housing a key driver of poverty for renters in particular. One-third (33%, 4.2 million people) of private renters are in poverty, driven by a combination of high housing costs and low incomes; almost half (46%, 1.9 million people) of private renters in poverty are pulled into poverty by their housing costs, compared with a

*third (33%) of social renters pulled into poverty by housing costs."*²⁰⁴

The LHA rate can impact tenants and their ability to pay their rent. According to the Scottish Government:

*"Although LHA rates were rebased at the 30th percentile of market rents in April 2020, the UK Government has announced that they will be frozen indefinitely in future years. This will amount to real-term cuts as rents increase, forcing more tenants to accept lower-value accommodation, pay an increasing shortfall between their housing benefits and their housing costs, or fall into arrears."*²⁰⁵

UC claimants who are tenants of social landlords are also more likely to be in rent arrears than under the system of legacy benefits. Peabody Housing Association surveyed their tenants and found that 76% of claimants on Universal Credit were behind on their rent payments, with only 24% not in some form of rent arrears.²⁰⁶ They also found:

"About one third of our residents on Universal Credit are in arrears of more than 8 weeks' rent, which is the amount required for a court to grant a mandatory

²⁰¹ In Scotland those who see their benefits deducted can have this mitigated via the Discretionary Housing Payment fund.

²⁰² [5. Other policies - Homelessness and Universal Credit: research report - gov.scot \(www.gov.scot\)](#)

²⁰³ [Uk_poverty_2022_findings_1.pdf](#)

²⁰⁴ [uk_poverty_2022 \(3\).pdf UK Poverty 2022: The essential guide to understanding poverty in the UK | JRF](#)

²⁰⁵ [5. Other policies - Homelessness and Universal Credit: research report - gov.scot \(www.gov.scot\)](#)

²⁰⁶ [universal credit report-lr.pdf \(peabody.org.uk\)](#)

eviction. They are 3 times more likely to be in this position than other benefits claimants.”²⁰⁷

A National Housing Survey in England gathered data from 23 housing associations. The organisations surveyed represented 10% of tenants across all English housing associations. Their data found that:

- The number of housing association tenants claiming Universal Credit increased by 83% from June 2019 to September 2020.
- 60% of households claiming Universal Credit are in arrears, compared to 36% of households paying by other means.
- Households claiming Universal Credit are also likely to have higher arrears: an average of £610 compared to £301 for people paying by other means, from April to September 2020.²⁰⁸

Cuts to housing support have impacted tenants in Scotland. Whilst these have been mitigated in part, the cuts have significantly reduced the total level of financial resources available to tenants in receipt of the housing element of UC. Scottish Government analysis assessed that:

“We estimate that the LHA freeze, the Benefit Cap, and the Bedroom Tax will reduce expenditure on housing-related reserved benefits by around £115 million each year in

Scotland by 2024/25. However, the Bedroom Tax is fully mitigated in Scotland, while the Benefit Cap and LHA rates are mitigated at the discretion of Local Authorities. These policies would likely have a more significant impact on homelessness if they were not mitigated. Indeed, a report for the Social Security committee report found DHPs were an important factor in preventing rent arrears,”²⁰⁹

²⁰⁷ [ibid](#)

²⁰⁸ [National Housing Federation - Universal Credit in a time of crisis](#)

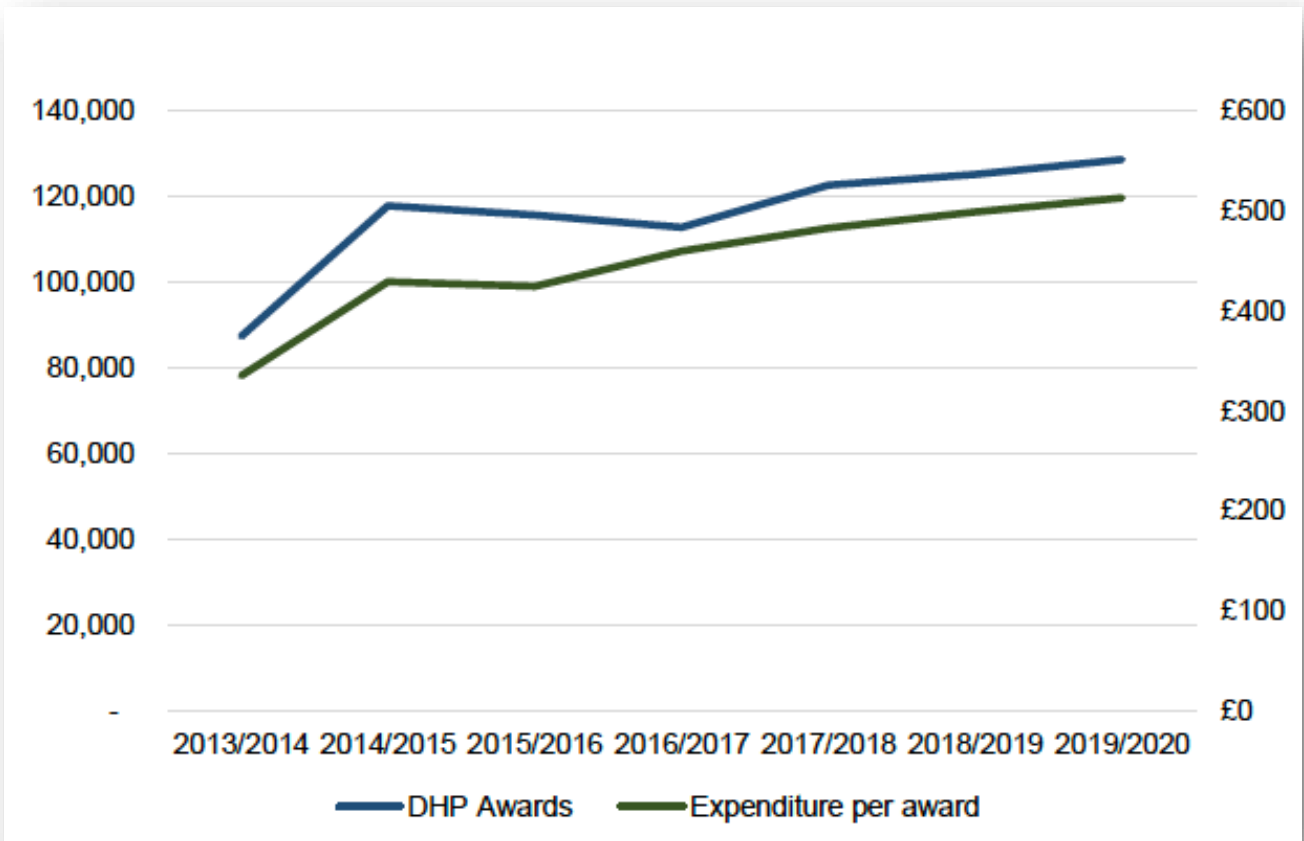
²⁰⁹ [5. Other policies - Homelessness and Universal Credit: research report - gov.scot \(www.gov.scot\)](#)

Support for people via the Discretionary Housing Payments (DHP) has increased since 2013, as more people request and are awarded support. The amount people received also increased, [See Chart 3](#).²¹⁰

For Registered Social Landlords such as [Chart 3](#)

processing and collection and is an indirect cost to the landlord through increased staffing with housing and welfare rights officers spending very significant amounts of time monitoring UC payments and claims.

These indirect costs picked up by The



the Wheatley Group, UC has posed significant problems in administering payments. Previously with Housing Benefit, the Wheatley Group generally received payments on block from local authorities at one time. In contrast, UC is a real-time benefit that can change by the day and is collected and paid individually for each tenant. This places a huge administrative demand on

Wheatley Group and others is an expensive unintended consequence of UC.

²¹⁰ [ibid](#)

SICKNESS, DISABILITY, CLAIMING UC AND DECISION MAKING

Moving people off social security into paid employment is a key objective of UC. However, for significant numbers of people, long-term illness and/or disability means they are unable to work. This can be seen by the number of disabled people still on legacy benefits.

Those who are recognised as being sick, disabled and/or a carer must seek to ensure the 'Claimant Commitment' reflects their circumstances/complex needs. There are two categories. First, limited capability for work. To be classified as having limited capability for work you must undergo a Work Capability Assessment (WCA). The DWP states:

"If it is decided you have limited capability for work (LCW), you are not expected to look for work right away. You will need to discuss with your work coach the activities you agree to do to prepare for work with the aim of working at some time in the future."²¹¹

The other category is Limited capability for work and work related activity. The DWP states:

"If it is decided you have limited capability for work and work related activity (LCWRA) you are

not expected to look for work or to prepare for work, though you can volunteer. You may be eligible for an additional amount for having LCWRA."²¹²

After the WCA, if a claimant's request is agreed upon, this means that they do not have the same obligation and conditionality to look for work as others and that they don't have to meet their 'work coach' as often. However, not all claims are accepted and as we have heard from several of the people we interviewed for this research many do not receive enhanced payments and/or are rejected when they make a claim for either LCW or LCWRA. This can and does lead to often drawn out reviews and protracted decision making processes.

People can also claim for additional payments if they are sick and/or disabled. Personal Independence Payment (PIP) is a disability benefit that is not tied into ability to work but rather the difficulties people have with their mobility or carrying out functions in relation to their care needs. Some people can get this in addition to their UC and if they were receiving PIP prior to making the UC claim they may be eligible for a transitional payment; if so this element will be added to their maximum UC entitlement.

The Adult Disability Payment (ADP) will replace PIP in Scotland. It will be administered by the Scottish Government.²¹³ The Scottish Government have said that the new

²¹¹ [Universal Credit: Health conditions and disability guide - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

²¹² [Universal Credit: Health conditions and disability guide - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

²¹³ [Who can apply for Adult Disability Payment - mygov.scot](http://mygov.scot)

system will be a fairer system designed to reduce the stress of those people making a claim. Scottish Government Minister for Social Security, Ben Macpherson said:

*"We can now take a very different approach to delivering disability benefits - in comparison to the current DWP system - and our focus is on providing a positive and compassionate experience for people applying for and receiving our new benefit. We know people have found applying for DWP disability benefits stressful in the past...We are committed to doing things differently - we are ensuring that accessing Adult Disability Payment is as straightforward as possible and we will always start from a position of trust."*²¹⁴

During this research, we have heard testimony from tenants who, prior to ADP, have advised that their claim for the sickness element of UC and a PIP had been rejected and they have to fight and struggle to get a disability element and/or PIP after making a claim even though they have provided evidence that they are sick and unable to work.

In some cases claims are straightforward and the status of being long-term sick and unable to work is accepted. There are other cases that are rejected often without explanation.

²¹⁴ [New disability benefit replacing PIP from next month will see DWP-style assessments 'abolished' - Daily Record](#)

Resulting in many people who are unable to work having their application for support being rejected and deemed as 'not being sick enough'. They are expected to work despite their illness.

This often leads to an appeals process which requires a lot of effort and evidence to persuade the DWP of the merits of their case. All of this can cause stress and anxiety, which for some, exacerbates mental and physical illness, as people try to navigate the system and wait anxiously on the result of appeals. Such additional stress may, in the end, hinder, rather than help a person back into employment.

Those whose claims are accepted face the constant threat of their status being challenged. When claimants migrate to UC after being on legacy benefits their claim can be adjusted and their status and income can be detrimentally impacted. This has led to legal challenges. According to lawyers acting on behalf of disabled UC claimants:

*"Our TP & AR case had a positive judgement last summer. TP & AR are two severely disabled clients who cannot be named because there is an anonymity order in place. The case consists of a challenge in relation to the lack of transitional protection provided to individuals who lost their severe disability premium when they moved on to Universal Credit."*²¹⁵²¹⁶

²¹⁵ [Does Universal Credit contribute to poverty in the UK? | FairPlanet](#)

²¹⁶ [The transitional protection related to the customer having PIP \(Daily Living\) The](#)

The WCA is based on the principle that a health condition or disability should not automatically be regarded as a barrier to work, and that for these claimants work can itself have benefits. The WCA test uses a points-based system, to assess whether someone is fit for work. It is also a mechanism that can be used to overturn previous assessments that declared people unfit to work.

The WCA can also be used to prevent people from being paid additional benefits based on disability and sickness when they first make a claim for additional support. From its introduction, the WCA process has proved controversial, with it being described by some as a 'fundamentally flawed' system,²¹⁷ and as such it has attracted very strong criticism.²¹⁸ Disabled People Against Cuts suggest that WCA can worsen people's health and that the assessments lead to fear in people that they will suffer a loss of benefits and income.²¹⁹

SANCTIONS

For those who are deemed to have broken the 'Claimant Commitment' sanctions can be imposed. The Claimant Commitment makes clear the conditions and what is expected of UC claimants based on their

circumstances. If people are claiming the job seekers part of UC, they are expected to look for work for 35 hours per week and meet with their work coach regularly. If, for example, they either do not dedicate the expected number of hours to looking for work or if they miss any appointments with their work coach they could be sanctioned.²²⁰

Sanctions appear to be more regularly used under UC than they were under legacy benefits.²²¹ In essence, UC has placed significant conditions on people claiming it and if they do not adhere to the conditions, which will be set out in the Claimant Commitment then they will be sanctioned and this can result in very grave consequences for those affected.

An academic paper that studied the impact of conditionality and sanctions on those in work summarised this very neatly:

"UC is the most all-encompassing manifestation of conditionality in any developed welfare system and is designed to restrict access to the social safety net by making means-tested benefits contingent on mandated claimant work responsibilities. The primary obligations are to provide evidence of extensive job

severe Disability Premium was additional money that recognised this in the Legacy Benefit System - The premium was not replicated in UC however following initial legal challenges a transitional payment was introduced which had strict qualifying criteria

²¹⁷ [Atos and the Work Capability Assessment \(parliament.uk\)](#)

²¹⁸ [Work capability assessments - House of Commons Library \(parliament.uk\)](#)

²¹⁹ [The Work Capability Assessment \(WCA\) for ESA - Bing video](#)

²²⁰ [Understanding Universal Credit - Sanctions](#)

²²¹ [Why are sanction rates higher under Universal Credit? \(parliament.uk\)](#)

*search and attend work coach appointments and/or outsourced back-to-work programmes (sometimes requiring mandatory unpaid forms of work). Failure to undertake specified activities leads to severe benefit sanctions that can trigger debt, rent arrears, food bank use and can ultimately result in some claimants becoming homeless, destitute or suicidal."*²²²

Being sanctioned means that people lose significant amounts of the money that they get from UC. This is a punitive response to people already in severe financial distress and can, as suggested, increase distress, pushing people into destitution and fully reliant on charitable help and seeing them forced to take loans that leave them in further debt and further distress.

A study of people claiming UC confirmed this, "The threat of punitive sanctions for failing to meet the enhanced conditionality requirements under UC added to claimant's vulnerabilities and distress."²²³ The UK Government has sought to assess the impact of sanctions on those people who have experienced them, but to date has refused to publicly release the report.²²⁴ Despite growing evidence of

the distress caused by sanctions, they are still seen as a key plank of UC.

Many job seekers have clear preferences for the work they are seeking based on previous experience, skills, education etc. As part of a so-called 'crackdown', UC rules have changed and reduced the time that people have to find work in their preferred sector. If they fail to take work in a sector they do not want to work in then this can lead to sanctions.²²⁵

In spite of the cost of living crisis facing people the most up-to-date figures show that the number of people sanctioned and left destitute has increased and reached its highest ever figure. Nearly 109,000 people were sanctioned in May, this figure is double what it was 6 months ago and represents 6% of all UC claimants.²²⁶

In response Rethink Mental Illness chief executive Mark Winstanley said:

"The "huge" rise was a "cruel political choice" making "more people subject to punitive measures at the worst possible time"..."Benefit sanctions are incredibly damaging to people's mental health, whether they're living with the fear of being hit by penalties, or dealing with the massive

²²² [In-work Universal Credit: Claimant Experiences of Conditionality Mismatches and Counterproductive Benefit Sanctions \(mostewartresearch.co.uk\)](https://www.mostewartresearch.co.uk)

²²³ [Impact of Universal Credit in North East England: a qualitative study of claimants and support staff — Teesside University's Research Portal](https://www.teesside.ac.uk/research-portal)

²²⁴ [Report on effectiveness of benefit sanctions blocked by DWP | Benefits | The Guardian](https://www.theguardian.com/benefits)

²²⁵ [Universal credit claimants face tough sanctions in UK job crackdown | Benefits | The Guardian](https://www.theguardian.com/benefits)

²²⁶ [DWP cuts record number of Universal Credit claimants' benefits in Tory crackdown - Mirror Online](https://www.mirror.co.uk/news/uk-news)

financial and psychological impact.”

WORK AND UC

A key difference of UC, compared to many of the legacy benefits, is the opportunity to work as many hours as you want whilst claiming. According to Citizens Advice: “You can work and still get Universal Credit - your Universal Credit will reduce gradually as you earn more. Your Universal Credit will go up if your job ends or you earn less.”²²⁷

The fact that people can work and claim and receive one simple single payment is a positive aspect of UC. The incentive to work has been enhanced with people in work and claiming UC able to keep an increased amount of their income. Moving the taper from 63p to 55p for every pound being taken means that people can keep more of the money they earn when working.²²⁸

UC incorporates both the social security and tax systems to provide benefits to those not in work and tax credits to those in work but whose pay is deemed insufficient and requires a supplement. This is paid through the tax system as UC. Some have argued that this is tantamount to the state subsidising employers who pay poverty wages.²²⁹ Whilst this may be true it is obviously an important payment for those in low-paid jobs.

Some working people who receive UC, also get what is known as a work allowance. This is the amount of money

a claimant is allowed to earn before their Universal Credit payment is affected. Claimants are entitled to a work allowance if they are responsible for dependent children, and/or can't work as much because of illness or disability. The DWP say:

“If entitled to the work allowance, you can earn up to the threshold for your circumstances. Your Universal Credit payment will then go down by 55p for every £1 you earn above this amount. This is called the earnings taper. If you don't qualify for the work allowance, your Universal Credit payment will go down by 55p for every £1 on all your earnings. Employer-paid benefits, such as Statutory Maternity, Paternity, Adoption and Sick Pay are treated as earnings and are affected by the taper.”²³⁰

Allowing people to claim while in work is a major change from previous, legacy, benefits. The intention is to encourage people back into work but in a way that would not remove or detrimentally impact the benefits paid to them. The UK Conservative Government argued previous benefits helped entrench a cycle of ‘worklessness’ in some households that have lasted for generations. Hence they suggested “Universal Credit will start to change this. It will update the culture of work in households where it

²²⁷ [What Universal Credit is - Citizens Advice](#)

²²⁸ [Universal Credit: Rishi Sunak announces taper rate will fall to 55p, but no U-turn on uplift in 2021 Budget \(inews.co.uk\)](#)

²²⁹ [Firms paying poor wages are the real benefit cheats | Tax credits | The Guardian](#)

²³⁰ [Universal Credit explained - Money Advice Service](#)

may have been absent for generations.”²³¹

Whilst UC is supposed to be flexible enough to take into account people's working hours and calculate their UC payment accordingly problems with this have been discussed earlier. Additionally, those who are self-employed can also claim UC. The DWP says: “If you're self-employed, your payment might also be affected by how much the DWP expects you to earn each month - this expected amount is called your 'minimum income floor'”.²³² According to the DWP:

“If you're gainfully self-employed, your Universal Credit payment may be calculated using an assumed level of earnings, called a minimum income floor. This is based on what we would expect an employed person to receive in similar circumstances. It's calculated using the National Minimum Wage for your age group, multiplied by the number of hours you are expected to look for and be available for work. It also includes a notional deduction for tax and National Insurance. If your self-employed earnings are below the minimum income floor we have calculated for you, we will use the minimum income floor to work out your Universal Credit

payment instead of your actual earnings.” ²³³

According to Citizens Advice:

“The minimum income floor is different from what you actually earn. If you earn less than your minimum income floor, the DWP will usually work out your Universal Credit payment as if you'd earned your minimum income floor.

*If you earn more than your minimum income floor, your Universal Credit payment will be based on your actual earnings. For example, if your minimum income floor is £1,200 and you earn £800 - the DWP might work out your Universal Credit payment as if you had earned £1,200. This means the DWP will take more off your Universal Credit payment than if they'd used your actual earnings.”*²³⁴

It is clear that the minimum income floor is problematic for many people. If they don't reach this level of earnings, UC will still be calculated on the basis it has been earned meaning claimants will not receive their entitlement, leaving people short of income. This can exacerbate stress, as well as leave people more vulnerable to debt, as they try to make up the shortfall in their income.

