

The introduction of universal credit in Northern Ireland


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Briefing to stakeholders

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<http://pure.ulster.ac.uk/en/persons/mark-simpson/>

<https://www.ulster.ac.uk/lawclinic/research/current-projects>



Jobs & Benefits

Entrance

Opening Hours

Monday - Friday

9.00am - 4.30pm

Universal credit in Northern Ireland

We need you!



Universal credit in Northern Ireland

The story so far...

- Background to universal credit:
 - From welfare reform to welfare changes
 - Mitigating the impact of reform
 - What do we know about universal credit in Northern Ireland?
- The project:
 - The research team
 - What are we doing?
 - Findings to date
 - What next?

Universal credit

Background

- Jobseeker's allowance
- Employment and support allowance
- Income support
- Housing benefit
- Working tax credit
- Child tax credit

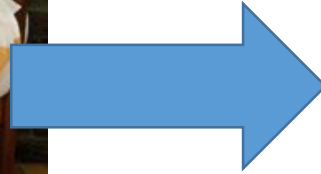


UC

*Universal
Credit*

Universal credit

Background



“Sleeping off a life on benefits”



From welfare reform to welfare changes

Northern Ireland in crisis?

- Social security a devolved matter
- Parity convention – same benefits as GB
- Post-2012:
 - Parties united in concern about coalition agenda
 - Lack of agreement on NI's ability to do things differently
 - Difficulty agreeing NI-specific set of reforms



From welfare reform to welfare changes

Northern Ireland in crisis?

- Some general concerns about austerity
- Lack of a coherent NI welfare state ideology
- Impact of reform greater than GB:
 - High levels of disability
 - High levels of economic inactivity
 - High levels of under-occupancy (58%)
 - Larger household size
 - £650 per capita economic loss
 - £470 in GB, £530 in north of England



From welfare reform to welfare changes

Northern Ireland in crisis?

- Welfare Reform Bill fails to pass final stage
- Legislative consent motion on use of social security powers
- 2012 and 2016 reforms extended to NI
- £585m earmarked for mitigating measures – working group to recommend
- UC Regulations made May 2016
- Implementation from Sep 2017 – completed for new claimants by end 2018



Mitigating the impact of reform

Universal credit payment arrangements

	Northern Ireland	Scotland	England/Wales
Payment cycle	Fortnightly (default)	Fortnightly on request	Monthly (default)
Housing costs	To landlord (default)	To landlord on request	To claimant (default)
Joint claims	Choice of single or split payment	Single payment (default)	Single payment (default)

Mitigating the impact of reform

Supplementary payments

Loss mitigated	Duration	
Social sector size criteria	Ongoing	<i>Supplementary payments to end 31 March 2020</i>
Benefit cap	Ongoing	
Loss of disability premium	Max one year	
Loss of carer premium	Max one year	
Contributory ESA eligibility limited to 12 months	Max one year	

Mitigating the impact of reform

Claimant activation

- Maximum higher level sanction 18 months (36 months in GB, for now)
- Referral to advice line when sanction imposed
- Leaflet on avoiding sanctions published
- Lower sanctioning rate – 3x to 5x as high in GB

To avoid a sanction:

- go to meetings on time with your Adviser/Work Coach and take part in interviews (such as Work Focused Interviews) – if for any reason you can't attend contact your Adviser/Work Coach as soon as possible as they may be able to re-arrange
- remain available for work and agree to do the things that you have agreed in your Jobseeker's Agreement
- apply for suitable jobs your Adviser/Work Coach tells you about
- do everything your Adviser/Work Coach tells you to do to find work, such as attending a training course or updating your CV or completing a job search

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What do we know?

- 77% of legacy benefit claimants aware of UC
- Only 10% know a great deal or a fair amount
- 20% say not easy to manage claim
- 78% agree 'I would be better off in work or working extra hours'
- 10% had not received a clear explanation of benefit conditions
- Supplementary payments – awareness of existence, receipt and end date varies
- 52% say not enough jobs to apply for
 - *Department for Communities, 2019*

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What do we know?