²³¹ [universal-credit-full-document.pdf](https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/67111/universal-credit-full-document.pdf)
([publishing.service.gov.uk](https://www.publishing.service.gov.uk))

²³² [What Universal Credit is - Citizens Advice](#)

²³³ [Universal Credit for the self-employed - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/universal-credit-for-the-self-employed)

²³⁴ [How Universal Credit payments work if you're self-employed - Citizens Advice](#)

MOVING FROM LEGACY BENEFITS TO UC

Given the number of people still on legacy benefits some considerable effort is still needed to move the remaining claimants onto UC. The process of moving people still on legacy benefits is made up of natural, voluntary and managed migration. Natural migration is when people move straight to UC following a change in their circumstances, voluntary is when people voluntarily make the move and managed migration is the process whereby the DWP initiates the move. There are legitimate concerns about the impact of moving from legacy benefits to UC.

Firstly, because it will consist of a monthly payment of UC as opposed to the fortnightly payment people receive under legacy benefits, there can be a disruption to individual budgets and financial management. People on legacy benefits will also understandably, in many cases, be reluctant to move due to very real concerns that their income will fall. For example, historic deductions are higher under UC than they are with legacy benefits and critically when migrating claimants will still have to go through the same process as new claimants do, namely, the five-week wait.²³⁵

Waiting so long for payment can drive people further into debt as they wait on

their first UC payment. This is especially pertinent for people already receiving benefits and who are unlikely to have any savings to help them during that initial five-week period. Concerns may well be compounded by uncertainty about the level of benefit they will receive and whether it will be less than their legacy benefits. This is understandable given the DWP estimates that of the 2.6million people on legacy benefits, 900,000 will receive less from UC than they get from their legacy benefit.²³⁶ Which payments claimants receive will, ultimately, depend on their individual circumstances with 1.4 million predicted to receive a higher payment from UC and 300,000 predicted to see no change.²³⁷

The Government has sought to allay concerns by suggesting that transitional payments will be initially paid to help people as they move from legacy benefits to UC. A Government paper said:

“Transitional Protection will be available to protect claimants so they will not be worse off financially claiming UC compared to their legacy entitlement. This will be paid as part of the claimant's UC entitlement and will erode over time. The regulations also introduce a Discretionary Hardship Payment to support those claimants who are moved

²³⁵ It should be noted however that the UK Government introduced a two week run on for claimants after they make their claim for UC - this is in place for income-based Jobseeker's Allowance; income-related Employment and Support Allowance;

Income Support; Housing Benefit. If the claimant is getting Working Tax Credit there is no two week run on as they have a wage
²³⁶ [Completing the move to Universal Credit - GOV.UK \(www.gov.uk\)](#)

²³⁷ Ibid

*to UC as part of the pilot phase. Advances will also be available to claimants”.*²³⁸

They state that there will be transitional protection, i.e. temporary protection, but this will erode and then end over time. They then almost tacitly acknowledge that this payment will be insufficient, which is why support through a Discretionary Hardship Payment and/or advances will be available. To be clear such advances lead to further debt and entrenched poverty.

People on legacy benefits making a claim will often be long-term claimants who are vulnerable. There are very serious concerns that people moving from legacy benefits will need assistance to make a claim but that such help will not be forthcoming. Understandably there are serious concerns that many people will be unable to navigate the complexity of applying for UC, fill in forms late and generally not manage the migration process effectively. This could see people lose their claim and/or be sanctioned. Moreover, there are fears that if these vulnerable people lose their benefits and support that in some cases this could lead to destitution.²³⁹ Alongside the cost of living crisis, this poses a real and serious threat to some of the most vulnerable people on legacy benefits.

These concerns prompted 20 charities to write to the then Secretary of State for Work & Pensions, Therese Coffey,

urging her to halt the move from legacy to UC if the Government could not guarantee that all vulnerable people would be protected as they migrated. The Independent newspaper reported:

“More than 20 charities have urged the Government not to resume moving people receiving older benefits on to Universal Credit unless it can guarantee nobody’s income will be cut off during the cost-of-living crisis....They say the incomes of more than 700,000 people with mental health problems, learning disabilities and dementia could be put at risk, and that the consequences of having benefits halted could be “devastating and life-threatening”.

DIGITALISATION

For some the complexity of the system is compounded by its digital nature and the way the online system operates. Claimants feel it can be opaque and confusing especially as UC uses an automated system to calculate entitlement. This lack of human contact makes the system feel impersonal and remote.²⁴⁰

As a fully digital service, UC processes also assume that all claimants have the ability and wherewithal to navigate a

²³⁸ [LA Welfare Direct Bulletin 7/2019 lite - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/bulletin-articles/la-welfare-direct-bulletin-7-2019-lite)

²³⁹ [Managed migration to Universal Credit – an irresponsible gamble | CPAG](https://www.cpag.org.uk/managed-migration-to-universal-credit-an-irresponsible-gamble)

²⁴⁰ [poverty \(cpag.org.uk\)](https://www.cpag.org.uk/poverty)

digital system. Many claimants are comfortable using a fully digital service and find this more convenient than handwritten forms and face-to-face interviews. For them, it means a tidier, more accessible system where they don't need to retain scores of letters and paperwork. For others, however, they not only lack the skills but also the IT infrastructure to cope with the digitalisation of the system.

In addition, people claiming UC, whose income is extremely limited, are expected to have access to hardware such as computer equipment or a smartphone and to be able to pay their monthly broadband or phone bill in order to claim and fully engage in the way that is expected of them, as per their claimant commitment. These ongoing costs represent a significant proportion of a claimant's income. Those who are sanctioned and without income are still expected to engage with UC processes online. It is highly likely that they can only do this through incurring debt.

The UN Special Rapporteur on Poverty, Professor Philip Alston, suggested that the UC fully digital system represented an 'experiment':

"This means that an entitlement claim is made online and that the beneficiary then interacts with authorities mainly through an online portal. One wonders why some of the most vulnerable and those with poor digital literacy had to go first in

what amounts to a nationwide digital experiment".²⁴¹

In Scotland Citizens Advice submitted a paper that said "34 per cent of Scots seeking help with Universal Credit did so because they could not access the internet".²⁴² Citizens Advice also presented evidence of the impact of digitalisation on some of their clients who were having difficulties claiming UC because of its digital nature. They included:

- "A client suffering from chronic anxiety and depression who has been repeatedly sanctioned for not updating his online journal correctly. He has no computer skills or access to the Internet at home. He has no money at all and he is reliant on crisis grants and food parcels.
- A distressed client who has worked manual jobs his entire life and does not know how to turn on a computer, let alone how to log on and update his journal.
- A housebound man who has been signed-off work for a minimum of 13 weeks following knee surgery, who is without access to a computer and is struggling to afford regular mobile data top-ups".²⁴³

CURRENT POLITICAL APPROACH TO UC

²⁴¹ [Does Universal Credit contribute to poverty in the UK? | FairPlanet](#)

²⁴² [CAS warns the UN of 'digital divide' in Universal Credit | Citizens Advice Scotland](#)

²⁴³ [vff online barriers to maintaining uc claims 0.pdf \(cas.org.uk\)](#)

Despite the growing evidence of the negative impact of UC, the UK Government does not appear to have any plans to change or reform it. Indeed, because of how the system coped with increased numbers of claimants during the pandemic, the UK Government has hailed it as a success. Despite widespread concerns, they are planning to accelerate the migration from legacy benefits to UC.²⁴⁴

The Labour Party in its 2017 and 2019 Manifestos were committed to scrapping UC. They said then:

"The Tories' flagship social security programme, Universal Credit (UC), has been a catastrophe. It has pushed thousands of people into poverty, caused families to lose their homes and forced parents to visit food banks in order to feed their children. Labour will scrap UC. We will immediately stop moving people onto it and design an alternative system that treats people with dignity and respect. Our ambition in designing this system will be to end poverty by guaranteeing a minimum standard of living."

Since then the Party has changed leadership twice, the current Labour Party leader has criticised the Conservative Party's approach to UC, including cutting the £20 uplift, failing to

uprate UC in line with inflation and recognising its propensity to trap people into poverty. The Labour Party currently says it would replace UC with a system that would "make work pay"²⁴⁵ retaining the uplift and reducing the taper.²⁴⁶

In Scotland, the SNP has been a vocal critic of UC and the Conservative welfare reforms. Their criticism has been matched, to a limited extent, with some mitigating measures to help people in Scotland claiming UC. This includes mitigating the so-called Bedroom tax via the DHP and the introduction of the Scottish Child Payment. The devolution of a number of Social Security benefits may allow for further support to be tailored to Scottish claimants in future - this will be down to political decisions taken by future Scottish Governments.

SECTION 1 CONCLUSION

During the course of this research it became clear that there are two main strands relating to the impact UC is having on customers of the Wheatley Group and on those claiming UC more generally. The first strand is the impact that the basic level of income they receive is having on the quality of their lives and ability to make ends meet.

This would be pertinent at any time but it has taken on urgent and special significance when set against the

²⁴⁴

<https://www.gov.uk/government/news/managed-move-of-claimants-to-universal-credit-set-to-restart>

²⁴⁵

<https://www.theguardian.com/society/2021/aug>

</22/labour-to-pledge-shake-up-of-universal-credit-as-part-of-wider-new-deal>

²⁴⁶ [Keir Starmer: Universal Credit cut is an attack on the poorest | Universal credit | The Guardian](#)

backdrop of the current cost of living crisis and the exponential rise in the price of basic goods such as food and energy.

This concern is compounded when one considers that people on the lowest incomes spend disproportionately more of their income on basic goods and services than any other demographic.

The second strand that strongly emerged during the research was around the processes of UC and how they are perceived as unfair, unhelpful, cruel, punitive and hinder rather than help people back into work which runs contrary to the original aim of UC.

The five-week wait for money and the use of advance payment to help tide people over has built state-sponsored debt into the UC system, further entrenching poverty.

The cost of living crisis combined with the barriers presented by processes and systems that govern UC is a perfect storm for claimants. Prior to the cost of living crisis, there were already concerns around the impact of UC on the poorest people. The link between mental health, UC and poverty more generally is clear. However, as growing numbers of people struggle to meet their basic needs, such as food, electricity and housing costs, levels of poverty increase, are entrenched and for some result in destitution. It is difficult to see how this will not be compounded under the current circumstances.

The following sections are designed to hear from people in receipt of UC itself

and to understand their experiences of the system and the wider economic challenges they face. We have sought to gain a sense of how UC has affected them, how their lives and daily choices are impacted, and by extension what impact it is having on their physical and mental health.

The results are sobering. We heard how people feel set up to fail and feel treated as a number rather than as human beings and how the system applies a one size fits all approach to millions of claimants from diverse backgrounds.

We have sought to try and understand what it is like to claim UC and the challenges people face. This report provides an insight into a grim world of daily struggle, that tests the limits of resilience and the strength of far too many of our fellow citizens. A daily struggle that many people, who do not inhabit that world, have little understanding and appreciation of. The testimonies from people we spoke to are current, real and in their own words. They are devastating, sad and should make people sit up, take notice and change course.

SECTION 2:

'EXISTING, NOT LIVING'

IN-DEPTH INTERVIEWS WITH WHEATLEY GROUP TENANTS



SECTION 2 - 'EXISTING NOT LIVING'

Our research heard first-hand accounts from Wheatley Group tenants to try and understand from them the challenges they face in their day-to-day lives. It was a straightforward attempt to hear the voices of those people who often go unheard and are rarely consulted about the major policy developments that have such a profound effect on their lives.

Our main areas of interest, that emerged during the course of our desktop research and the initial focus groups we conducted with Wheatley tenants and staff, were twofold. One was about the income UC claimants receive and if it met their needs.

The second was specific to UC and its design and processes and how they have impacted claimants and their families. This includes the five-week wait, how UC is calculated, sanctions, the digital nature of UC, the claimant commitment and the relationship UC claimants have with their work coach. These areas and more were raised by interviewees.

Talking to these people highlighted how a top-down policy-making approach by successive governments has undermined the system of social protection and impacted badly on some of the most vulnerable people. It was also a reminder of how quickly an individual or family's personal circumstances can change leaving them reliant on the social security system for help. As demonstrated by the steep rise in the number of people

needing help as a result of the pandemic and its economic impact.

Our research also shows the strength and resilience of people in adversity and the inherent dignity of so many who make do and get by on very limited resources. Set against a system that appears designed to make their lives as difficult as possible. A system which often views them with suspicion, and questions their motives, honesty and integrity with insufficient care for their well-being.

It is to their voices we now turn. This in our view is the most important and compelling evidence we have gathered in our research. The interviews we conducted were limited in number but rich in data. The words only capture so much and cannot fully convey the emotion, upset, anger and the acute sense of anxiety and distress facing the people we spoke to.

The interviewees came from different backgrounds and a variety of circumstances. Each represented different demographics and offered a cross representation of people claiming UC. We interviewed young, middle aged and older men and women. Some with families and some without and living alone, some nearing retirement, some unable to work, some in work, some not in work but looking, some having just started claiming and others who were long term claimants of UC. We also spoke to one man who had been seeking asylum in the UK and started claiming after he and his family were given leave to stay in the UK.

It should be said that the people we interviewed reflected why a social security system is a prerequisite for a fair, functioning society. It is there to help people who need it as a result of a change of their circumstances. Many of our interviewees only started claiming after a sudden and harsh change of circumstances: bereavement, divorce, redundancy, mental and physical health problems, stopping work to care for loved ones. Some disabled or sick and incapable of, at least full-time, work.

All interviewees had one thing in common - they were all claiming UC and more often than not life was/is tough for them. These are their words.

We started asking them about how their life is when claiming UC, their life circumstances that led to their claim, the rising cost of living and whether UC provides enough for people to live on.

UC BACKGROUND

Tenant D, a single man, offered a profound description of what life is like when claiming UC.

"(UC works) If you want to live a simple life but I'm kind of just existing rather than living"

Another single man, Tenant A said:

"It stresses you. I'm on medication for stress I have been for a while. It doesn't help my health. You're barely living, barely getting by, you're just surviving. Even then it's a struggle. It's horrible. I want to work but my heart is not good. I don't know where I'll be if my health gets worse in the future and I end up on benefits permanently. I may get additional benefits but even then it's still not going to be enough. I would rather be out there earning a full time wage but I may end up having to deal with this for a prolonged period and that really scares me. Potentially, I could be in the system for a long time and I know I can't rely on my friends forever. So I've got no options just now and it scares me having to rely on the government."

Tenant C, had felt defeated by the system:

"There were points when the system just completely defeated me. It's too hard. It's too hard, and it's too humiliating for people. You have to completely justify everything that you've done. You're sitting and you're thinking this is my money, I worked for this money. Why have I got to justify to them why I bought a washing machine? Or a fridge freezer? What's that got to do with them? But that's the lengths they go with people."

Tenant A also said:

"I'm struggling. I systematically stay with the friends that I've got. They have been helping me because they both work full time. The last two weeks of the month, or the last week before I get paid, they know when I'm really struggling. They will feed me and I'll stay at theirs – that helps me out because then I won't need to spend money on food and stuff."

Tenant D was grateful to be receiving any support at all but at the same he set out what it was like to live on UC.

"It's just existing and when I think about it. I don't know how much more I can go on like this...it's not very practical trying to get by every day. Obviously I still see that I'm lucky I'm getting what I'm getting... I know it could be a lot worse. But, you are just existing on it. That's my summary of it. But it could be a lot worse."

Tenant U, a single man nearing retirement described the struggle he faces on such a limited income:

"By the time everything is taken off my money, I'm left with £90 a month. I'm living off £90 a month. My full rent is not covered by UC. When I pay the extra for my rent, the spare bedroom penalty, my rent arrears and my direct debit to Scottish Power and council tax I'm left with £90 a month. I cannae live on £90 a month, I'm getting myself in debt, by the time I go through the month I owe people, the likes of my family and that, but they tell me they can't give me it all the time, as some of them are on UC themselves. You couldn't live off that per week let alone a month".

Tenant O, a Dad and single parent of two kids describes how he has recently been employed in a job that fits in with his responsibilities as a parent:

"I work 4 hours a day - my UC is a top up of earnings. In the house it's just me and my two little ones and I get some support from my girlfriend...I work those hours so I can look after my kids, I tried for quite a while to work the shift I work from 10am until 2pm so I can get my kids into school, I can then go to work and be back and have time to pick my kids up from school...I do manage, it gets us by. If it wasn't for the work that I do...work helps a lot...Paying my electric and gas bills, food and all other bills, was an awful lot of pressure before I started work...Starting work and looking after the kids means I'm totally knackered between Monday and Friday and I make the most of the weekends, but it's for the kids, I would do anything for those kids."

Tenant P - a single Mum who is suffering from stress and anxiety after working as a care worker during the Covid pandemic described how her life changed as a result:

"I'm really struggling, my income dropped dramatically when my son left school. I have always worked and I went from tax credits to UC at the same time as my son left school. And, I was off on sick leave at the same time and had to leave my job because of my health. I had coronavirus and was then left with mental health issues and anxiety. I worked in a care home, I had Covid early and when I went back some of the older people were starting to get it and I thought maybe I had gone back too early. It was all my fault."

Tenant Q a single man trying hard to recover from addiction described the struggle he faces trying to survive on UC:

"After my housing costs are taken off I'm left with £251 per month. As you can imagine, it's a real, real, hard, tough struggle and I have had to rely on my family and friends over the years to help me out...At the end of the day the family and friends I rely on, they are in the same predicament and sometimes they can't help, because they are feeling it too."

Tenant S, is a married father of 3 children. He sought asylum in the UK and was granted leave to stay in 2020. He started claiming UC at that point. He works part time as well as claiming UC. He described his experience:

"If I go back to 2020 when I started claiming UC, as a family, we were struggling to survive. We have a dream to save an amount of money and travel to other countries but to be honest, with UC you are living to survive, that's all. You cannot save, if you were to save a month or 2 this would always end up being spent on living costs."

Tenant T, who gave up work to care for her adult son, who suffers from epilepsy and diabetes and is himself on UC, described her life on UC:

"I had money deducted from my UC when my son turned 21...It is dead hard trying to live on UC. Myself and my son are trying to help each other through it because of the price of electricity and gas and all that. It is very, very hard living. I get my rent but not all of it. It is the hardest way of living and I'm finding it difficult on a daily basis just trying to get through it."

COST OF LIVING

Tenant C, a single woman nearing retirement whose standard allowance is being topped up by PIP and the ESA element of UC said:

"Without the ESA element I would really be struggling... I would be struggling without it and PIP".

However even with the additional payments based on her circumstances she said:

"It's getting crazy, isn't it? Everything is getting more expensive, my energy has more than doubled and it's going up again. My energy bill has more than doubled. I'm in a brand new build so it's quite energy efficient, it's really well insulated. But energy has still doubled in cost."

"I can budget quite well so I know. It's not a great amount of money, so you can't really socialise to a great extent. You know they're not giving megabucks, but I do feel that currently I've got enough to meet my needs."

Tenant B, a single mother of four children said:

"Oh my God. That's a no-go area for me because every day with electricity, if I top up £50 it is gone... And the gas is another one, I just try to manage day by day and take each day as it comes, but sometimes I just have to let those be. I can't meet them, I will just say OK, there's nothing I can do. Let me just pay the ones I can pay. I will just buy what I can buy with electricity. But I have to change to 'pay as you go' because the direct debit they were collecting from me too, was going up virtually

every month...So, I have to tell them please I can't do that anymore. Let me go on pay as you go."

Tenant K, who lives in a rural location with her partner, her daughter and granddaughter said:

"It can be a struggle... A lot of the time Council tax will not get paid. As long as the rent is covered and there is food in the house. Regarding electricity going up, that definitely got to me. And yes, the Council tax very often gets put to the side. You get the debtors chapping at your door saying you have got a huge bill to pay."

Tenant E, who lives with her 3 children and her partner in a rural location spoke about how much they are left with after paying their basic costs:

"Basically by the time we pay car insurance, all bills, gas, electric, everything else like that and food we are left with £20.00 for two weeks."

"Once that £20 is gone, we find ourselves needing to lend money off of pals and off family members. Then by the time we get paid again, we obviously have to pay that money back. Which then leaves us back in the same situation again."

Tenant J a single man living alone and who is trying to get a new small business off the ground said:

"I am (surviving) at the moment. My total savings are minimal. So if I died tomorrow it would be lucky if there was enough to pay for my funeral. And those savings are diminishing. That's because of rising costs, like transport and heating."

Tenant H, a single man living alone who had to give up work due to mental health problems, was asked about whether UC was enough for people to live on:

"It's not, it's not. I go to food banks nearly every week just to top up my food and It's not covering everything. What I do get I'm grateful for. It's not great but it gets me by. I am really feeling it now, I'm struggling. Every couple of months I call up the electricity company to borrow and I'm always calling up my friends and family to borrow £10 and £20 here and there. I was just getting through but now I think I'm going to struggle."

Tenant I, a single woman who recently and abruptly, had to stop working due to sudden illness and who lives with her adult son (now also her carer), said:

"It's definitely a struggle, I'm now cutting corners, and waiting for things to run out of contract and some people letting you go on reduced payments and it's also now about buying the cheapest food. Rather than paying x amount on your shopping each week you tend to buy less and you don't buy the brands. I also have cats and I worry about feeding them, they are your pets and you love them and you don't want to give them up. So that's another constant worry..."

Tenant P whose UC fluctuates due to her variable hours from her part time work, said:

"I'm struggling, I get my wages on a Friday but you're scared to spend them/money because you don't know what's happening on the 29th (when she gets her UC statement), what I'm going to get, what I'm not going to get."

"Every time you go into a supermarket prices have shot up, it's not like 2p or 3p it's 20p/30p things have gone up by. And it's just a nightmare... You are just thinking all the time, remembering I have to leave money in for my direct debits, for my house insurance and things like that, your head is going the whole time and it probably doesn't help that I'm suffering from anxiety as I do over think things and I give myself headaches."

Tenant M, who recently lost her partner and had to claim UC as a result said, that receiving PIP has helped her:

"It's a bit of a struggle but because I get that wee bit extra (from PIP) I just about get by."

Tenant Q said:

"Gas, electricity, food, soap powders and all different things I have to get and it's still a struggle... I go for less showers, I skip one meal a day, it's usually without breakfast or lunch. I skip at least one meal a day. I can't have 3 meals a day any more. Which isn't very good. Hygiene is affected as you're going without showers for a certain amount of time because you don't want to use electricity to get the hot water."

HEATING AND EATING

Tenant A describes the challenge facing people trying to balance their outgoings with their income:

"Trying to live on £243, that's horrible"...

"I'm expected to feed myself, pay my Council tax, gas and electricity, pay debt and rent arrears"...

"It's physically impossible to pay for all that and of course also your internet or some kind of mobile phone with internet, which you need to have if on Universal Credit. It's impossible, even if I was on (the full amount of £324²⁴⁷) it's impossible, let alone with £243, which I'm on because of debt."

Tenant D said:

²⁴⁷ This is the standard allowance he is entitled to as a single man looking for work. In addition he also gets his housing costs paid for.

"I got a smart meter installed and that means that I can keep an eye on it, but it's not too good to know. I don't even put the heating on now. It's just pointless. Luckily, it's summer at the moment but in the winter I'll need to rethink that. I'm usually putting 4 or 3 pounds a day in there. It's not that much, but it all adds up. I'm worried about winter because I will need to put the gas on. It's quite a cold house, even with new windows going in."

Tenant K said:

"It's hugely impacting my gas and electricity going up. Well, not so much my gas at the moment because it's summer but my electricity has certainly gone up £15 a week. And that's me making sure doors are shut and lights are off and other appliances are off in the rooms and I only charge my phone at a certain time. Aye, it's surprising just how much it has gone up and how quickly."

Tenant K continued:

"When people turn round and say people are deciding whether to eat or heat. It's true. It's very, very true. When the weans go to bed and if it's a cold night, the heating will get turned off. They get wrapped up in their duvets, jumpers will be on and I'll get a blanket and sit on the sofa or I'll just say sod it I'm away to bed early as well."

Tenant B, a mother of four, described the impact of rising energy bills:

"For the past three months I've not had my heater on in this house. I didn't put it on, I just said this (to her children), put on your jumper...I'm really really worried about the winter, I don't know how I'm going to cope. Because when the winter comes, you can't say you won't put on the heater. I have children. I'm already thinking about it. But there's nothing I can do for now."

Tenant E said:

"It's very difficult, since the prices have gone up, we're finding we're getting less food for the price we paid before. Like when we paid £100 we had a lot more shopping, but this time we seem to have less shopping 'cause the price has gone up, which is not lasting as much. It's now not lasting the full 2 weeks that we budget for."

Tenant H said:

"The energy money the government has announced hopefully will help., At the moment I often sit in the dark because I've run out of electricity and Scottish Power has told me they will no longer give me assistance. I asked them for a loan of £20 for the next top up and they said they can't do that for the next 12 months. I don't know why. If I run out of electricity now I'm a bit lost."

Tenant H said he is unable to carry out basic tasks that others take for granted, such as washing his clothes.

"I am very cautious about using my electricity. I don't do a washing very often, because I don't go out a lot. I wear the same clothes a lot. Because my washing machine uses a lot. I turn off all my switches and I never put my heating on. I stopped putting my heating on, put lots of jumpers on and lay in my bed. I don't really go into the living room that often."

Tenant G, another single man, said:

"I'm in debt with the electricity company. I basically asked them over the past year for advances, credit advances. So I've accumulated £190 debt from that over the past year. I go to food banks... I also speak to a debt adviser there and they help me with a bunch of stuff like gas debt. I had £400 of gas debt."

On feeding her children Tenant B said:

"Yeah, I try as hard as possible to make sure they have their food, their snacks. Everything they need to meet their primary needs. I don't want a situation whereby they start feeling as if they are not being cared for and I don't want them to feel different to their pals in school. And I don't want them to start being withdrawn or not being able to fit in with their groups or their friends."

Tenant D said:

"I always have to watch my money now you know I probably spend about £7 a day (on food), I don't know if that's a lot, I'm a big guy."

Tenant K spoke of how she was eating less, saving money on energy bills and food:

"When the weans are at school I would have a coffee in the morning and wouldn't eat until they came home because I'm saving on the gas and electricity by not cooking anything. I'm saving on food because a coffee will be fine and I save the food for them coming home."

Tenant H said:

"For food I get a big shop but I'm afraid of getting frozen food in case my electricity runs out and I've not got the money to cover a top up. So I'm buying more tins and pot noodles and stuff rather than meals and fresh stuff that I can cook."

*(Being on UC and struggling) "Makes me feel s**t, some days I just get on with it, a lot of days I wake up and think there's no point. Unfortunately, I have depression and this*

doesn't help. Getting up to a cauld hoose does not help. I cannae bring my friends up because it's not a welcoming environment and so I end up sitting on my own. When I'm lying in my bed and I hear that power cutting off I turn round and usually cry and I think about what my life has come to. I've went from a boy who had everything to one who has nothing."

Tenant U said:

"I wish I had the money to pay all bills but the cost of living has gone bonkers. I go to the shops every week and the prices just keep on going up and up. You go into the shops and are looking for out of date food and then make soup with that, that can last for 3 days"

"I'm a diabetic and supposed to be on a particular diet because of it but I can't afford the food I need to be eating, your fruits and all that. I'm buying bread that's 50p but that is bad for you."

"I feel terrible about the energy situation and prices going up tomorrow, I'm scared to use my electric, I just have to put an extra jumper on."

Tenant L, a single parent of an autistic child with special dietary needs described how she gets £244 a fortnight and:

"My son has special dietary needs but I don't get any help with that. I really need to budget, my son's food is a lot dearer...it's hard. I think he has autism, he has sensory issues and I'm also trying to accommodate that."

Tenant R, who also has an autistic child describes how her son's specific needs results in additional energy costs, which are a particular financial challenge to people in her position:

"My 10 year old has sensory issues, he likes light, his room is like Blackpool illuminations'. Everyone is getting support for energy now but my circumstances are different from many who might not need as much help."

Tenant S describes how UC has not kept pace with inflation, how life is getting harder as a result, the impact on his family, especially his asthmatic daughter, and others within his community:

"It is getting harder, it's like a daily conversation with my friends, other families about how we are going to survive, how they are coping with the money from UC. Every day when you go to shops like Aldi, Lidl, Tesco, Asda, prices are increasing but UC only increases by £1 or £2. It is not equal... the increase of prices is not equivalent to the rise in Universal Credit. There was a slight increase between 2020/2022 but it's not the same as the rise in prices."

“Added to that are the energy bills; it's a nightmare, it's a nightmare. Personally, I can't believe it. My daughter is asthmatic and last year we were struggling, especially when my bills came after 3 months because I'm on a direct debit; after 3 months you get the shock because they increase the price and they take more than the direct debit. So you have to pay and that month you will be struggling to find a way to cover the other living costs for your children.”

Tenant S will prioritise his daughter but is concerned at the escalating cost of energy this year:

“I don't care about prices; I do care about the health of my daughter especially during the winter time. The heater (then) has to be on all the time but at the same time when you're looking at the prices now, it's maybe going to be double the price I paid last year.”

Tenant T said:

“We are struggling, I mean we are struggling food wise everything is cut back, electricity and gas I'm in emergency more than anything else, I keep going on that. And there are some days you are really struggling until you get your next payment. Because obviously you have your bills, your internet, your phones, your gas and electricity. We have a dog as well so we have to pay for that. Then there's my boy and his needs and I have Lucozade and stuff like that to get him to help with his hypos and so you have to have stuff like that in. And now when it's getting cold and I feel I can't put our heating on. It's different from the way I used to live. I have sold a lot of my things (jewellery, xbox and TV) to try and pay bills. The food we used to eat we are not buying any more, it's the cheaper versions of things we buy now and it's not the same.”

USING FOODBANKS

Tenant A said:

“I've went to food banks and stuff like that over the years, unfortunately I'm one of these fussy eaters and the stuff that you get out of foodbanks is tins and veg and that kind of stuff but I cannae eat it. I know beggars shouldn't be choosers but it doesn't always work with food banks because I can't eat half the stuff.”

Tenant E said:

"We've been quite a few times, yeah, but while it is a help, some of the stuff the children don't like tomato soup they won't eat it. And that's what we tend to get. We got stuff not long ago and it was mainly beans. I don't want to say I'm against them. I'm grateful for the help, but you know, sometimes it's not the best."

Tenant L said:

"I have had to get food from a food bank three times in the past 6 months... 'I don't have a big appetite anyway, but I always find something to eat. It might not be what I want, but there is always something and as long as my wean is fed."

THE UNSEEN IMPACTS OF CLAIMING UC

Tenant D describes the impact on his social life from being on UC:

"I mean if you've not got money, you're not really going to go out. I hardly talk to anyone anymore... It does affect your social life. It's hard to be friends with somebody and they don't understand it. Because maybe someone is working full time. They don't know, why can't you do this and why can't you do that. And then just I think, it does affect your social life. So aye, confidence wise, 'cause you have got no money to do anything. People will spend £100 and I can't do that. And I say I can't and then they think you're just being awkward and you end up with no friends."

Tenant I also touched upon how people's social lives are disrupted:

"Living on this level of income does mean you have less free money once your bills are paid. Like having your pocket money that you know you could use for a social life. It's a bit different for me because of my health. I can't get out, but if I was able to get out and have a social life I wouldn't be able to afford it. It would just be too expensive."

Tenant C, expressed how difficult she would find it if she had to deal with any unforeseen circumstances and had to pay for things beyond her basic outgoings:

"I would have to think twice about certain things and I would have to save for stuff. If a washing machine broke tomorrow I'd have to save up to buy a new one. I don't want to go down the road of asking for loans; I don't like debt. If there were any unforeseen circumstances then I could be in trouble there."

Tenant A describes how he sold whatever possessions he had and items he had bought when working, saying:

"I also have had to sell some of my possessions – tablets, watches, my phone, I can't have a £1200 phone when I'm struggling to feed myself, so I have had to sell that and got a cheaper one instead. I have kept my car but that's off the road because I can't afford to run it... I go to pawn shops, I accumulated lots of stuff when I was working, so I go to pawn shops or sell stuff on gumtree. That's what has happened to me in the last six, seven or eight months but I know that's not sustainable."

Tenant E described how her kids do without:

"It's hard because we hear of people going away on holidays and we can't go on holiday because we can't afford to save money to go and take the children away, so we're just going to have to take them for days out because we can't afford to save up money."

"It's quite depressing 'cause you don't know if you're gonna have the money to get what you need. The kids have been asking about the beach and I know you don't need money to go to the beach but then kids want ice cream when you go to beach and if you haven't got the money to do that it upsets you because you can't even afford to buy your child an Ice cream, you know?"

"We do things that don't cost because we've not got the money. So it's got to be stuff out there that you can do without the money, like going for walks and things like that as a family. So we just started doing stuff like that instead, but then we found it's quite good for mental health. It's very difficult and very upsetting that we can't give the children what they want all the time."

Tenant S spoke about how he couldn't buy in a spontaneous way for his children:

"When you have kids, at age 6, 4 and 2, they don't know you are getting the money but they are always asking you know, and my boy at 6 wants to do football training and swimming, he wants extra but I cannot afford that... What makes me really frustrated, is when we take the children out and we go out shopping and window shopping and you know children at this age, they want everything and sometimes they ask and I think if buy for one of them I have to buy for the 3 of them and im then thinking what about the rest of the month because everything is organised and managed for the rest of the month. I know how much I have to pay for the rest of the month and I'm thinking how am I going to pay for them, like my electricity this winter."

Tenant K described how the challenge of caring for her 3 year old granddaughter whilst working led to her leaving her part time job:

"When we first got our granddaughter, I was working. I was supposedly doing a 16 hour contract, but I was doing double that. It was fine when she was a baby and social work provided childcare, they paid for it so it was fine by us. But then it got more and more hard and I had to leave my job."

The lack of safety net when things go wrong was something that regularly came up, Tenant G described how:

"I'd say I'm quite good at budgeting, but sometimes you just can't budget for unexpected things. You can't really put anything aside as a sort of safety net when every penny coming into your account is going out...If things break I can't budget for that. So when my computer broke I had to go to the library for a month but it wasn't as handy and then my phone broke and you know what I do? I ended up without a phone for three or four months. There's no fall back for when things go wrong...You can apply for a budgeting loan but I've already done that to get a washing machine. I then need to pay that off for a year so I can't have any disasters within that year....it's just a real struggle."

Tenant T described how having to replace her broken washing machine led to rent arrears:

"Just before Christmas I was in a bad situation when my washing machine broke down. I had to not pay my rent so I could get a new washing machine. Wheatley got in touch with me and they were absolutely fine with my situation but I ended up in arrears because of it."

Tenant K outlined how they were unable to afford house insurance and the impact that this will have on them if, for example their freezer broke down:

"I'm lucky I've got a decent size freezer but if something goes wrong with that I'm screwed because I've not got house insurance. So that's going to be an automatic loss."

Tenant G spoke about how he hadn't bought clothes for years:

"I've not been buying clothes. When I was working I bought one pair of trainers and they basically got worn out while I was working and that was the last time I ever bought any clothes or footwear. That was 3, probably 4 years ago. Prior to that I got clothes through a charity, through the council, and I got a bunch of secondhand clothes that I still have. I have not been able to buy clothes for a long time and your shoes just wear so much faster than I used to remember, I don't know if that's because I'm walking a lot more."

When he was asked about how this made him feel, Tenant G said:

"I'm embarrassed to go out in public. I really don't like going out. It's not because people judge me, I don't even care about that. It's just like, I feel really bad, wearing tatty clothes with holes in them and stuff like that. Yeah, that just put me into a spiral of depression."

Tenant B said:

"I know with time I will pay the bills but for now it is hard to carry on with debts, all of them (her boys) are growing. They are growing out of their clothes. I can't even make ends meet to change them (clothes)."

"The boys have been angry with me for the past five years or six years. They've not been on holiday, so they were telling me 'oh mum, this year we are not going to holiday again and every year you keep saying next year, next year, next year. All their friends will go on holiday, they will come to school, they will tell them where they have been, let's at least go to a caravan or if it is a caravan we want to go to a caravan and that's OK. We don't want to travel, but at least let's go to a caravan. I'll tell them you have to be able to afford it, bear with me, no money for now but when I have money we will go. They then start being moody and crying."

Tenant K said:

"We certainly don't go to the soft play areas very often. I suppose we're lucky because we are involved with social work (as kinship carers). Through that we'll occasionally get vouchers, which are a godsend. Although we've got lots of places for play within walking distance but they cost money to get into them, the swimming pool etc. So it's parks and walks that we do and occasionally we go to the beach but again you need the car for that and then money for a picnic, so it's all money. They (the kids) are quite resilient though, they are tough wee cookies."

Tenant L said:

"I can't do the stuff that I would like, I can't have any days out, my son can't get all things he wants. I can't be chilled in the way I would like."

Tenant M said:

"I'm not able to go on holiday, I barely go out and I don't treat myself."

Tenant O said:

"Everything was a worry really. Before I got the job as soon as I got the my UC there was a big chunk of that going on gas, electric but that was spent on showers, washing, drying the kids clothes, then there was food prices as well but because I was keeping up with all them I had less money to actually do stuff with the kids. I felt quite bad because the kids would ask can go here? Can we get an ice cream and I said I don't know if I can really afford that."

Tenant P said:

"There's quite a few things I can't do, I just can't go away and treat myself. I budget for a haircut. I have a dog and he gets more haircuts in a year than me. I do get

there but I worry the whole time. I just don't buy for myself, I would rather make sure my boy has what he's needing and my bills are paid. I have nothing left for luxuries. There's no holidays for me, I'm happy at home."

Tenant Q described how he goes without pastimes:

"I'm a big football fan - but I can't go to a football match because that's so expensive but I can't even watch it on the telly any more other than when its on the BBC... 'I have no wifi and no Alexa or anything like that to listen to music, which is another pastime, I like listening to music, but I can't do that either."

Tenant T spoke of how her social life has been impacted since giving up work to care for her son:

"We used to go to the cinema and go out for a wee bit of dinner but now we can't do that. We are always just in here (home), I'll take the dog for a walk to get out. It's just our way of life, it's completely different just now."

THE FIVE-WEEK WAIT

Tenant B said she had to wait 2 months before getting her first UC payment. As a consequence she found herself having to take two advanced payments, reducing her income. This reduction will go on for over a year until it is paid back.

"I made the claim, I think around October last year. In November, they called me and asked if I wanted to take a loan from them because at that point we had no money coming in...I told them that I don't have money. I don't have food at home. I tried the food bank but the food they brought for me is not what my kids eat...I could not even eat there because the boys don't like those things they gave us there from the food bank. So, then I said, OK, they're gonna give me a loan, they gave me a loan. They said they will collect the money back from my UC payments. The loan is going to finish next year in October. Next year, not this year...but the one they gave me is not enough. So, I took another one again...so they are taking the two loans every month."

On describing the wait for her UC claim to be approved Tenant B said:

"It was terrible. It was really terrible...That was when I started to accumulate debt on my light (electric) and Council tax. I was just using the loan I took to eat so I couldn't pay my bills for that period...I couldn't pay my Council tax. I couldn't pay my electricity bill. My gas was top up, so I was just topping up my gas. It was when I saw that I could not manage so when it was February I asked them (electricity provider) to change to pay as you go for my electricity. They changed it for me in April."

Tenant A describes the five-week wait:

“That was a bit of a nightmare. Cos you have to wait five weeks, you can apply for an advance, but again you have got to pay that debt back. That loan you borrow at the start to get you through those first five weeks is coming off my benefit.”

Tenant K says she had to wait much longer than 5 weeks, and how she was offered an advanced loan when waiting:

“I actually had to wait 8 weeks. But they did say I could get an advanced loan. Yeah, that was quite helpful, but the amount that they ask you to pay back is quite expensive... it then puts you in a situation where you're stuck again because you've had to borrow the money.”

Tenant K also described how when she was moving onto UC, as part of the managed migration process she did not receive a transitional payment and got an advance instead:

“When I got told I was moving onto it, I did the form online, I was meant to get one more payment from ESA before they stopped it. But I never got that payment, so that's why I phoned up and got the advanced payment.”

Tenant H described the length of time he had to wait when he claimed and how it led to rent arrears:

“It took 2/3 months – they were getting a really a bad press at that time and I can't really fault them but unfortunately the rent arrears kicked in then...the delay between first making my claim and having my work capability assessment took 16 weeks, that was a really long delay for me.”