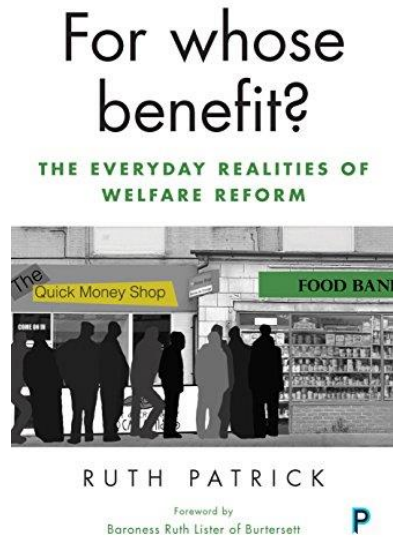
- Assembly has met for one day since Jan 2017
- Supplementary payments require affirmative resolution
- 32,777 claimants get SSSC supp. payment
 - 129 lost eligibility by Jun 2018
 - Average arrears rose from £48 to £174 by Nov 2018
 - 45% of waiting list single people – 18% of stock one-bedroom
- 1,580 claimants get benefit cap supp. payment – average £48/wk
 - 84% lone parents, rest couples with children
- ‘Cliff edge’ looming
 - *NI Housing Executive, 2018; Advice NI/Housing Rights/Law Centre NI, 2018*

Universal credit in Northern Ireland

Research team



- Ruth Patrick
- University of York
- Principal investigator



- Mark Simpson
- Ulster University
- Co-investigator

Equality and Human Rights Commission
Research report

Social security
systems based on
dignity and respect

Mark Simpson, Gráinne McKeever and Anne Marie Gray

Equality and
Human Rights
Commission

Scotland



Funder: Joseph Rowntree Foundation
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What are we doing?

- The voice of experts by experience
- Participatory research with UC claimants
- Individual interviews, then workshops
- Does UC live up to its own aims?
- Does it enable claimants to live with dignity?
- What is the contribution of the NI mitigations?

Universal credit in Northern Ireland

What are we doing?

- **Phase 1:** Interim report on universal credit in NI; submission to NI Affairs/Work & Pensions Committee inquiry
- **Phase 2:** Recruitment; One-to-one interviews with UC claimants
- **Phase 3:** Participatory workshops with UC claimants
- **Phase 4:** Engagement with policymakers and stakeholders



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Progress on phase 2

- Recruitment progressing slowly
- 7 initial interviews (total 8 claimants) completed
- Further interviews scheduled
- Some difficulty with recruitment
- Some common aspects of experience emerging

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Emerging findings

How participants have come to UC

- WTC claimant left job
- ESA claimant moved from parents' house to social housing
- IS claimant couple, wife's PIP application unsuccessful → husband's CA claim terminated
- In-work JSA claimant made redundant/changed job
- IS claimant moved from parents' house to private rental
- CA/IS claimant's mother died → CA claim terminated and became named tenant of NIHE property
- Off work on long-term sick, receiving SSP but needed support with housing costs

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Emerging findings

Application process and claim management

- Mixed experiences – some found process confusing and struggled with (computer) literacy
- More IT-literate participants found online application straightforward, but some frustration at number of follow-up appointments
 - *“I had to bring my wee baby who was just out of hospital, because they needed to see that I had a baby. And I have all the proof that they needed, but they still needed me to bring the baby down.”*
 - Lone parent, out-of-work claimant

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Emerging findings

Experiences of application process and claim management

- Widespread perception that staff not adequately prepared:
 - *“Income support, they knew everything. Everything you asked they had the answer to and they were quite happy to give me totals of exactly how much you would receive. Universal credit didn’t seem to have a clue what I would receive. The girl to me said it’s, ah, it’s a learning curve for all of us. We’re learning the same as you. And that shouldn’t be the case.”*