Tenant I also spoke about trying to get her claim sorted and mixed messages from DWP about whether the DWP was going to provide support to help pay her rent:

“It was really stressful, one of the months I got nothing. Calling UC is a nightmare. You speak to one person and they have no idea, and then I'd think this is not right and I'd call them back and get someone else and they tell you something completely different. At that point I was really stressed, then I got someone and she said that I wasn't entitled to any support at all with my rent. I asked if there was anyone else who could help and she said no. Then I hung up the phone and thought, “Oh my god I'm really in dire straits.”

Tenant M described how she waited considerably longer apparently due to the Covid pandemic:

"I had to wait for about 4 months, because of the pandemic, before I got any money after I claimed. I got help from Wheatley. What helped me at that point was that my partner left me some money and I also got help from my family and neighbours."

Tenant P described how she was moved on to UC when she stopped getting tax credits for her son when he left school:

"I was on tax credits so when I phoned to say he was leaving school they transferred me onto UC and it took about 5 weeks to sort out. It was really a struggle for 5 weeks, I didn't want to but I took a £100 advance."

Tenant S describes the struggle of waiting 5 weeks as an asylum seeker with no money and having just been given leave to remain in the UK:

"I remember when I first claimed they told me you need to wait five weeks before you get your first payment. It was a very difficult time. When I first started claiming UC I just had my leave to remain in the UK...so I was paid before £140 a week (for living costs for me and my family) and they stopped that (after my application was approved), I claimed UC and had to wait 5 weeks before I got my first payment. I had no income at all during the 5 weeks...I was struggling, I had to get some support from my friends but I had to pay the money back."

ADVANCE PAYMENTS AND DEBT

Debt is an almost inevitable feature of living in poverty. Poverty by definition means not having enough to meet your needs. This will often mean that people miss payments and borrow for essentials when money runs out. Either of these results in further entrenching poverty. UC rigidly ensures that whatever debts people have within the system is paid back. This means that if people have legacy debts, housing arrears, council tax debt etc. then it is paid back from UC. This is in addition to the debt that so many accrue via advanced payments during the five-week wait for UC.

Tenant A, whose standard allowance is £324 but only gets £243 because of paying back debt, says:

"My debt goes back even before UC – JSA, crisis grants, budgeting advances, loans and council tax debt."

Tenant H spoke about the process of getting an advance payment and its impact:

"I got an advance payment of £400, the only let down was that they didn't tell me that it was to last me until my actual claim kicked in. I went back 2 weeks later asking for money saying I had no food and they then said at that point the advance payment money was meant to last you until your next pay. That's where it fell down."

"Paying back that loan that was when I felt like giving up, everything was hitting me at that time. £235 a month and then deductions were tough and then you phone to ask for a reduced deduction and then you get someone asking you what you have spent your money on!"

Tenant I, explained about the previous debt she had accrued when working and was still having to pay back, also spoke about receiving an advance payment:

"They phoned me and offered me an advance just before Christmas. I took it off them and used it for Christmas. If it had been explained better I would have waited and used it for the month I didn't get UC and I would have paid my rent. I had no idea about how the system worked, I went into it blind, what he didn't say was 'wait a wee minute if you take this in the future you are not going to get anything else until you pay this back,' if I had known that, I wouldn't have touched it and waited until when I really needed it."

Tenant G spoke about multiple debts that he had, including deductions from UC, which sometimes saw double deductions being taken:

"They take double deductions and there's nothing you can do until next month and it's like, wow, because it's such a short period of announcing what you are going to get paid. And then you'll be able to go through and see how they're taking this and taking that. Then they tell me there's nothing they can do until next month. I mean I have had double deductions, taken off me for housing rent arrears. They took £80 off me and I was only getting £300 at that point when it started...Double deductions really throw your budget out the window, so you need to eat rice or bloody noodles and just deal with it at my end and suffer in silence essentially."

Tenant I spoke about accumulating and paying back debt:

"When I was still working, I was on a full wage and picked up a wee bit of debt/credit - you never stop to think something is going to happen to you. I have developed problems with my legs, you never stop to think that 24 hours later your life could be turned upside down and 8 months later obviously I've still got the same debts but don't have the same income to pay those debts."

Tenant L described how she is in debt as a result of:

"Paying back an advance payment, an overpayment of tax credits and rent arrears...When I applied for UC I had to get an advance payment because I had to wait 5 weeks. I also had to borrow money from my son's grandparents at the time..."I'm in debt with my energy bills as I can't afford to pay my electricity bill...They have now got a debt company on me."

Tenant T spoke about the impact of debt and deductions from UC:

“UC has deducted housing arrears and council tax debt these past two months. This is deducted from my benefit and they have sent me bills for this year and I'm thinking how am I supposed to live, if you want more a month plus you have already deducted from my benefit...More and more money is coming off and you're trying to juggle your benefits back round again and thinking how are we trying to get by this week.”

Tenant S spoke about receiving an advance payment:

“At that time I didn't know you could get an advance payment but when I moved to my new home I got an advance payment of £800 and you have to pay that back at £67.50 per month...it's like a double edged sword.”

FLUCTUATING PAYMENTS WHEN WORKING AND/OR SELF EMPLOYED

Tenant K described how when people are working and claiming UC it can see them not receiving what they should receive. Income such as a work bonus can make UC payments fluctuate significantly and pay less than expected; often significantly less than the monetary value of the bonus itself.

“It (UC) is not a lot. It varies. The way my partner works, he could get a bonus, or he might not. So if he gets an extra £100 bonus in his wage one month, we will get nothing from Universal Credit. If he doesn't get the bonus, it'll be maybe a £300 payment from Universal Credit. Roughly worked out for an extra £100 for him at work means UC take off £300. It doesn't make sense.”

Tenant B, a single mother of 4, works part-time whilst bringing up her children. She described how because she is working her income fluctuates quite significantly, which then has an impact on her planning and ability to pay the bills from one month to the next.

“Yes, so when you get your pay they use it to calculate what you get from Universal Credit, so there is a certain amount that gets paid in deductions. Sometimes they just make deductions. They will just tell you that this deduction is based on an investigation. You won't know what the investigation is for. So at a point I had to question, then write and write and write to get them to tell me what I did and why they are investigating and why they are deducting money. I asked them why the money was taken off, they will say it's based on what your income was. So it means the money every month is not fixed.”

“They write back to you to say that is what the government says you will live off based on the calculation we got from your employer. This is what you get, sometimes it is not the same amount I get from my employer. Actually, sometimes there are some months that are five weeks in a month. So based on the way they do the calculation, it

sometimes falls on one month or falls on the other and the salary might be more. It might be more because there is one week extra."

Tenant P who worked part time with often varying hours described her experience of underpayments and overpayments:

"Because of the work I do my hours fluctuate and I'm ending up with overpayments and underpayments and having to pay back all the time and it does put pressure on me."

"The (employer's) accountant made a mistake, which my work coach spotted. It said that the day it was submitted was the day I got paid, when it was actually 7 days later and that was why I was getting underpayments and overpayments...if I was getting overpayments they were taking money back which left me with less to pay my rent. That was when my rent arrears started...Every month I get my statement (from UC) through. I dread opening it to see how much I'm not getting and how I'm going to have to try and find my rent."

Tenant J described the challenge of building a business that meets the minimum income threshold set by UC:

"Being self-employed, they gave me an extension because of Covid and I've got until December to create a business that will generate an income of £14k minimum. I don't think I can make that and it's made me think that if I can't make that amount of money how is that going to be perceived by UC? Do I have to finish up everything I have gained and headed towards? Will all that finish and will I have to go and get a normal job at 60 years of age? It's a worrying time for me, it's quite a challenge."

Tenant S reflected about when he was on a zero hour contract and how this impacted his income from UC:

"When I first joined this job, I was on zero hour contract and my income from UC fluctuated. When I started part time my money was steady. When on a zero hour I could go from 2 shifts one month to 5 or 7 the next and this would affect, because I'm on fixed payment my income is steady."

THE CLAIMANT COMMITMENT, SANCTIONS AND SUSPENDED PAYMENTS

Tenant C said:

"You have to sign on and do your journal. You have to spend 35 hours a week searching for work. How do you do that? How do you do that on a computer? How do you look for work for 35 hours a week on a computer?"

If a claimant fails to meet the claimant commitment, sanctions invariably follow. According to Tenant A:

"That's the way they justify sanctioning because you have agreed to the claimant commitment. If you don't meet the commitment then you will be sanctioned."

The claimant commitment ties UC claimants to meeting their work coach regularly at scheduled times. If a claimant does not attend these meetings they can be sanctioned. This is designed to replicate normal day-to-day life of turning up at a job but it makes no allowances for cancelling or rescheduling appointments because of immediate and pressing personal issues. Tenant A said:

"If you do not go to a meeting you have to explain why you missed that meeting. That's then sent to a case manager and that person then determines if it was a genuine reason for missing the appointment. If they decide it's not then they put a sanction on you and that person will decide how long that sanction is going to be, the first time I was sanctioned it was 30 days and the second was up to 81 days."

Tenant D described being sanctioned because he couldn't complete a process due to being unable to access the internet.

"I've experienced that once, I couldn't get access to the Internet and then didn't get paid. I couldn't sign the form that you're supposed to each month because I couldn't get access to the internet. That totally threw me. I didn't get paid for two weeks, it was a carry on, I had to phone up and try to get sorted."

Tenant N describes how he was getting zero payment from UC for a period of time whilst still technically claiming. He said that because he was not getting paid he did not go to appointments as it cost him money to do so. When he was eventually paid UC they sanctioned him retrospectively:

*"I am entitled to £86 per fortnight but that will be sanctioned because I hadn't turned up to appointments when they weren't actually paying me anything...For not showing up to appointments when they were not paying me I'm getting sanctioned, which will leave me with £2.49 paid twice for the month of October, it's actually laughable, it's ridiculous. I said don't put that in my bank, just keep the f*****g money."*

Tenant C describes that after she spent money on rent upfront, her payments were suspended for 5 months pending an investigation into whether she had 'deliberately depreciated' her savings in order to get 'benefit'.

"It's really stressful, but it's also extremely frustrating. The only way I can say it is the humiliation of being treated like you're some sort of skiver. You know when you have paid into a system for 45 years that was designed to protect people like me when

things go wrong. And after 45 years of paying National Insurance, income tax, doing everything right, suddenly the system that was there to protect me completely failed. That was the issue for me and it made me extremely angry.”

Tenant A describes his recent sanctioning:

“If you have been on benefits over the years it's actually not that much of a shock. You just expect stuff like that is gonna happen. That makes it difficult. I was penalised because I missed a couple of meetings because my head was all over the place, and had suicidal thoughts. Getting to the jobcentre at that time was the last thought on my mind. So because my mental health was deteriorating I missed a couple of meetings and I was sanctioned. I have been sanctioned for 81 days, which means I'm not due to be paid at the beginning of July and I'm going to have to phone up the hardship fund again.”

Tenant J said:

“Yes I have been sanctioned, I can't remember what it was for. I just thought then why are you doing this, it was militaristic I couldn't figure it out why, it was a punishment. I had 2 weeks' worth of money taken away.”

Tenant E, hadn't been sanctioned, but she knew people who had:

“I wouldn't like to be sanctioned. Because I know people that have been sanctioned for weeks on end, and I've seen that it's very difficult when people do get sanctioned very, very difficult, especially when you've got bills and stuff, 'cause then you've got everybody chasing you for your money. And if you've not got money, you can't pay it.”

Tenant G described his experience of being sanctioned:

“There was a car accident one day that held me up, I took a video of it and showed the woman at the Job centre when I got in 2 minutes late but I was still sanctioned for three months and I was left on £66 a month. It was unbelievable... Absolutely devastating.”

Tenant O recalled being sanctioned previously:

“When I was by myself I got sanctioned, it was a horrible feeling. When you get sanctioned you have nothing.’ ‘It was family and friends who helped me then, I was lucky I have them.”

HOUSING AND UC

Every recipient of UC we interviewed qualified for the housing element of UC. Arrears were accrued by some when waiting on their UC claim being settled. Almost all of the people spoken to requested their housing payment to go straight to the landlord.

Tenant H said:

“My arrears got worse when I was waiting on my UC getting sorted. My housing officer put in a claim for my arrears and that made me £60 a month worse off paying these. That put me in a black hole.”

Tenant A said:

“Yes, I get my housing sent straight to my landlord – I don't touch it. If I did I would end up spending it. £313 gets sent to them.”

Tenant H also spoke about how for him rent going straight to his landlord was important:

“They were initially sending it to me and I told them I do not want it or I'll spend it. They said it's about managing money, but I said I do not want it because I'll spend it. On a bad day I'd just go and find drugs.”

Tenant J describes a breakdown in the system when he was confirming with the DWP his new rent, which resulted in him not being paid for 3 months:

“I had to tell UC what my new rent charge was, they came back and said that it had to be confirmed by Wheatley and it went round in circles for a while. So, when I opened up my UC the next month, it said my account had been closed. I got in touch right away and was told I had to re-apply. I lost out on 3 months worth of income and 3 months of rent.

My case had to go to the decision maker and then I had to wait a month on that, eventually they put me on UC and the money was backdated. Those 3 months really affected me, made me really worried, took my mind off what I was supposed to be doing.”

WHEATLEY GROUP OPINIONS/HELP FROM WHEATLEY AND OTHER ORGANISATIONS

Tenant J said:

“Wheatley Group has been really good to me in the past, the financial adviser who you can go and chat to has been really, really helpful. Honestly, it's the best thing that's ever happened because they have a better overall understanding of how it all works.”

Tenant U indicated how the help people tend to get is from organisations like the Wheatley Group and others:

“Not a lot of people are helping. The people who have helped me are the likes of Wheatley, Govan Law Centre and Citizens' Advice.”

Tenant M said of Wheatley:

"Wheatley has been really helpful trying to get things sorted for me, done a lot of my paperwork to get my council tax sorted. If it wasn't for the support I have had from Wheatley, I don't know where I would be."

Tenant R, who had to appeal after initially being rejected for UC, described the help she got:

"If it wasn't for my Wheatley Welfare Benefits Adviser I would not have got that and would not have been on UC at this time. As I didn't know what I was filling in or what I was entitled to, it was just a complete minefield...If it wasn't for the staff at Wheatley I wouldn't be in the position I'm now in, I would be still struggling on trying to pay my bills without that support. I would just be working to find my rent and pay my bills through a cost of living crisis. Basically I would be working just to pay my bills, I wouldn't have anything else in life."

CLAIMING UC

Tenant C described the challenges she initially faced when claiming UC, including trying to persuade the DWP that she was sick, unable to work and entitled to the sickness element of UC. She said:

"I've had some proper nightmares to be fair...The biggest hurdle for me was when I moved home from London. I came back with some savings and I came home because my health was failing. I wanted to be close to my family. But trying to persuade these people that you're unwell is an absolute nightmare. You have to be handing in sick lines for 12 weeks before they'll consider you for the assessment."

"Then when I went for the assessment and it came back with zero points. Zero - Nothing at all. That came from the DWP decision maker. You're being assessed by someone with not a great deal of medical training, you are not being seen by a doctor, you're instead being seen by a physio or an occupational therapist or something? These companies have been hired to do assessments. They write reports and it's sent to the DWP where the decision maker comes back with zero points. And at that point I'm living on £74 a week. Because the only thing I was entitled to at that point was the Job Seekers Allowance. So at that point they're expecting me to live on £74 pound a week and I'm not fit enough to go to work."

Tenant C then described how they went through the same process again, and this time they were awarded disability payment:

“My health just got worse and worse and worse. So I went back into the system and spent another 12 weeks handing in sick lines. I got another assessment by the same person who I saw the first time. When I walked through the door again the girl asked ‘what are you doing here?’ I said, well, I’ve got zero points and she actually said, I don’t believe that; I don’t understand how they’ve given me zero points from my report. This time I got through and they awarded me what I requested – ESA equivalent Capability for Work related activity - And nothing had changed, my condition hadn’t changed. So how could I just three months before that be told that I was perfectly fit for work?”

On the process of being made to work when unfit, and going through Work Capability Assessments, Tenant C said:

“It’s heartless. They don’t see you, you’re sitting in front of them and they don’t see you. Don’t see you as a person. I know they’ve got a job to do, but they are not seeing you know and it’s my firm belief that these people, doing the work capability assessments, are there to get people off their benefits. That’s why they are employed – they are not there to help people.”

Tenant I spoke about her condition and how her current status of being deemed unfit for work may change after a work capability assessment:

“My legs are in excruciating pain. I was frightened, my legs gave way. An MRI showed I have bulging discs putting pressure on my nerves, I can’t lift my leg from the floor. I am incapacitated. My son is caring for me and now he is having to apply for a Carers’ Allowance. It is amazing how one day can turn your life upside down...”

“They have put me through as UC50, low capability for work, they can send you for an assessment even though my employer has said I’m not fit for work. They might decide differently so if I could be asked to do some kind of light work if they decide differently, which would need to be from home in my case. That is definitely there in the future for me at some point.”

Tenant A describes how his health condition meant that he was considered unable to work but was not classified as unwell enough to receive additional payments:

“The last time I was on UC, when I had my heart problem, they put me on a different version of UC. They accepted that I was ill, I didn’t have to go into the job centre every 2 weeks, but I wasn’t ill enough to get more money. I could not believe it. They accepted that I wasn’t fit to look for work but I wasn’t ill enough to get more money so I still had to survive off the basic amount. I don’t understand, how can you be unfit for work but not unfit enough to get extra money? To get that you need to be really unfit, but surely you can either work or you can’t?”

What came through quite strongly was the length of time it took to sort out claims and also the points based system which rejects claims, for example when claiming PIP.

Tenant K described being rejected for PIP, even though Tenant K had recently suffered a heart attack:

"It was January when we first put in the claim...and it came back in May saying that I wasn't entitled to anything. So, I put in an appeal. We're waiting for the appeal and we fully expect it to get rejected again, and then we will have to go back again."

Tenant E spoke about her partner's experience when sick:

"My partner has got a really bad back. He has a curve in it and he can barely get out of bed sometimes...but Universal Credit told my partner that he is going back to work even though he couldn't get out of bed some days."

When asked if they gave a reason why she was rejected for PIP, Tenant K said:

"They didn't give a reason. I didn't have enough points for the system. The questions on the actual sheets were stupid. One of the questions was. Can you walk the distance of five buses and I'm like, well how long is 5 buses? Another was 'are you ok at getting dressed?' I answered by saying I have to, because there's nobody else in the house. They say 'oh so you can get dressed yourself then and you don't struggle with that?' But I do. I mean, I don't believe it should be easy to claim it but at the same point it should be easier if you've got medical evidence. Surely that would be enough to back everything?"

Tenant H describes how when he contacted UC to ask for his PIP to be upgraded based on new health problems, it was actually decreased.

"That's been made worse because they have cut my PIP. I got in touch to say my circumstances had changed and instead of them increasing it they cut it. I have appealed and I'm waiting on the resultI should be on the high level daily living PIP and high level mobility, but I'm on the lowest level and they have taken me off mobility. I've lost £110 a month for the last year because of this. This would help me significantly. Just now I'm struggling."

Tenant Q describes how he was paid PIP after applying several times:

"Just a few months ago I was awarded the low rate of PIP...The PIP helps me a good bit but I still find it hard to manage and I still need help from family and friends."

WAITING ON DECISIONS IF IN DISPUTE OR APPEALING DECISIONS

Tenant P describes how she challenged a decision on overpayments but is still waiting on the decision:

"I'm waiting on a decision - I don't know if i'm entitled to any more help, or if i've got all that i'm entitled to, but it's just this not getting a response back, its been put to a disputes team. This was June and I'm still waiting (now October) for an answer."

Tenant R, a single Mum working full time and a carer for her 10 year old autistic son describes the issues she had when initially claiming UC after separating from her husband:

"I applied but was refused and got zero. But I was a bit confused because I knew what I earned and I knew what I was entitled to and I was under what the threshold is. So I phoned and they said if it's saying you are in receipt of zero then that's what you're getting so I just accepted that...Then my housing officer came in and I said to him and he recommended that I speak to a Welfare Benefits Adviser and when going through the forms he said that I filled in a part incorrectly I then filled that in and I was awarded my full rent plus £86 a fortnight and they fought for my rent to get backdated."

Tenant S spoke of the challenges facing people who have been given leave to remain after seeking asylum and when English is not their first language. He also spoke of the help he received from people in Royston Library:

"I was struggling to understand how to apply - and I remember going to Royston library and people there helping me. That was helpful. My English is not bad but there are people who don't speak English at all and when you say to them UC they will say what's that, some people don't know how to start their journey when they get leave to remain. They find it really really difficult. When you claim UC and are waiting on your first payment."

Tenant T describes how she has been rejected for carers allowance despite giving up work to look after her son who suffers from epilepsy and diabetes. Moreover, she describes how her son has had his PIP stopped after he reapplied:

"No carers allowance, I got taken off everything. Wheatley helping me try to challenge this...They gave my son PIP, but then at the beginning of this year when he had to renew they knocked him back, I then appealed and got it back and they gave zero points again and just this week I've been speaking to Wheatley who are fighting it again on our behalf. He still takes lots of hypos...He got PIP every 3 years and every year and a half and he has to keep on reapplying for. He is on medication for epilepsy and type 1 diabetes and he will have these for the rest of his life.This is what prevents him from having a career. I feel at the moment there is a lot of stress but not a lot of help."

Tenant T, describes her son's condition, what she has to do to support and care for him and the assessment process that decides that he is not entitled to support from PIP:

"He is not getting PIP because the forms are all about can he walk, what can he do etc and yes he can walk but he still needs to be looked after 24/7 because he doesn't go out either because of his seizures. I used to go to my work in the morning and I would come back from work and he would be lying on the floor fitting and he often has accidents where he ends up with black eyes and stitches where he fell off a radiator after falling. When he takes a bath I need to ensure the bathroom door is open and I keep an eye. Even with cooking I need to cook as well, because he has had an accident with a kettle. He still needs looking after, he can take them (seizures) any time and it's the same with his hypos...They are not looking at that when you're speaking to them on the phone. How they do their points system I don't know, it's all can he walk there, can he walk here, I say if you had to live my life on a daily basis you would understand what I go through with him on a daily basis."

Speaking to Tenant C unearthed a dimension of UC that can only be described as intrusive, a restriction on the individual freedom of claimants to make their own choices. She described returning from London to live in Glasgow and how she had limited savings when she arrived. Unable to access social housing she rented privately. This meant she had to pay her rent upfront from limited savings. This began a process that would ultimately see her financial support from UC withdrawn for 5 months. During this time she had to provide bank statements and justify every purchase she made to the DWP.

Tenant C explains:

"When I came home from London I paid a year's rent in advance and I went into private rented accommodation. When the year was up I told the landlord I didn't have a job and he said he didn't do DHSS tenants. You'll have to either pay up front or leave, so I paid another 6 months rent up front. At which point Universal Credit decided that I had deliberately depreciated my capital in order to gain benefit and stopped all my money, everything. And, it took me 5 months to get paid again...They decided that because I've given a landlord over £3000 and that knocked me under the £5000 limit, they said that I had intentionally depreciated my capital in order to gain benefit."

"Because of that I lost my accommodation. They were giving me no money at all. Whatever I had left in savings was what I had to use. I ended up with no money... so I lost my accommodation because they just wouldn't give me any money. You know it was just an absolute nightmare."

The intrusive part of this emerges during her attempts to persuade the DWP to start paying her again. She angrily described this process:

"I think I handed them 60 pages of bank account details and...the humiliating thing is, at my age having to justify why I bought a washing machine and a fridge freezer

after I had just come back from London. I needed things because I had moved into an unfurnished flat, it was an absolute nightmare. Five months before they paid me back the money they made me justify everything that was in my bank account.. I also had to go to the landlord and get a letter from the agent. I had to get a letter from the agent explaining that I had to pay the rent in advance."

THE REMOVAL OF THE £20 UPLIFT

Tenant C said:

"During lockdown, I didn't go out at all as I have a lung condition - I was really worried about my health. So I obviously used more electricity etc. The £20 uplift did help then they took it away. But I always understood that it was going to be a time-limited extra amount of money, I knew that that money was going to go, I was expecting it."

Tenant A said:

"I only just got it at the tail end before I started working. But even then it only took me up to where the normal amount of money should be. I saw a benefit from it, of course I did, but not like what others would have as I was still paying back money. It was of course a huge help and to take it back was just crazy."

Tenant H said about how the removal impacted him:

"The £20 helped me with electricity, it went a long way for me. Or it helped pay for food. £20 for me is like a week's food. Or £20 used to get me through a week and half's electricity. When I had the £20 I became dependent on it. When it got taken away, even though they were telling us it was going, I started struggling then. It's only £20 but it's a week's food for me so it was a big blow."

Tenant G said:

"The £20 uplift was such a lifesaver. It was a breathing space, I was now getting through the month putting an extra £20 on the electricity or gas or whatever. And you know I haven't paid Council tax for a while because I just can't do it. Monetarily I cannot do it...the £20 uplift basically cancelled my deductions so it was like living on a normal payment, because I was getting £100 deducted at that time and still am. (When it was removed) It was just devastating, I mean obviously it was temporary, but it was kind of along with inflation, yeah, because Universal Credit hadn't gone up in a while."

Tenant Q said:

"The £20 uplift was very helpful and when that stopped that was a massive dent to me."

WORK INSECURITY, HELPING PEOPLE INTO WORK AND EDUCATION

Because of her fluctuating income Tenant B said:

"I worked at one point and I was on the verge of saying OK, let me just stay home. Let me not work anymore. After all, my baby is still three years old, and is not yet five. Why should I be killing myself, working, trying to work to make a better life for me and my children, yet we still suffer hunger, so there's no point doing the work."

In spite of the difficulties faced by Tenant B relating to her fluctuating income, and also her having young children, she still faced pressure to work more hours.

"So they said, OK, you need to increase your hours so that I will stop calling and bothering you. And I say, is that what you are just after? I should increase my hours so that you won't be calling me again? And I said what I'm after is the safety of my kids. They said if you need help with child care, we will pay for it."

Tenant B, a mother of 4, including a 3-year-old, said in relation to work and childcare.

"The other day they told me I should increase my hours and I said I can't because I have a boy who is 3 years old and I still have to go to the nursery to pick him up and bring him back home. There's no way I can increase my hours. For now I will only increase them when the boy is in primary school."

"I don't think people like staying at home. I want to go to work, they told me oh if you need help with childcare for your children, we will give you childcare and I said no, I'm the only one in their life. I just want to be there for them for now. When I know that they can make decisions on their own without doing wrong things, they need to know the difference between good and bad. If I know that and am confident enough that these children are grown up now they can make good decisions on their own. Then I can probably go to work, but as it is now, I wouldn't want to leave my children in the hands of a stranger who they do not know. I want them to be taught good morals, I wouldn't want that."

Tenant P said that her experiences of finding herself in debt from overpayments due to the way the system calculates her UC support, were making her question whether she should remain in work:

"I have worked all my days, and I love my new job and it gets me out of the house, and I know it's the wrong attitude to have but I'm asking myself what's the point of working if I'm just going to end up in debt."

Tenant J said:

"It's a definite no to helping. In my position as a self-employed man trying to get a business off the ground I would expect them to have a programme that I could jump into. That they would understand what I am trying to do and would put me in touch with people to help me move forward. Nothing like that happened at all. All they do is just give you the basics and give you some money just to survive. That's it."

Tenant A said:

"It hinders a bit and helps you a bit. In terms of looking for a job, if you are really looking for a job, fully fit and able it can help you. For people who can't work because they are unable to, it's a nightmare, just a nightmare."

Tenant G spoke about how demoralising it is looking for work and trying to find a job that suits the claimants capabilities and prior experience:

"There are a lot of people wanting to find a job. But I just can't seem to find the right one. If you look at some of these websites, they show you how many people have applied. That really gets you depressed when there's a thousand people applying for the same job."

Tenant N spoke about his frustrations at getting asked to do work that did not fit with capabilities and experience:

"I made it very clear to them the type of person I am, my CV, what I'm capable of doing and exactly the field of work that I want to work in and have worked in. I was not going to be sitting there and being told to go into jobs that don't meet my experience. That's what they are trying to do, I asked them, have you even looked at my CV? They were sitting there hitting me with cleaning jobs. I have never been a cleaner in my life, I have worked in financial institutions and financial services since I was 17. The jobs they have hit me are cleaning, call centre work and retail."

Tenant G also raised some serious concerns about the nature of the work that people can be directed towards:

"A3, an agency contracted by the job centre, sent me to Amazon in Dunfermline. Went there and did the whole interview and there were like five of us on the bus going over there and as soon as we were leaving 2 coaches turned up from Manchester and they all got hired and none of us got hired."

Tenant G also described the type of work he took when on UC previously:

"When I was working I was barely scraping by 'cause of transport costs. It was a minimum wage job and the transport costs were too much considering I was only walking away with £900, because it was also zero hours. They used to send me home 2 hours into shift and have an 18 year old take over the café for the entire day."

"Money wise, yeah, I was, I was scraping by even when it was full time working and I thought I'd get some help from Universal Credit 'cause I was earning. Half the wages went on rent and I was spending £150 a month on travel. I actually never got a weekly

or monthly bus pass 'cause I was so paranoid I could get fired at any moment. I just bought a day ticket or 2 singles. Later on I kept getting sent home early.”

Tenant G insists that he and others were made to go to work for a known zero hour employer:

“They basically forced us to go into this job knowing it was a zero hour contract. I've got an email they sent us saying there were no part time jobs, it's full time only and it's a zero hours contract. I have an email saying that. When I eventually got to the company there were 26 Other Universal Credit people who were forced into working there.”

Tenant H said:

“Being on UC is increasing my anxiety and that's not helping me get back to work. They leave me alone, but I also think I'm like a forgotten person. When you get extra money, they are still supposed to meet you every 5 weeks, but my work coach has left me alone. She has let me be, but on the opposite side of it I don't get through to her when I do try to get a hold of her.”

Tenant J believes the system is too complex and hinders the most vulnerable people:

“For a lot of people it's set up to fail. What about vulnerable people with mental health problems, physical problems, housing problems, homelessness, people in distress, on the bottom of the ladder, who do they turn to? Imagine someone with mental health or addiction problems, imagine if they lose their phone for example. It just seems that the system sets up people to fail and that's the people who the system should be helping.”

Tenant L spoke of the various challenges facing her when trying to complete a college course, and not getting financial support to ultimately complete the course:

“Last year I was in full time education and I'm back this year to finish. Because I'm part time, they are saying that they can't give me support because I had a bursary last year, but I didn't finish last year because my son's father died.”

Tenant O describes the pressures he faced from the DWP pressuring him to get work and how the fact he had children, and the potential impact on the children was not being considered and taken into account:

“I wasn't working throughout the 7 weeks of summer/school holidays - I did tell them I was looking for work but during the holidays I started feeling a lot of pressure from them...it was appointment after appointment they wanted me on and I don't think they realised that my kids were at home... I told them I can't work now (during the holidays) because I have no-one to look after the kids. That was quite stressful, as over the 7 weeks of school holidays I had 3 or 4 appointments and all I ever heard

from them was have I made the phone calls, have I got a start date and I said no because it's still the holiday..."

"...I tried telling them I was struggling and was looking after my kids but they still wanted me to job search while I was by myself with my 2 kids in the house. The amount of times I said to them, can you give me some extra time, wait until the holidays are over and when the kids are at school I can work around it and that's what I did, I got a start date for this job with 2 weeks to go before the end of the holidays...I'm not going to lie, I was getting pressure from them. It was frustrating."

"At this point I was also going through a situation with my son who is 5 is going through assessments for ADHD and autism and even though I was trying to keep up with that I was getting all these forms to fill in and I was asked to come down to an appointment at 9.30am and I had to take the kids. They were annoying me, I'm not going to lie."

On the question of child care Tenant O said:

"They kept on saying to me about child care, but I'm going to work to provide for my kids. I'm not going to work so that I can provide for someone to look after my kids. I don't want to work to pay for someone to help with the kids."

Tenant O also describes lack of understanding of people with kids who are claiming UC and looking for work:

"I had to get my kids up and out of their beds to take them with me to the job centre. And then they are sitting with me for 20 mins, half an hour in my local jobcentre, while I'm sitting there talking about work. I felt bad...one of the most annoying things was that they would speak to me, my kids would sometimes try to get my attention and the adviser would literally speak over my kids and expect me to give my full focus to him. And, I had to tell him to wait a minute. I need to speak to my little one. An absolutely horrible situation."

Tenant P spoke of how fluctuating hours and insecurity at work, which then impacts on her UC:

"In my employment I get five weeks of holiday, but you know yourself how often the schools are off. Well this month I'll be 10 hours down because of the Queen's funeral and also because the kids I take to school couldn't go because new doors were being fitted. If I'm not working I don't get paid. So that has a knock on effect on my wages and UC."

Tenant Q said her income was steady and therefore her UC entitlement was also steady. However, she raised concerns that as a local government worker her wages were going to rise by around 10% and that in the absence of a corresponding

(inflation matching) increase in her UC that her wage rise may impact her UC and that she could well be no better off:

“Because my wages are set and consistently the same amount my income has been steady and not fluctuated, but I expect that to change when I get my pay rise and my UC to reduce and for me to be no better off.”

DIGITALISATION

Being fully digital means that people must either have and be able to pay for internet access or a smartphone, which often means people having to take out a contract. This is in addition to the cost of the IT hardware required.

The need to buy these things in order to fully engage with UC means that paying for digital access is as important to people as food and energy - without it, they would not receive UC or would face being sanctioned. Having access to the internet and phones is a fundamental core cost to people on UC.

Tenant B said regarding having to pay for a phone which would ensure she could engage with the system:

“It is a problem. I had to go and get a full contract, before that I didn't have a phone that had all the capacity and I just used a normal phone. So, because of that I had to go and get a full Samsung Android phone that has all the capacity needed to be able to use the Internet.”

Tenant C raised some concerns around disability and digitalisation; especially for those with conditions:

“One of my conditions is glaucoma. I can't see properly. I couldn't do Universal Credit on the phone. It's way too small. I had to get a 27 inch monitor. And because my eyesight is poor I couldn't manage my journal on a phone I would need to be sitting with a magnifying glass. So you need to have a computer and you need to have Wi-Fi.”

Tenant A said:

“For someone like me, I'm 36 and quite tech savvy its ok for me to use but the fact you have to do it online means that a lot of people who are 40 plus are no good using phones or whatever, it must be really difficult. But it's also the fact that you have to be connected to the internet. Some people can go to the library and depend on that but you have rarely got that option so the fact is that you have to be online and have some sort of device that goes online. One time I had to log-in and the number was my old phone number, that was a nightmare trying to get that changed and log in, I had to go to the jobcentre to get a new password and of course you need to get into to get access to your journal and if your not feeling well and not up to going to the job centre then that's a nightmare.”

Tenant K said about the digital service:

"It can be a pain at times. You sometimes think that if you actually just spoke to someone you could get your point across better and quicker. It's a joint claim that we've got, so with emails and whatnot, he (my partner) just automatically hands me his phone."

"And I deal with it as if I'm him, because he's not a computer person. So if we ever split up god knows how he would manage. Sometimes I just think a wee 5 minute phone call and this would all be sorted. Rather than the text messages back and forth."

Tenant E said:

"You've got to have Wi-Fi constantly. And obviously if I've not got the money to pay, then obviously I've not got Wi-Fi to then keep up my Universal Credit claim."

Tenant H said:

"I had digital problems – I uploaded stuff, I can do this (digitally), they were telling me that I hadn't and I know I had. The problem was at their end but they were threatening me with sanctions. I then told them I had uploaded stuff, and they said to do it again. I'm good at that stuff, but I pity people who aren't able to manage the system, they are also suffering from the anxiety of having to manage it."

Tenant I said:

"I prefer to speak to someone rather than do it online. But the people who answer the phones are a nightmare, what a difference it is when the case managers call you back and they know about your case. They know their stuff. Some people I have come across are just rude. I have decided to bite the bullet and go online. My son helped me set it up. For me I'm not expected to do so much because I'm long term sick and I'll go onto a low capability for work that kind of frees me from the journal. I'm exempt from looking for work because of my long term sickness."

When speaking about his experience of being sanctioned, Tenant D expressed his concern for those people who don't have access to the internet and how this may affect those people. He also said:

"But again, that was my own fault. It must be hard for people who don't have Internet access regularly. They will find it hard to do stuff like that, you know."

Tenant G felt the digital service helped him organise his UC claim better:

"It's good for organising stuff and keeping everything online. I don't really know what we did before the online stuff; it is a good service. It's good. I'm pretty computer literate."

Tenant M, an older person, encapsulated the problems for those with no digital experience:

"I don't have any internet, they call me...I would not even know what to do online."

Tenant Q had no WiFi and was in a similar situation, he said:

'I'm lost in the digital world, that is one of the reasons I feel so isolated because everything is computerised and digital.'

Tenant S spoke about the cost, not just of wifi and phones, but of the electricity needed for them:

"Internet and phones are always living with you, these are things you have to have. You have to get them from your total monthly payment. What I think about is the impact on the electricity, this takes a chunk of your money, like charging phones, your son's tablet needing to be charged and having the internet on, these are things you always need to bear in mind."

Tenant E said:

"We need the car because of the two wee ones. There's no nursery, where we are. The nearest nursery is 5 miles away and we actually worked out that if I was to get the bus and not have the car on the road we would still be spending roughly the same money on buses. And then if I was to get buses, we'd still be late to pick one of the kids up. It just doesn't work, so it's a bit of a difficult situation that way. We need the car for shopping as well."

Tenant E, who has 3 children is experiencing the impact of the 2 child cap:

"I can only claim for 2, but I've got three and I know there's other families that got like maybe five children and they only still only get paid for two, so they're in a worse situation than what I'm in. With ESA you could put all your children on the claim while with Universal Credit, you can only put two on, which makes it difficult, 'cause obviously I have two wee ones and I've got an older one in school. He needs his uniform. But what about the wee ones when they need new clothes when they go to nursery and things like that, you know?"

THE WORK COACH AND COMMUNICATING WITH THE DWP

Almost every interviewee reported a mixed bag of experiences with the staff at the DWP who they engaged with. Often people would say that some DWP staff were helpful and understanding. Other times they would say that they did not feel listened to or understood by their work coach. Many also cited the inconsistent nature of the experience and having to deal with different people each time. How they felt they were developing a good relationship with their work coach and then how often this would change when their work coach changed.

Tenant C, who is nearing retirement, said of her experiences with work coaches:

"It's a mix. My first work coach was similar ages to myself and had a lot more understanding. He then left and I got somebody who was maybe 22/23. They were a bit of a nightmare to be honest, and I resented that. It got my hackles up like "how dare you tell me, I'm old enough to be your granny."

Tenant A said:

"I had the same coach for the first 6 months but he left. He was a really nice guy. He wasn't too forceful and really good. Since he left I've only been in the job centre twice. He understood my situation."

Tenant K said:

"When you get the same person, it can be brilliant. At the start and for a long time my work coach was a guy called Colin and he just talked sense and made sense whenever he wrote.

And then for some strange reason, in a week there were three different people trying to message me. I was like what's going on, you're not even reading or looking at what each of you have written. If it was only one person I think it would be more helpful and you could build up a better rapport."

Tenant H described how he was treated when he first walked into the jobcentre to make a claim - what he says here should be set against a context of having to wait 2 to 3 months on his claim being settled:

"It was pretty smooth sailing, I walked into the job centre, I didn't have a clue and the woman sat me down and helped explain. It was my luck that I got a really nice person who was sympathetic. The process was smooth, I said then that I couldn't fault them, I expected them not to be nice but they were."

Tenant H said:

"The work coach was good – she was helpful when she knew I was struggling. I was lucky. But my cousin's coach is horrible and shouldn't be doing that work."

Tenant G said:

"It's a bit of a hit and a miss. Sometimes I have a different work coach every two weeks. Sometimes you get really settled with one, you're really working well with them and they're helping you...But you know it's really hit and miss, some of them are really nasty to you."

Tenant I spoke about the inconsistency of advice given:

"I wish the people who answer the phones were trained up properly and they knew their jobs. I called up a couple of weeks ago re my sick note and low capability for work and the guy I spoke to said it will come out on the 12th July when your sick note is up and I mulled over this over the weekend and thought what he told me doesn't make any sense and I phoned back and the other guy I spoke to said NO, NO, NO we can do that for you now."

"It would be so much better if they could all answer basic questions instead of you coming off the phone feeling absolutely frustrated. Sometimes you feel like you're just getting palmed off because they don't know and end up giving you wrong advice. If they put through the wrong information or don't understand what you are trying to say to them it could affect your UC payment. It doesn't take much."