Lone parent, in-work claimant

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Emerging findings

The waiting game

- Officially, five weeks from application to first payment
- In practice, often longer
- Borrowed money or relied on charity to survive
- Resentment at being forced into debt/arrears at start of claim
- Staff not proactive in drawing attention to discretionary support grant
- Confusion about whether payments could be backdated
 - *“For me it’s a flawed system. You’re on a benefit that puts you in debt before you get it. That can’t be right.”*
 - Single male, limited capability for work

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Emerging findings

The waiting game

- *“I knew about the grant, but they tried to offer me the advance. I took a pound advance and I asked for the grant, so I got £250. They don’t tell anybody about it... They did try and offer me an advance of four hundred and something, at £17 a week repayment. That’s absolutely ridiculous, because if you’re only getting standard, £321, something like that, to get £17 a week taken off that... It’s shameful that they’re not telling people about the grant, because you can get a good bit of money on that. Not as much as you would from the advance, but they’re pushing the advances... With the old system you weren’t in debt straight away.”*

- Single male, in-work claimant

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Emerging findings

Conditionality and compliance

- Participants generally showed strong labour market orientation
 - Lone parents' aspirations influenced by children's needs
 - Limited capability for work claimants would rather be in paid work
- Staff largely portrayed as understanding
 - “I went down to the design centre buildings and this guy turns and goes ‘who the hell are you?’ I said I’ve been sent down here and he goes ‘I’m a work coach.’ I said I know, I told them I don’t need a work coach.”

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Emerging findings

Conditionality and compliance

- System seen as less accommodating
 - “My work coach person... he’s even said himself, I’m putting on this you’re not eligible for work. Now that alone should’ve told somebody I don’t need to go [for an assessment], you just need to change it over.”
 - Member of joint-claim couple, limited capability for work
- Fear of sanctions remains
 - “If you don’t go down to your meetings with your work coach you will be took off universal credits and you’ll be put onto jobseeker’s and you’ll have to go out to find work, that was what they told me... And if you miss your appointment as well, it can affect your payments, you can get less, far, far, far less.”
 - Lone parent, out-of-work claimant

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Emerging findings

Living on UC

- NI mitigations
 - Payment patterns
 - Fortnightly payments assist with budgeting
 - But undermined by uncertainty over how much would be received and varying gaps between payments
 - Claimants of multiple legacy benefits still find UC a struggle
 - Not enough money to budget anyway
 - Commencement of direct payment to landlord problematic

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Emerging findings

Living on UC

- NI mitigations
 - Supplementary payments
 - Two receiving SSSC supp. payment (one spare bedroom)
 - One believed would be exempt anyway
 - One did not receive supp. payment automatically
 - Couple receiving PIP and CA supp. Payments
 - Do not understand why this deemed a change of circumstances
 - Private tenant with rent over LHA
 - No supp. payment
 - Received DHP – lengthy application process, less than half of shortfall

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Emerging findings

Navigating UC

- Lack of comprehension of reform and process
 - “If you don’t go down to your meetings with your work coach you will be took off universal credits and you’ll be put onto jobseeker’s and you’ll have to go out to find work, that was what they told me.”
 - Lone parent, out-of-work claimant

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Emerging findings

Navigating UC

- Support from family members
 - *“For myself it was easy to do. I help him before with, like, ESA and some other applications. It’s only complicated for him because English also is a problem”*
- Advice sector
 - *“I didn’t understand it at all, so then I came in here and [advice worker] helped me through it... I didn’t know what I was doing with it. I was on the phone so many times with them, going through it, going through it and going through it.”*

Lone parent, limited capability for work-related activity

Further reading

M Simpson and R Patrick, *Universal credit in Northern Ireland: interim report*

Available from <https://www.ulster.ac.uk/lawclinic/research/current-projects>

(see report for full references list)

Acknowledgements:

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Project Advisory Group members

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