Tenant L appreciated her work coach:

'The work coach has been really helpful in understanding my situation with college and child care, she is great'.

However, she also commented on the need for consistency of approach and communication.

"Before I had a different work coach I was getting passed from pillar to post, and when I was at college last year, I kept on getting called up even though I was in full time education, and then when I was going I was getting told you don't need to be here because you're in full time education and I was saying you need to communicate with each other then. Because I was having to make different arrangements for my son, to get him picked up from nursery or I was taking early days at college or at my placement so I could go and then when I went it was a pure waste of my time."

Tenant P said:

"Too often I feel the work coach is not interested in what I'm trying to say or listening to me, which frustrates me even more. I know he doesn't have to care about me but they shouldn't just try to pan me off."

POSITIVE EXPERIENCES WHEN CLAIMING UC

Tenant N laughed ironically when asked about positive experiences, saying:

"Nothing at all. I can't see anything positive at all. I just feel I've had such a bad experience with it, to do with rent arrears accruing, to do with the lack of communication, to do with the you know being put in a certain box, I can't walk away from that thinking there were positive aspects to do with that. For me there was nothing positive at all. I would hate anyone my age or anyone at all to have the experience I've had with UC."

Tenant O said:

'Nothing positive, had a bad experience.'

Tenant Q said:

"Without it, I dread to think what would have happened to me, or where I would have been."

MENTAL HEALTH IMPACT

What was clear from each of the people we spoke to was the stress of trying to get by on a meagre income combined with the challenge of meeting the requirements of UC, which in itself can compound stress and anxiety. We tried to understand this impact by asking interviewees how being on UC made them feel.

Tenant D said:

"It just gets you a bit down... People have seen a difference in me, certainly, you know, friends, family, not as outgoing and stuff. You don't really notice yourself, it's other people that seem to notice."

There are particular events or decisions that can affect people's mental health. Describing how she felt when her UC payments were suspended Tenant C said:

"I think for somebody like me who always worked, I've never really experienced not working. Your pride kind of takes over so you're trying to struggle on, with what they've given you. It's really depressing 'cause the last thing you want to do is to say to somebody I'm skint. Just couldn't do it 'cause I've always looked after myself, I've

always had my own money. I've always been able to manage my needs and pay for what I wanted and I just couldn't go and say "I'm skint can you help me?"

"So there were weeks when I was living on bread and beans 'cause I just couldn't bring myself to say I needed some money, I just wasn't gonna do it. So there were times when it was really hard and it was really depressing and it really affects you. They leave you in a position where you're almost destitute. 'cause you remember if you don't have a disability or an illness you're trying to live on that £74 a week. They also insist that you have access to a computer or a phone because you have to be online for Universal Credit. Then you have to pay for the phone, your gas, and get electricity. Then you're expected to spend 35 hours plus a week online looking for work. How do people afford that?"

Tenant J describes how he was impacted when initially trying to apply for UC. His views also suggest digitalisation was helpful for him:

"Anxiety can come to the foreground because of the way the system works. Before it was online it was an absolute nightmare, even worse. I was extremely depressed, didn't know where to turn and was getting panic attacks. I was mentally tortured by the whole system, felt like I was going round in circles, never had the same person twice, was passed from pillar to post. It was dehumanising."

"UC before it was online, was going through an element of change, I was often waiting months for confirmation of stuff. I had piles of paper then, it was so complicated – it was an absolute nightmare. It is still a bit like that but now it's all online. The application process is still pretty difficult. The amount of hoops you have to jump through is phenomenal."

Tenant A describes his struggles set against pre-existing health struggles (mental and physical) and the expectations set for him. He lives in constant fear of sanctions of being caught up in a cycle where illness leads to missed appointments, resulting in sanctions, which then exacerbates his mental illness leaving him unable to work.

"Not having any money and worrying about missing a meeting at the job centre is stressful as I could lose my money and be sanctioned, which has happened to me before. This month I only got £4.95 because of sanctions plus £170 hardship money, so yes when you are on that it feels like more and more hurdles. Because if I'm not feeling well and can't make certain appointments then I'm going to get sanctioned. I was feeling terrible and at one point suicidal because of worries about struggling to get to the job centre."

Tenant E, who suffers from mental health problems, spoke about how she was feeling when she went into rent arrears:

"Because of my mental health I've got anxiety and PTSD, so because of them I was always on edge feeling I'm gonna lose my house and with three kids that was a huge worry. I wasn't in a good place at that time anyway. I've got social services involved, so that increased my anxiety . I feared that I was going to lose my house, so it was very difficult, not only for me but for my partner as well and my children, because they can sense when my anxiety goes through the roof."

Tenant U, who suffers from alcohol addiction, said:

"I worry all the time about my health, I go to see a woman every week to help me stay off the drink. It's hard, sitting in the house by myself, feeling depressed, not getting out the door, it definitely makes people's mental health worse, worrying about paying their bills... 'I can't get any sleep at night, my mind is going all the time... I'm trying to fight the drink every single day, but this makes it harder."

Tenant N, a young UC claimant who experienced difficulties with his claim after redundancy from work, said:

"When I didn't have any money I was actually very very depressed, I ended up in hospital, because of stress and stuff like that. Because I wasn't getting any money and my rent arrears were just going up and up and my mental health at that time anyway was not great whatsoever... At that particular time it was a struggle for me, it was the first time in my life I had mental health issues."

Tenant O said that the pressure he was under from UC was:

"Very stressful when I was only getting UC and didn't have a job, trying to look after my kids and doing my job search, which I really couldn't do properly. What if they felt I wasn't looking for work and I got sanctioned? That was always going through my head and I felt worried and had sleepless nights. When I was only on UC, it was just sheer pressure, absolute pressure, looking back, I think, 'why was I so calm?', but the thing is, I wasn't calm, I was worried."

Tenant P said:

"I'm being treated for depression at the moment and I don't know if all of this is contributing to it, though I think it's fair to say it has. I'm privileged to be speaking to you just now, as usually I don't speak to anyone, I feel very isolated."

Tenant S spoke about the impact on him when his daughter became ill last year:

"Last year I was over-thinking because of what happened to my daughter. It's a long story, because the heaters were not working, I had to go to the MP. Because of this, my daughter started to become an asthmatic and I started to have a bad time. You think that it's your fault. I started to blame myself. And now with winter starting, I'm worrying how she will be this year. Last year, every 10 days we had to go to the hospital because her oxygen levels were low. I hope this winter she will be ok."

IMPROVEMENTS TO UC

Tenant D, a carer, who felt the benefit of receiving an advance payment, suggested that loans could be offered to people who had paid off previous advance payments and who were claiming UC long-term, if a carer:

"Improvements giving access to another loan would be great. If you could get that once you have paid off the advance it would help. Maybe for the carers side of it, offering loans to carers would work?"

Tenant D also suggested that sanctioning people and stopping their money was perhaps too stringent a step. He said:

"If you miss signing your declaration form, maybe that should be less strict especially if you have been on it for a while or for carers? Because if you miss that you don't get paid. And struggling for two weeks to get somebody on the phone and then when you do...you've got to go through this whole process again - it is too much."

There is a one size fits all approach to UC, Tenant C, nearing retirement, addressed how people should be treated differently.

"They need to be a bit more realistic in how they treat people of certain ages because realistically I get my pension in 11 months and I'm not going out to get a job now. Somebody should have known three years ago that, given my health conditions, it was unlikely that I was going to work again."

Tenant Q also said that people should be treated according to their own specific needs:

"People should be supported on their own individual and personal circumstances rather than in a generic way."

Tenant Q also spoke about the timings of people getting paid:

"I don't understand why people are paid monthly, although I appreciate you can get paid fortnightly in Scotland, if you are skint, weekly payments are always better."

Tenant A said:

“Increasing the amount of money people get would be my number one recommendation.

“Also change the categorization of people that sees them unfit for work but not unfit enough to get extra money. In these circumstances the money almost doubles and then you can go and apply for PIP. I can't see how I can be unfit for work but not unfit enough for extra money. You can either do a job or you cannae. It shouldn't be like that and that needs to be changed.”

Tenant K who experienced problems when her older daughter left the house and her granddaughter moved in as part of a kinship care arrangement said:

“When claimants are getting taken off your claim and move out, they should make the forms easier and make sure you can actually speak with somebody that understands the whole system.”

“I think a lot of their employees need to be brought up to scratch on that. I know some people can give a lot of these folks over the phone a lot of disrespect, but I think everybody needs to remember we are all humans. And we all deserve a bit of respect, whether it's going our way or not.”

Tenant E said:

“They need to look at changing the two-child cap and stop being as hard on people as they are. They could maybe up Universal Credit a wee bit, even if it could be an extra £50 on people's money, that's better than not being able to survive basically.”

Tenant J said:

“We need a more direct contact to the DWP. Trying to get a hold of them at times is like being stuck in mud, it's awful, just awful. Stuck in a system I'm trying to get out of. If you need to phone then you don't get put through to the office you sign on at, or speak to someone you know, instead you get put through to someone who is completely anonymous in another part of the country. It's difficult to communicate problems to them. You should get a number that is relative to your local office.”

“Also, one size doesn't fit all in terms of how the system treats people. People should not be forced into other jobs that are not suitable or appropriate for them.”

Tenant H said:

“The initial advance shouldn't be a loan. It should be what you're entitled to. There could be a buffer for food and energy support or something like that, so you're not worrying about the basics to get you through.”

Tenant H also said:

“Make it more streamlined and individual orientated. I would be looking for a welfare officer to be attached to you. Someone who would come to your house and look at your situation. Not to come and check if you're actually following the rules but to check on how you are and see how you're actually doing. At one point, when the housing officer came to see me they noticed that I needed help.”

“I'm pro UC, it's good when it works. I'm lucky I've not had the bad end of it. The money could be better but the Government doesn't have money to throw about. The country is on its arse. The money with top-up vouchers would be a good thing.”

Tenant G said:

“I think it just needs to be more humane. The way you are treated at times, some of the attitudes are bad. You know, if I was working and acted like a lot of the Universal Credit people did, I would lose my job. They need to stop treating people just as a number.”

Tenant G also suggested that:

“They should fully commit to turn themselves into a full time jobs agency. An actual jobs agency where they have jobs, people can come to them and they help you find positions that are available.”

Tenant I said:

“When you get a bit older you worry more, I worry about how I can pay my rent. Some compassion and understanding would go a long way. If you think someone on the other end of the phone has a bit of compassion and understanding it can help a lot. If a housing officer called me and said ‘don't worry, we will sort your rent, we will get a payment plan’ that would have helped me so much.”

Tenant I also suggested that UC pay people right away and stop arrears and debt accruing from the start of a claim. She compared this to previous and current practices in the workplace:

“Years ago it was a month's lie time you got, my employer doesn't do that anymore. When you start with them they pay you for the time you work. If UC could do that and stop the month in arrears that would help; the wait is an absolute nightmare. Even if they did pay you in advance and you went back to work you could pay them back, they are the DWP for goodness sake. If Wheatley and others could come up with a plan, understanding that people are struggling and they won't lose their home, that would help.”

Tenant N said:

"People need to be looked at as individuals. I just felt I was being looked at as some young kid taking time off work for the sake of it, I felt I was being spoken down to a lot. They don't have an understanding that some jobs don't suit certain people. Even the mental health thing, I don't think they understood how bad it was for me, they didn't even ask, even though they were made aware of my circumstances. I felt I wasn't taken seriously enough."

Tenant O said:

"Need to better understand people with children."

Tenant P said:

"I feel it takes a long time to get things sorted, once you get your payment and if you have any issues and need things sorted it takes an awfully long time to resolve things. Things could be communicated better."

Tenant Q said:

"The obvious one is to pay people more money but I don't think they can pay people more, can they?"

Tenant T also said people should be paid more:

"Put the money up for people, people are struggling. The £20 uplift really helped, but it's cut back and it's really affecting people's mental health. It's getting worse, instead of getting better for people. Bills are getting higher, it's making it harder because bills are about double - you're going to see people dying, especially the elderly because of gas and electricity costs."

Tenant S, who has recently arrived in the UK and who does not speak English as a first language said:

"If I want to go back to when I first started claiming UC, it was difficult. They need something that directs people better. Maybe if people had an app with different languages with all the information. This would be a big help."

He also said in relation to the 5 week wait that:

"I hope they consider the time that people have to wait. That is a tough one."

The response from Tenant U, when asked what could be done to improve UC conveyed a genuine sense of hopelessness, saying:

“It doesn't matter what I think, they will not listen to us, They make us live on this. That's what the law says... You cannae fight them.”

SECTION 2 - CONCLUSION

Themes emerged in this section, which are consistent with the wider findings and evidence that has been cited in Section 1.

People were struggling already with UC but the current economic situation is exacerbating the difficulties people have in trying to find the money they need to meet their most basic needs. It is clear that the design of UC and its processes are compounding these economic difficulties, which in turn can result in stress, anxiety and wider mental health problems. This then can and commonly does hinder, rather than help, their attempts to get off UC and into work.

While some positives from the current system were identified, such as housing support and support from a work coach (though whether people felt supported or not by their work coach provoked a mixed response), it is clear that there are structural flaws in the system, resulting in poverty, destitution and a decline in mental well being. These combine to undermine the underlying ethos of the system, namely to tackle so-called 'worklessness'. Moreover, it is clear that the help that people do receive to alleviate the problems caused by the systemic flaws of UC comes from family and friends, charities and from organisations like Wheatley and the Govan Law Centre. It is they who provide the support and advice to help people navigate the fundamental issues and challenges facing people as a result of the rules created by the policy choices made around social security and UC.

SECTION 3:

IMPOSSIBLE CHOICES

QUANTITATIVE SURVEY OF WHEATLEY GROUP TENANTS



QUANTITATIVE DATA FROM SURVEY OF WHEATLEY TENANTS

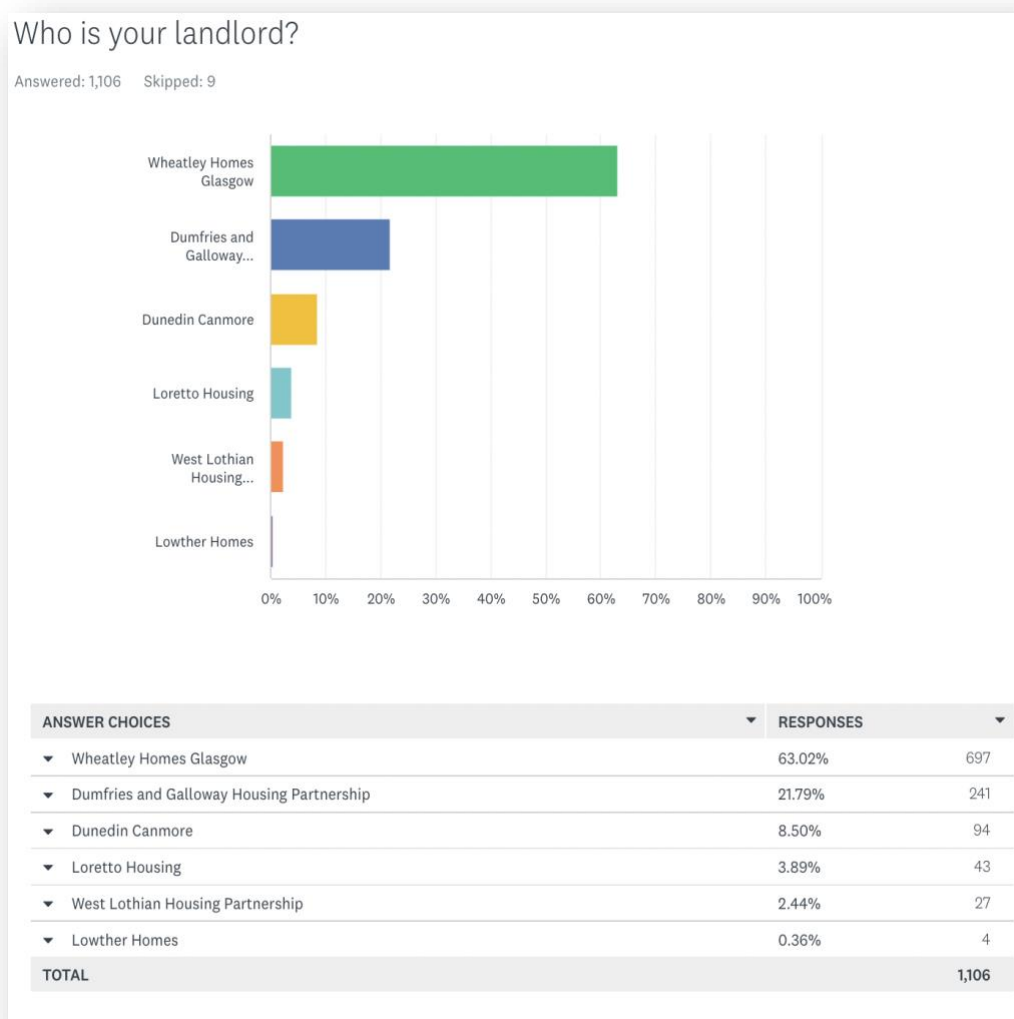
This section is focused on data collected from a survey of Wheatley customers on UC. The survey was sent to over seventeen thousand tenants across the Wheatley Group. From that, we received 1150 responses; an impressive return.

What we sought to do was triangulate our research from interviews, desktop research and focus groups of staff.

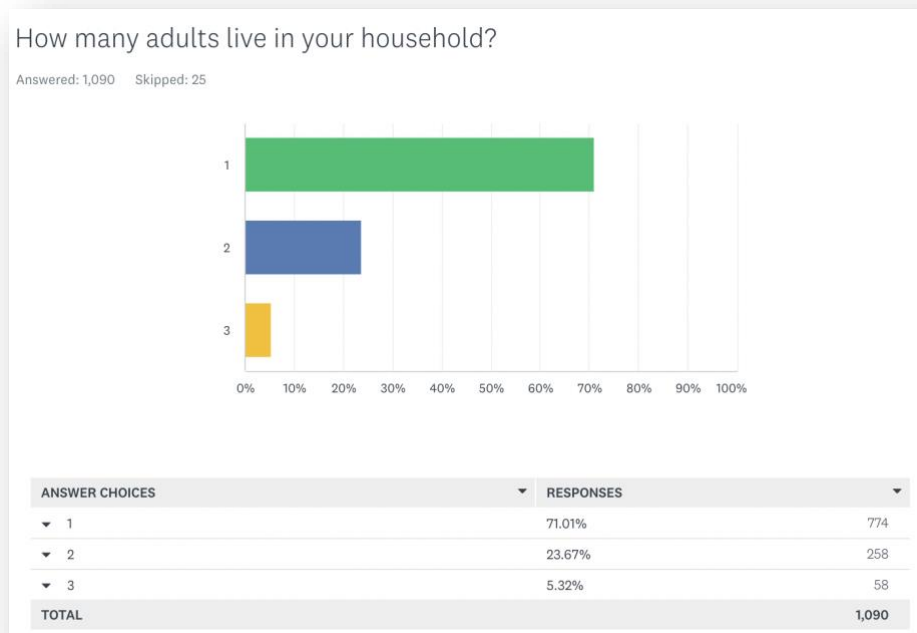
The findings speak for themselves, reinforcing the view the system is flawed, that people are struggling and that it is resulting in detrimental health impacts, in particular with mental health. These findings suggest clearly that Universal Credit is a system that is contributing to increasing levels of anxiety and poor mental health.

Our first question sought to establish which RSL people had tenancies with.

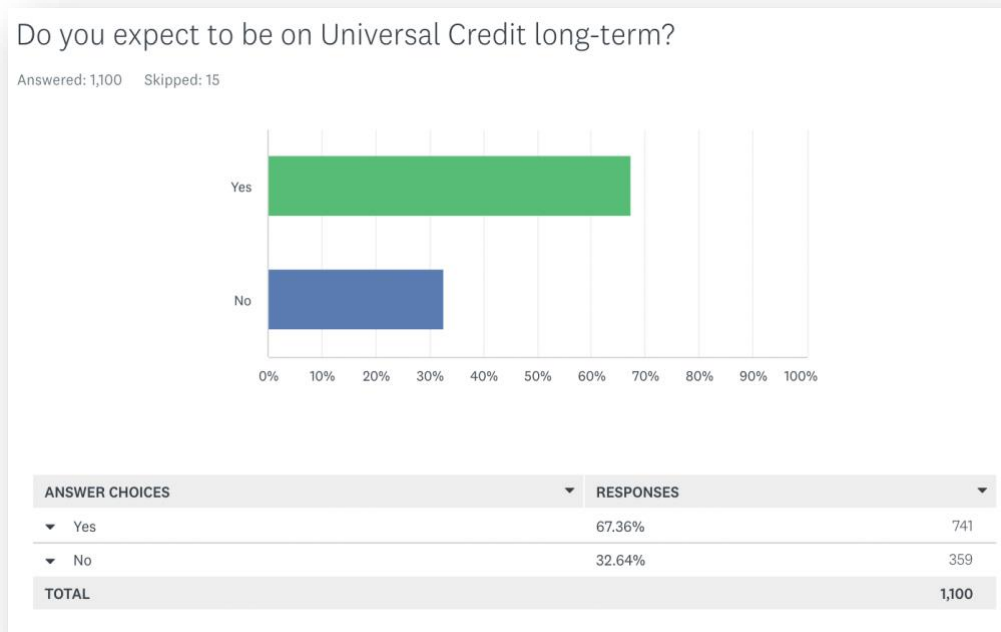
A significant majority of respondents were housed by Wheatley Homes Glasgow.



Our second question sought to find out how many people lived in the tenant's household.



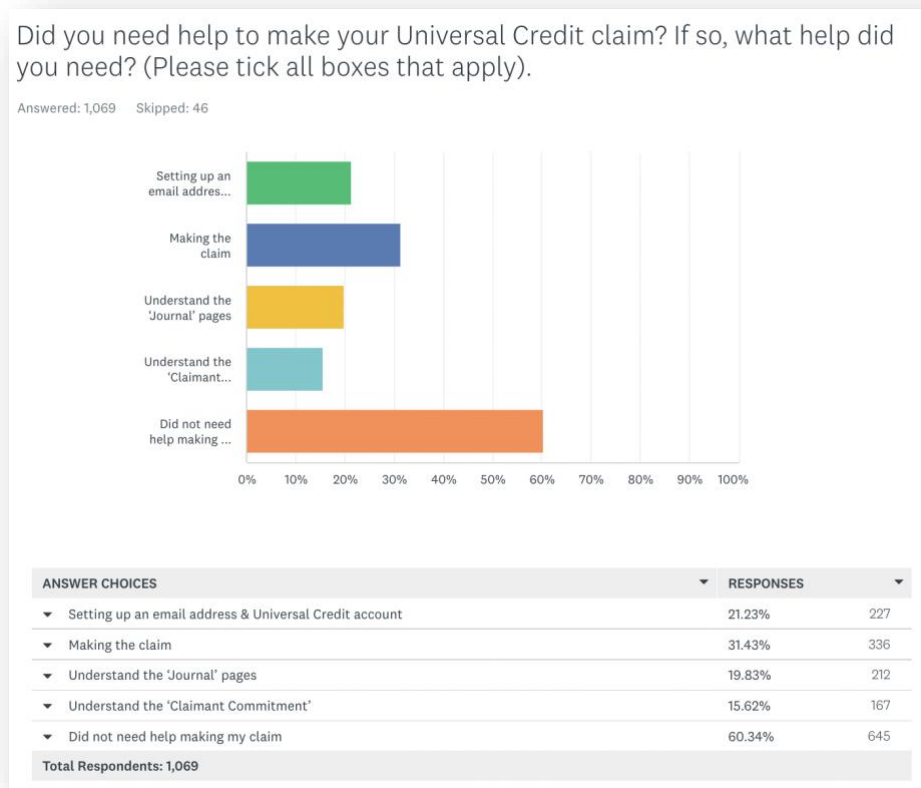
Single people, either with or without children, make up the vast majority of people claiming UC.²⁴⁸ The proportion here is below the national figure.²⁴⁹ We also asked people if they expected to be receiving UC long-term.



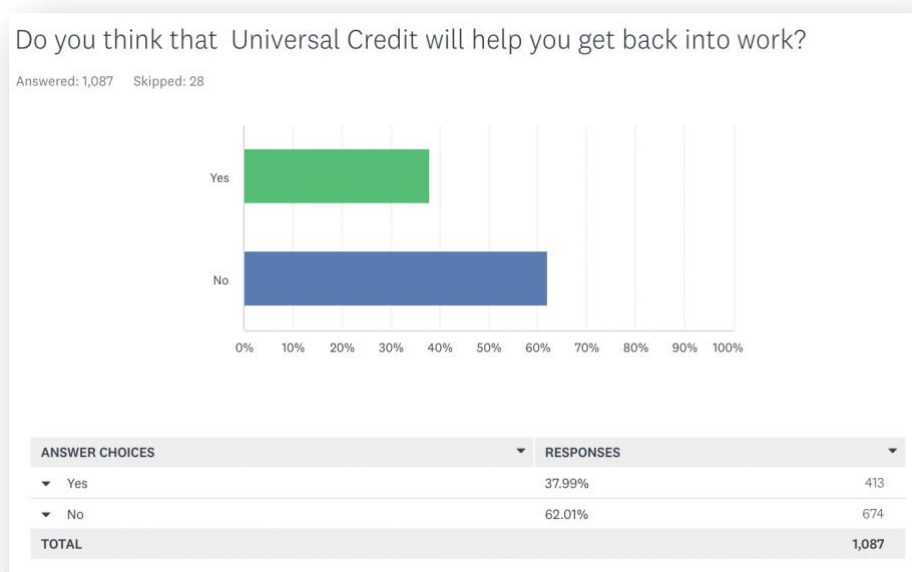
²⁴⁸ [Households on Universal Credit Dashboard \(dwp.gov.uk\)](https://www.dwp.gov.uk/households-on-universal-credit)

²⁴⁹ *ibid*

This question explores claimants' understanding of the digital process and their ability to navigate it. Concerningly, a significant minority needed help to understand the claimant commitment, which is vital in ensuring people do not get sanctioned.



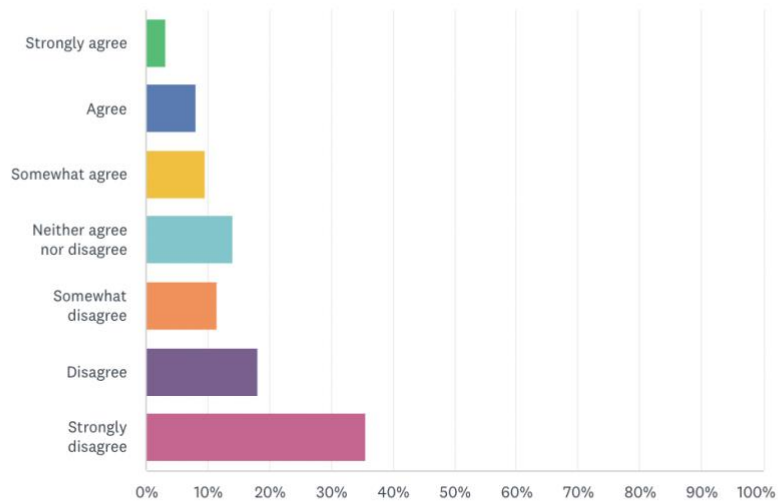
We asked if people felt UC would help them get back into work. The evidence below is of considerable concern given that many claimants feel the system is not helping them into work. The next graph strongly indicates how a majority of people who are on UC do not think it will help them get back into work, despite this being the central objective of UC.



The answers to the following question provide very strong evidence that the money people receive from UC is insufficient to meet their basic needs.

How do you feel about the following statement: "Universal Credit is enough for me to live on and meet my basic needs."

Answered: 1,111 Skipped: 4

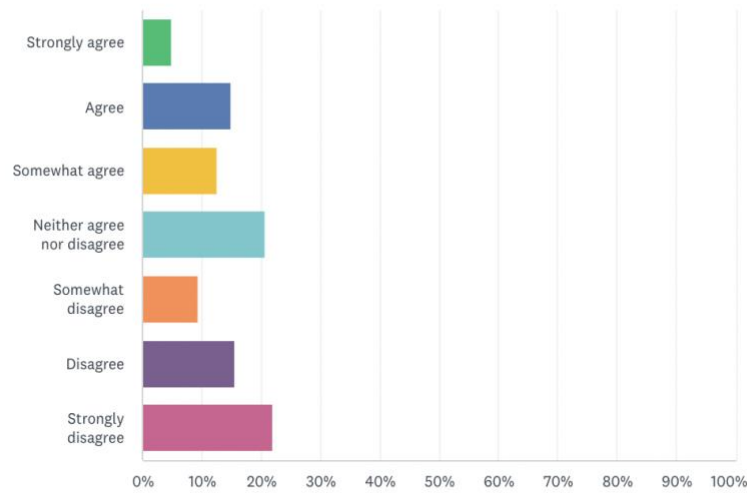


ANSWER CHOICES	RESPONSES
Strongly agree	3.15% 35
Agree	8.10% 90
Somewhat agree	9.54% 106
Neither agree nor disagree	14.04% 156
Somewhat disagree	11.43% 127
Disagree	18.18% 202
Strongly disagree	35.55% 395
TOTAL	1,111

As identified in the data from interviews, there is a strong feeling that the way the system is designed and how the processes are applied in practice is neither fair nor helpful. The evidence from the survey supports this.

How do you feel about the following statement: "The way Universal Credit operates is fair and helpful."

Answered: 1,105 Skipped: 10

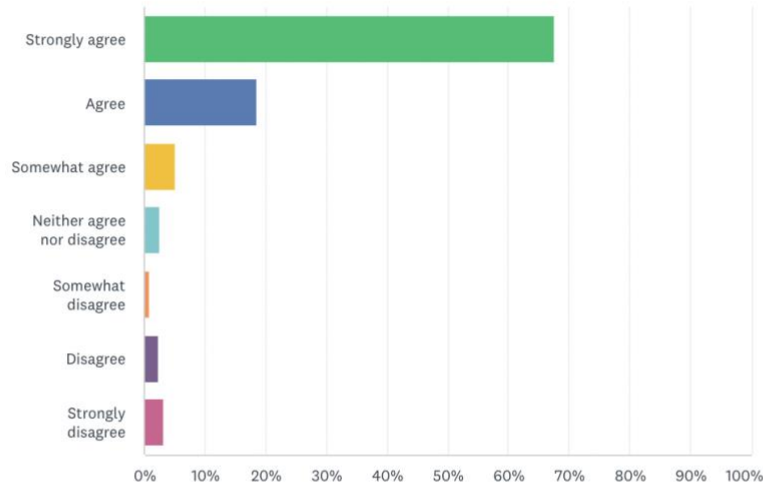


ANSWER CHOICES	RESPONSES	
Strongly agree	4.98%	55
Agree	14.93%	165
Somewhat agree	12.49%	138
Neither agree nor disagree	20.63%	228
Somewhat disagree	9.41%	104
Disagree	15.57%	172
Strongly disagree	21.99%	243
TOTAL		1,105

The response to this question provides very powerful evidence that the cost of living crisis is seriously impacting upon people and that they are finding it even harder to meet their basic needs.

How do you feel about the following statement: "Increases in the cost of living (rising gas/electric/food prices etc.) have made it harder to meet my basic needs."

Answered: 1,112 Skipped: 3

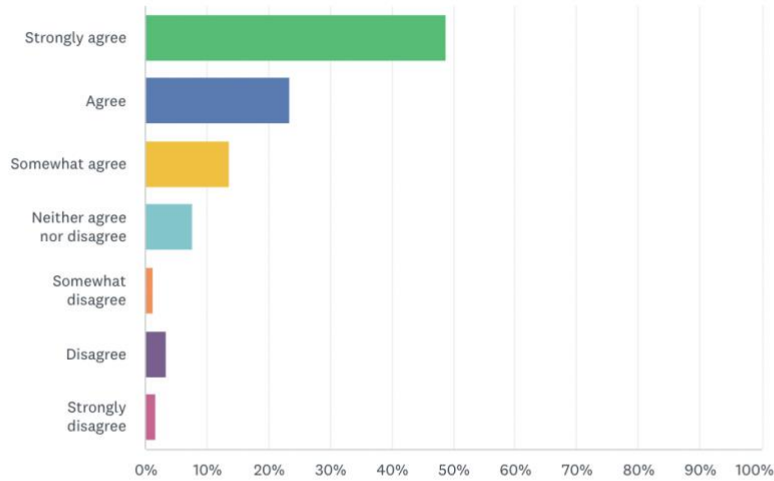


ANSWER CHOICES	RESPONSES
Strongly agree	67.63% 752
Agree	18.53% 206
Somewhat agree	5.04% 56
Neither agree nor disagree	2.52% 28
Somewhat disagree	0.81% 9
Disagree	2.25% 25
Strongly disagree	3.24% 36
TOTAL	1,112

As noted above there is growing evidence showing the clear links between poor mental health and poverty. The evidence below shows that people believe their financial situation is having a detrimental impact on their mental health.

How do you feel about the following statement: "My financial situation has had an adverse effect on my mental health."

Answered: 1,106 Skipped: 9

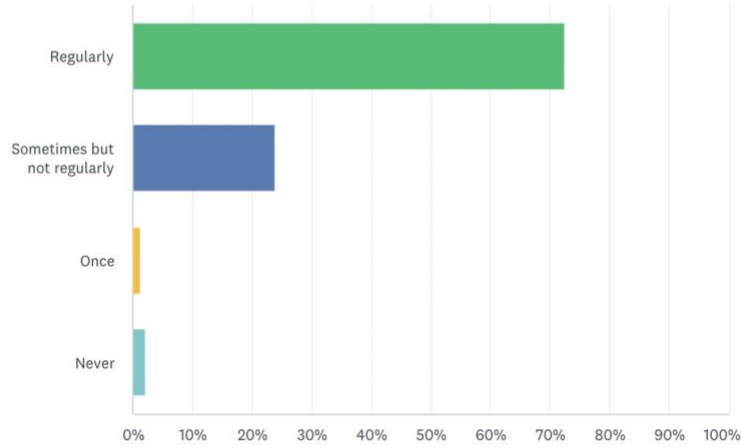


ANSWER CHOICES	RESPONSES
Strongly agree	48.92% 541
Agree	23.51% 260
Somewhat agree	13.56% 150
Neither agree nor disagree	7.59% 84
Somewhat disagree	1.27% 14
Disagree	3.44% 38
Strongly disagree	1.72% 19
TOTAL	1,106

The link between poverty and mental health is unsurprising given the concerns people have about trying to meet their basic needs. 96% of UC claimants say they worry about how they are going to pay for their food, energy and other essentials either regularly or sometimes.

How do you feel about the following statement: "I have worried about paying for food, energy and other essentials."

Answered: 1,109 Skipped: 6

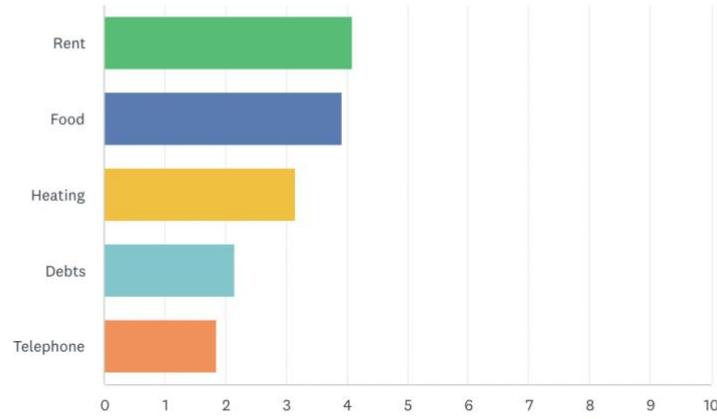


ANSWER CHOICES	RESPONSES
▼ Regularly	72.59% 805
▼ Sometimes but not regularly	23.99% 266
▼ Once	1.35% 15
▼ Never	2.07% 23
TOTAL	1,109

The following question relates to people's priorities. The responses reflect the impossible choices people are having to make, choosing to pay one bill or another, based on what they deem to be their own individual priorities, but understanding that this often means remaining bills are left unpaid.

What will you prioritise your spending on if you are short of money? (Please Rank from 1 as the most likely to 5 as the least likely).

Answered: 1,093 Skipped: 22



	1	2	3	4	5	TOTAL	SCORE
▼ Rent	55.50% 515	15.41% 143	17.78% 165	5.17% 48	6.14% 57	928	4.09
▼ Food	36.59% 360	38.72% 381	11.89% 117	6.91% 68	5.89% 58	984	3.93
▼ Heating	7.76% 74	27.78% 265	42.87% 409	15.20% 145	6.39% 61	954	3.15
▼ Debts	4.42% 40	10.04% 91	14.57% 132	39.51% 358	31.46% 285	906	2.16
▼ Telephone	5.11% 48	4.68% 44	11.60% 109	28.19% 265	50.43% 474	940	1.86

A young man and a woman with glasses are looking at a clipboard together in an office setting. The man is on the left, leaning forward with his hand to his chin, looking thoughtful. The woman is on the right, holding the clipboard and a pen, looking down at it. The background is a blurred office environment with a laptop and some papers.

SECTION 4:

***‘PEOPLE JUST DON’T HAVE
ENOUGH MONEY’***

WHEATLEY GROUP STAFF FOCUS GROUPS

WHEATLEY GROUP STAFF FOCUS GROUPS RESEARCH/FINDINGS

We wanted to hear the views of Housing Officers and Welfare Benefits Advisors from across all RSLs in the Wheatley Group and held two focus groups with staff in the early stages of the research.

These focus groups were valuable and helped shape the direction of this research, with the issues raised in these focus groups re-emerging time and time again in the evidence that we compiled.

It was quite apparent from the contributions of Wheatley staff during the focus groups that on a daily basis Wheatley Group staff see the impact of UC on their 'customers'. The groups were informative and helped ensure the voices of staff supporting people on UC were included in our research.

As with the rest of the research we have conducted, the data gathered from the staff broke down into two obvious strands. Firstly, the problematic nature of the design, the processes and management of UC was raised, while the financial challenges facing residents from the rising cost of living set against the very low incomes of their tenants on UC was also conveyed.

On the 5 week wait one staff member suggested that it was setting tenants up to fail. Another said that she didn't have a single tenant where the 5 week wait for money was not an issue for them. It was clear from them that the 5 week wait for money resulted in debt and often in rent arrears. As noted by one member of Wheatley staff there are not many people who have sufficient

money to cover their costs for five weeks without any income during that period.

As a result they spoke of how people get into debt during the waiting for money period. Which, then leads to deductions that are taken to pay back the debt, whether that is in the form of an advance from the DWP, and historical overpayments. It was also described how debt does not stop at direct deductions; it also takes the form of catalogue debt, credit card debt, debt to family and friends or, worryingly, illegal borrowing. Taking together historical debt/overpayments alongside deductions from advance payments and other more personal debt seriously impacts their income and can see debt spiral out of control.

On arrears it was said that if deductions eat into personal allowance and if not all housing costs are covered from their UC housing payment, then you can see how this creates the conditions which sees arrears build. Due to having to wait 5 weeks it was suggested that people go straight into arrears. And, that this can be compounded by the fact that tenants can get their first housing payment from UC paid straight to them, and that after not receiving any income during the previous 5 weeks the temptation is not to pay rent and spend the money on other priorities. The result being more arrears and ultimately more deductions when the rent arrears are claimed back.

Several staff did mention the Alternative Payment Arrangement (APA), which means that RSLs can request they get paid directly from UC.

This mechanism can only be used by RSLs after tenants go into 2 months of arrears. If coming from homelessness and classified as a 'Section 5' tenant then RSLs can immediately apply for an APA from UC/DWP and negate the arrears that can build from the very start of a tenant's application for UC. Wheatley staff did raise how the system builds in for this and allows for RSLs to recoup their arrears as deductions from UC, but made the point that while this is good for collecting arrears and for the RSL it's not so good for the tenant who has accrued arrears in the first place from a flawed UC system that sees people without money for 5 weeks when they first make their claim.

Another area of concern raised was the digital nature of the system and how many people find it difficult to navigate and cope with and how for them as staff, working with and supporting tenants takes time and can be complex. For many tenants who can adeptly manage the digital system it is very good but for many others their inability to manage digitalisation can lead to real problems and many, according to Wheatley staff, get 'panicked' by the system. It was said how they have tenants from ages 17 to 94 and many of them are just not digitally inclined and need a lot of hand holding and support to help them navigate the system. For rural tenants connectivity can be a problem, whilst affordability was cited for every tenant on UC.

People who are unable to cope with the digital system can and do make phone claims. According to the staff, making phone claims if a tenant, or on behalf of a tenant can be like 'walking

through soup'. That if and when phoning UC can mean being on the phone 'for ages' and then you can and often do end up speaking to someone who can only really take a message and pass on to whoever the appropriate person is.

If calling on behalf of someone as a housing officer then you need explicit consent from the tenant, who has to be sitting next to them, and if they don't get a resolution from that call and have to call again they have to go through the same process again. Ultimately, according to Wheatley staff, those tenants who are not digitally adept are put on the back foot right away compared to those who are able to and can handle the digital system.

Not being able to handle the system properly can result in serious problems, particularly sanctions. If tenants claiming UC are unable to engage with the system in the way they are expected via their claimant commitment and do not act on messages in their journal or carry out their 'to do' list in their journal then they can be sanctioned. Likewise if they are not engaging either through the phone or in person then they can be sanctioned.

On sanctions it was noted that many had not had experience of dealing with tenants who had been sanctioned. It was noted however that some had heard that pre-covid there was a lot of awareness of tenants being sanctioned, that during covid sanctions were frozen but that they are now, again, hearing of sanctions escalating.

Moreover, people are often unaware that they have been sanctioned. In the fully digital system they do not receive a letter letting them know; it will be in their journal and if they are struggling to access their journal they do not actually know until their money comes through. In essence, those who don't have digital skills are more likely to be sanctioned.

Communicating with the DWP can be difficult according to Wheatley staff. There is a need to improve relations with DWP staff but that would be assisted if there were better communications, especially when they were trying to contact the DWP as part of the help and support they were providing tenants. Too often they felt contact with the DWP/UC was difficult, that sometimes DWP wouldn't speak to them, and therefore it was a time consuming process. Moreover they would often get someone who could not deal with their enquiry, were passed around to different staff, and they/tenants often had to wait too long on decisions; for example when claims were being assessed and/or when they requested reviews of UC decisions.

It was also noted how there is no obvious process to ensure decisions are made in a timely, effective fashion. That it can be months down the line before decisions are made and that as things stand, decision making could be much better and that asking for a review of housing costs for example is 'tricky'. As such it was suggested that there should be better contacts locally that they could speak to, better dialogue was required and better decision making needed.

On whether the system simplifies or complicates the staff offered a blended response. They said the system has been simplified in the sense that all elements are wrapped in the one claim. However they made the point that the assessment period is complex and difficult to understand.

When people do get their UC after a claim there is often confusion about what is expected of them, via their claimant commitment, when looking for work or if in work what hours they are expected to work and how many more they are expected to work. They also highlighted the impact that this can have on people. One cited an example of a tenant who moved from a legacy benefit to UC and did not understand the conditionality of her claim. Whilst she was better off as a part time worker on UC, she was expected to work more hours because her children were now a bit older. As a result whilst financially she was better off, mentally she was much worse off and was now off work due to the stress of having to work more hours.

Similarly, another example was given of a self-employed taxi driver claiming UC. He was being made to work more hours because he wasn't earning enough. He tried to say that he could only work a certain amount of hours due to mental health struggles but this was rejected and not accepted by UC/DWP. It was suggested by Wheatley staff that this type of approach may well end up putting people off working altogether due to their sickness/illness not being accepted and not coping with the extra expectations placed on them.

On the cost of living there was a broad consensus that people were struggling. It was recognised that some demographics were better off than others from changing to UC from legacy benefits. For example, a Welfare Benefits Adviser said *“those with children are better off under UC than they were on tax credits but disabled people are worse off”*. And, also that there is some flexibility with what people can work and what they are now allowed to earn when on UC.

Staff also conveyed that people on UC just did not have sufficient income. Especially when set against the cost of living crisis: that ‘people just don’t have enough money.’ How arrears can occur as tenants ‘are concerned first with paying for electricity and food’. The £20 increase during the pandemic was said to be helpful, but that it was an acknowledgement that UC was insufficient in the first place, and that withdrawing the £20 uplift had a detrimental impact.

They described how people are often left destitute and struggling. Single males were identified as a particularly vulnerable group. It was also noted that staff can find it hard ‘when people say they can’t feed their kids.

Wheatley Welfare Benefits Advisers help people with a view to optimise their incomes and help them navigate the challenges of claiming UC and other benefits. However it was noted that there is only so much that Wheatley can do to help and with things so tight. It was also noted that the DWP often signposts people on UC to Wheatley and other RSLs; as if it is almost understood by themselves that

they are to administer the rules but not to deal with the human consequences from them.

What did come through was the support that Wheatley does provide to their tenants who are struggling. They have funds in place that for example give people vouchers for food, for energy and to help with rent and arrears. These funds are not obligatory and are at the behest of Wheatley. The reality is that other RSLs may not have the resources to provide such funds and in some respects, incredibly, Wheatley tenants on UC could be considered lucky compared with other UC recipients not living in a Wheatley house. It was noted that there are other funds available across the whole of Scotland, such as crisis grants through the Scottish Welfare Fund, but that these are low and often take time to be processed and distributed.

On health it was said that the circumstances people find themselves in can and does impact on mental and physical health. How, pressure to work more hours can and does result in mental health struggles, how waiting on decisions and being unable to resolve issues also results in struggles with health. Not to mention the daily struggles facing tenants and the impact this has on them.

Finally, what also emerged during the focus groups was how UC impacts on them and the job they do now compared to their jobs before. It was clear that the staff we spoke to were resilient and committed to tenants. However, there was a recognition that their job as a result of UC has changed.

It was said that they are helping more people with often complex, multiple issues and navigating around and resolving these issues took up more of their time and this led to them seeing less people. It was described how this also had an impact on the time available to carry out their core functions of letting houses and collecting rents. And, that it can be frustrating when time is taken up dealing with UC issues and liaising with DWP due to shortcomings of UC when they could be engaging in other activities to benefit tenants directly and doing other things to help people.

What also became clear was the complexity of the system and the fear people have of it. And, how consequently tenants have a growing dependence on staff to navigate the system. One officer cited how this even means sometimes going into the job centre with tenants to help them resolve issues with DWP staff. Another unintended consequence of the introduction of UC is how increases in rents are handled. Staff spoke of the huge effort they have to make in order to ensure that every tenant notifies the DWP of their rent increase so that this increase can be paid to the RSL. When it was housing benefit, prior to UC, the housing provider used to just have to contact the local authority on behalf of all tenants and the payment would be made and the tenant would not have to take any action. The current system, apparently due to concerns about potentially fraudulent claims for rent increases, necessitates each tenant having to individually notify the DWP of rent increases from their RSL, and the RSL having to individually verify each

tenant's rent increase. The consequence of this is that the Wheatley Group makes a huge effort to contact all their tenants to ensure they each notify the DWP of their rent increase and to quickly verify tenants' housing costs.



SECTION 5:
CONCLUSIONS AND
RECOMMENDATIONS

CONCLUSION AND RECOMMENDATIONS FOR CHANGE

Our report has sought to synthesise much of the existing research with new qualitative evidence gained from interviews with Wheatley tenants who claim UC. This new research, we believe, offers a unique perspective based on the lived experience of UC claimants, using their own words to describe the impact on their lives. It is this approach that makes this research unique. Their words are honest and offer a glimpse into the often brutal, sad and quite tragic lives many of our fellow citizens lead as a result of Government policy.

A central finding to emerge through the qualitative work, but also strikingly during the quantitative survey research was how badly people's mental health is being impacted. The stress, anxiety and depression being felt by people is palpable. Given the life stories and evidence we have heard it is unsurprising that the mental (and physical) health of people is being affected when they are living on UC.

There are two main themes to this research: the impact of the cost of living crisis set against the economic challenges facing people on UC and the design of UC and its processes. From the evidence gathered, it is clear that people on the lower rungs of the income ladder are facing an almost impossible task in meeting their basic needs. This was true before the cost of living crisis but is much more acute when set against the current economic backdrop.

We have invariably found that the level of income received by people on UC is, more often than not, insufficient to meet their basic needs, let alone to pay for any of the things necessary to help people lead an enjoyable and contented life. This is true across all nations and regions of the United Kingdom and even an inflation matching rise in UC does not address this.

It is important to recognise the Scottish Government has taken steps to mitigate some of the UK Government's most harmful social security policies and has introduced some positive measures. These include the right to fortnightly payments, rent paid direct to landlords, a discretionary payment to cover the bedroom tax, the Adult Disability Payment and Scottish Child Payment. Nevertheless, these policies only scratch the surface and do not overcome the structural flaws in the current system such as the insufficient level of benefit paid and the poor overall design of UC.

The large body of research, reports and inquiries that have been conducted into UC shows that the system has fundamental flaws; some of which we have referenced. Taken together, this collection of voices provides an overwhelming case for change. The testimony of charities, third-sector organisations, universities, trade unions, Parliamentary committees and Governments representing a broad range of political thinking shows that UC should be abolished or at the very

least is in need of fundamental and far reaching reform.

A recent report robustly arguing for a change to UC processes, was from the cross-party House of Lords Economic Affairs Committee, chaired by former Conservative Scottish Secretary of State, Lord Forsyth. This report was withering in its critique of UC and recommended fundamental change to the current system and processes.²⁵⁰ It is worth publishing the comments of Lord Forsyth on the publication of the report, he said:

"Most people, including our Committee, broadly agree with the original aims and objectives of Universal Credit. However, in its current form it fails to provide a dependable safety net. It has led to an unprecedented number of people relying on foodbanks and not being able to pay their rent."

"The mechanics of Universal Credit do not reflect the reality of people's lives. It is designed around an idealised claimant and rigid, inflexible features of the system are harming a range of claimant groups, including women, disabled people and the vulnerable. Universal Credit needs more money to catch up after 10 years of cuts to the social security budget. It requires substantial reform to its design and implementation, the

adequacy of its awards, and how it supports claimants to navigate the system and find work."

"The five-week wait for a first payment must be replaced by a non-repayable two-week grant to all claimants. The monthly payment calculations which can result in big fluctuations to claimants' incomes should be fixed for three months. Historical tax credit debt needs to be written off."

"The punitive nature of Universal Credit has not worked. It punishes the poorest by taking away their sole source of income for minor infractions. It needs rebalancing, with more carrot and less stick, particularly as large numbers of claimants will have ended up on it because of events completely out of their control."²⁵¹

Our work explored many areas, building upon this previous research. Some key issues came to the fore such as the five week wait and the in-built delays people experience when claiming UC, all of which contributes to people accruing debt and the creation of state-sponsored debt in the form of advanced payments/loans.

Also raised during the interviews was the impact that historical debts from rent arrears, council tax and other personal debts has on those claiming

²⁵⁰ [Substantial reform of Universal Credit needed to protect the most vulnerable - Committees - UK Parliament](#)

²⁵¹ [Substantial reform of Universal Credit needed to protect the most vulnerable - Committees - UK Parliament](#)

UC and who have monthly deductions taken from their income each month.

Another theme to emerge during our interviews with Wheatley tenants was the challenges facing claimants who are sick and disabled and claiming enhanced UC and/or PIP as a result of their illness. Often, despite what they believe to be irrefutable medical evidence of their condition, they find their claims are rejected, often resulting in elongated, stressful appeals processes.

A claimant's ability to afford, access and navigate the fully digital system was a recurring theme. Many people struggle to afford digital access (phone/internet) - this is a core cost for someone on UC. Others do not have the knowledge and wherewithal to navigate the system.

The importance of having a good relationship with a work coach and other staff is clearly vital to the claimant experience. Whilst we heard of really supportive relationships with DWP staff, we also heard from people who spoke of an inconsistent approach often being taken and breakdowns in communication between claimants and DWP staff. This point was reinforced by members of the Wheatley team during focus groups.

The cruel and detrimental impact of the sanctions regime on affected claimants is undeniable. The words of interviewees chime with the tenant survey where the majority made it clear that they felt that the system was unfair and unhelpful and can result in destitution.

As people migrate to UC from long-term legacy benefits, there are genuine and legitimate fears that those moving on to UC (who will still have to wait on their claim) find it difficult to effectively make the shift without experiencing problems and/or losing much needed money. As such the management of the ongoing managed migration process is something to be acutely aware of.

We heard testimony that practical help to find work was lacking. Worryingly, we also heard of instances when people were directed to employment opportunities that were with zero-hour contract employers. Others said they were matched to jobs that did not take into account their skills and prior experience and it is of great concern that the Government is now planning on putting greater conditionality on people who are already working to work more hours. As we heard from Wheatley staff this can and does have a detrimental impact on those people affected. We also heard about the pressure being put on single parents with caring responsibilities to take work during school holidays when they did not have child care in place.

This speaks to a 'one size fits all' approach that fails to recognise individual circumstances and family needs. For example, a mother with an autistic child who has sensory needs which means they need additional levels of lighting, may need financial support for higher energy costs. Or a father with an asthmatic child might need more help with heating bills during the winter. Whilst a diabetic single man, nearing retirement may need help to ensure his dietary needs

are met. These circumstances are not recognised as being in need of additional help in the one size fits all approach currently taken.

In interviewing Wheatley tenants we wanted this research to give them a voice. The findings are unequivocal and show the detrimental impact UC is having on them. The system is driving people into debt, deeper poverty, destitution, and contributing to mental illness with many feeling that the system is unfair, punitive and lacks compassion. The sanctions regime has left some people with literally nothing to survive on and it could be argued is state-sponsored cruelty. This is especially true when we consider the impact on children.

The cost of living crisis facing the whole of society is acute, but for people in the lowest income bracket, the situation is unprecedented. A far greater proportion of their income is spent on basic necessities such as food and electricity. The evidence outlined in this report offers a glimpse into the lives of UC claimants. As a society we want all our citizens to have the means to lead a fulfilling life and not just to survive. People are not just going without the basics that many of us take for granted; they are also experiencing other unseen impacts.

Having a social life is an anathema to many people claiming UC. Too often they feel isolated and cut off from friends, family and wider society. Family events such as taking your children on holiday, buying them a small treat or new clothes are beyond the reach of the overwhelming majority of UC claimants. Many live with no house

insurance or ability to replace vital domestic goods, such as washing machines and fridge-freezers, in the event of something going wrong with them. People are skipping meals, avoiding taking hot showers or putting the washing machine on to save money. Simple activities that make life enjoyable and fulfilling are not an option for significant numbers of people on UC.

As the tenants survey returns show, people are facing impossible choices about which bills to pay. Do they heat, eat or pay their rent instead? What do they do about essentials such as Wi-Fi and broadband and the cost of a phone, all of which they must have access to in order to engage with UC and fulfil the requirements set out in the claimant commitment?

Anyone's life can change quickly. We can all experience mental or physical illness, redundancy, relationship breakdown, bereavement, unforeseen caring responsibilities etc. All of which can be life-changing, leaving us unable to work and reliant on the state. Providing help and assistance to those in such need is exactly what a compassionate, caring and civilised society should do. Currently, the state is providing the bare minimum and building into the system a perverse and punitive incentive regime that is much more 'stick than carrot.'

It is of course, important to strike a balance to avoid welfare dependency and encourage people into work but this has to be done in a way that incentivises and supports, rather than forces and punishes. It must also be done in a way that avoids a one size fits

all approach. We need a system that treats people humanely and respects individual circumstances recognising that some people cannot work because of their health or caring responsibilities.

The system to some extent builds this in, by providing some enhancement if, for example, someone is disabled and/or has children and as such there are some people better off under UC. But there are many others who are worse off. However, we spoke to people who described delays, rejection and how it was a major struggle to get their circumstances recognised. Even those who receive enhanced payments that exceed the standard UC allowance, are not paid anywhere near enough to meet their basic needs.

It is unsurprising that many claimants feel that being on UC has impacted their mental health. The stress and anxiety induced by the system itself can make it more difficult to get into any kind of work. An outcome that contradicts the rationale for introducing UC in the first place.

If a claimant is healthy and fit then the system can encourage people back to work but if their physical or mental health is not good then getting back into work is much more difficult. A situation exacerbated if they are not eating properly, appear ill-kempt or unable to keep warm.

The impact of UC results in unintended consequences, the cost of which has to

RECOMMENDATIONS

The recommendations below are directed mainly towards the UK Government. However, we believe that there remains more scope for the Scottish Government to

be picked up by others such as housing providers like the Wheatley Group, the Scottish Government, schools, local authorities, NHS services, food banks and other charities and third sector organisations who try their best to help people in financial hardship and pick up the pieces of an inadequate social security system. That said, there is still much more that could be done in the absence of any reforms coming from the UK Government.

The evidence gathered for this research is an indictment on a system that is not fit for purpose. Therefore, primarily, we recommend the complete abolition of the current system. However, we recognise that this is unlikely in the current political climate. Therefore, as a series of interim measures, we call for immediate action to introduce fundamental reforms to ensure people are able to meet their basic needs and lead better, more fulfilled and dignified lives. We need a compassionate system that means people can live in dignity, pay their rent, eat good nutritious food, turn on the heating when cold, and occasionally buy their child a small treat.

The words and the views of the people who contributed to this report cannot be ignored, they must be heard. The daily difficulties that they experience cannot be tolerated. No society should treat any of its people, especially its most vulnerable, in this way.

introduce further mitigatory measures to help people in Scotland who are in receipt of UC.

The evidence that we have compiled, alongside the multiple reports and evidence gathered from elsewhere, makes clear that the current system of UC is not fit for purpose, in need of abolition and that a fresh approach should be taken.

It is highly unlikely that UC will be abolished and replaced with a much more humane system any time soon. In the absence of abolition, fundamental and radical reform is needed if the social security system is to genuinely help and support some of the most vulnerable people in our society. Therefore, we recommend the following reforms.

- The UK Government should increase the level of UC and legacy benefits in line with higher Consumer Price Index annual inflation level for low-income households rather than the lower all households level, and restore the £20 per week uplift
- The UK Government should abolish the two child cap
- The UK Government should end the cruel and punitive sanctions regime
- The UK Government should abolish the five week wait and pay claimants from the start of their claim - in the short term, the DWP should offer advance payments as non-repayable grants, at the very least for the most vulnerable groups (e.g. using the DWP's own definitions of hardship)
- The UK Government should end the benefit cap
- The UK Government should abolish the bedroom tax
- The UK Government should create much more tailored and focused employment support services that assist and ease people back into work
- The UK Government should change the way that the benefit assessment period is calculated for UC claimants who work, using an average of salary/wage payments over the year to ensure it reflects what people actually earn. Otherwise, those customers who are paid weekly, fortnightly or four weekly, using fixed benefit assessment periods could potentially lose out several times each year
- The UK Government should pause deductions for advance payments and overpayments from the DWP
- The UK Government should raise Local Housing Allowance (LHA) in line with local rent inflation, so that all private renters who need help with their housing costs can find a property within the LHA rate
- The UK Government must abolish 'no recourse to public funds' and other restrictions on claiming benefits because of immigration status
- The UK Government should instruct the DWP to provide a dedicated single point of contact for each individual case and avoid as much as possible inconsistency of message and approach towards claimants

- The UK Government must have a transparent approach to claims with a sickness and disability element and a much quicker turnaround of claims and appeals
- The UK Government must ensure that job seekers are directed only to employers who pay the living wage and do not employ people on zero hour contracts.

The Scottish Government is not responsible for UC. Indeed, the Scottish Government has introduced policies that have sought to mitigate some of the impacts of UC. Nevertheless, the evidence we have compiled in this report is clear that Scots in receipt of UC are still suffering badly and need more help. We therefore, have offered some suggestions as to how the Scottish Government could support people more.

- The Scottish Government could provide a broadband/digital fund to ensure everyone on UC can navigate the digital system and have the resource to pay for broadband and/or hardware
- The Scottish Government could put in place a holiday/social fund that ensures the children of UC claimants can enjoy social interaction, sports clubs, holiday parks etc.
- The Scottish Government could put in place a clothing fund for UC claimants and those on legacy benefits
- The Scottish Government could provide support for transport costs for UC claimants moving back into work
- The Scottish Government could offer discounted/free fares on public transport for people on UC and other benefits (a pilot scheme in the Angus Council area is underway)
- The Scottish Government could abolish peak fares on trains; especially benefiting low paid people in work
- The Scottish Government could legislate for a right to food that places a statutory requirement to ensure that no citizen goes hungry
- The Scottish Government could introduce universal free school meals for all pupils
- The Scottish Government working with RSLs and local authorities could ensure that every one of their tenants has access to affordable home insurance
- The Scottish Government could create a National Anti-Poverty helpline and central point of information so people can find immediate help in their local area for emergency food provision, clothing programs and children's activities etc.

