Universal Credit – experimental official statistics to December 2013

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Introduction

Universal Credit is a new benefit that has started to replace six existing benefits and tax credits with a single monthly payment. Universal Credit will eventually replace:

- Income-based Jobseeker's Allowance
- Income-related Employment and Support Allowance
- Income Support
- Working Tax Credit
- Child Tax Credit
- Housing Benefit

The main differences between Universal Credit and the current welfare system are:

- Universal Credit is available to people who are in work and on a low income, as well as to those who are out-of-work
- most people will apply online and manage their claim through an online account
- Universal Credit will be responsive as people on low incomes move in and out of work, they'll get ongoing support
- most claimants on low incomes will still be paid Universal Credit when they first start a new job or increase their part-time hours
- claimants will receive a single monthly household payment, paid into a bank account in the same way as a monthly salary
- support with housing costs will usually go direct to the claimant as part of their monthly payment

Universal Credit was launched as a Pathfinder in areas of the North West commencing in April 2013. The four initial Pathfinder offices were Ashton-under-Lyne, Oldham, Warrington, and Wigan. Six further sites are rolling out between October and spring 2014, which started with Hammersmith on 28 October, followed by Rugby and Inverness on 25 November, Harrogate and Bath on 24 February and will expand to Shotton by spring 2014.

Key findings

Starters

- Between April 2013 and 31st December 2013, a total of 4,280 people have started on Universal Credit.
- Gender breakdowns of starters to Universal Credit show that the majority are males, with a male to female ratio around 7:3.
- The majority of new claims are for unemployed people aged under 25;

Caseload

- On the 31st December 2013, a total of 3,780 people were on the Universal Credit caseload.
- Nearly 7 in 10 of the Universal Credit caseload on 31st December 2013 are younger people, under the age of 25.

In this Summary

This Summary contains data on Universal Credit on the benefits starters and caseload to 31st December 2013. These have been developed and released in accordance with the Code of Practice for statistics and its supporting principles.

This report contains two measures:

- A starter to Universal Credit is defined as an individual who has completed the Universal Credit claim process, attended a Universal Credit interview with a work coach, and has received at least one Universal Credit payment. The reporting month in relation to starts to Universal Credit relates to the calendar month, i.e. the first day of the month up to and including the last day of the month.
- The caseload of Universal Credit claimants includes those who have started Universal Credit (as above) and have not had a termination recorded for this spell, up to the reporting point. The reporting month in relation to the caseload on Universal Credit relates to the last day of the month, e.g. for November 2013, the measure is Universal Credit claimants on the 30th November 2013.

This report covers the period up to 31st December 2013 and includes summary statistics for the seven Universal Jobcentre Plus offices, Ashton-under-Lyne, Oldham, Warrington, Wigan, Hammersmith, Rugby and Inverness, who had implemented Universal Credit up to this reporting period. The postcodes covered by these offices begin:

- CV21, CV22
- IV1, IV2, IV3, IV4, IV5, IV8, IV9, IV10, IV11, IV12, IV13, IV21, IV22, IV26, IV54, IV63
- M35, M43
- OL1, OL2, OL3, OL4, OL6, OL7, OL8, OL9
- PH19, PH20, PH21, PH22, PH23, PH24, PH25, PH26, PH32
- SK16
- W6, W14, WA1, WA2, WA3, WA4, WA5, WA13, WN1, WN2, WN3, WN5, WN6

It is important to note that the Universal Credit statistics currently include all people claiming this benefit, both those people in work and out-of-work. People on Universal Credit who are in employment may or may not be receiving a Universal Credit payment. As new claims for Universal Credit in the Pathfinder stage have been restricted to single, unemployed people without children then most claimants will be unemployed. Work is being undertaken within DWP to publish statistics that distinguish between these two groups by mid-2014. The unemployed UC claimant information will be supplied to ONS but it is a matter for ONS to decide how they include them within the Claimant Count.

Future Releases

The next release of Universal Credit statistics will be in April 2014 and will contain data to 31 January 2014.

DWP plans to expand the range of statistics included in future editions of this release as their reliability is confirmed.

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Section 1. Official statistics and commentary

** Further breakdowns are available for some of the charts below in Stat-Xplore – where available, click on link to explore further, or go directly to the Stat-Xplore visualisation page at: <u>https://sv.stat-xplore.dwp.gov.uk/views/</u> **

1a. Analysis of starters

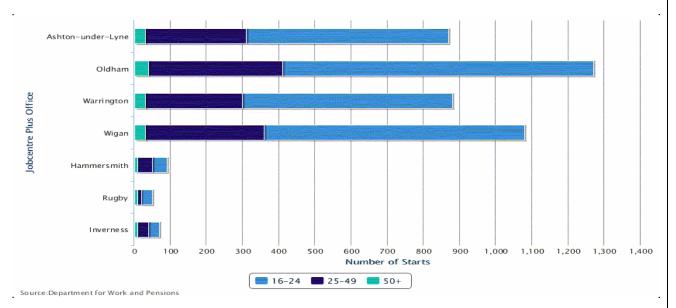
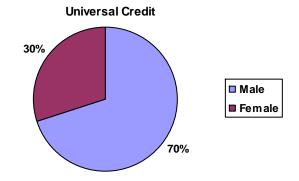


Chart 1.1 Universal Credit starters, cumulative to 31st December 2013, by age band

Chart 1.2: Universal Credit starters, cumulative to 31st December 2013, by gender



Key messages

- Between April 2013 and 31st December 2013, a total of 4,280 people have started on Universal Credit;
- Around 7 out of 10 new claims are for people aged under 25 and reflect the initial take-on for Universal Credit, of single, non home owning, unemployed people without any children;
- The ratio of male to female starters to Universal Credit is around 7:3.

Table 2.1 shows a time series of monthly starts to UniversalCredit, split by office.

- This shows that for each office in the pathfinder areas after an initial increase in the first 3 months of going live, the numbers of new on-flows to the benefit have started to decline.
- By December 2013 the highest number of new starters, in that month, were in Oldham, followed by Wigan and then Warrington.

Chart 1.1 shows the cumulative number of new starters. During the period May to December 2013 4,280 people started on the benefit.

Chart 1.2 (and **table 2.2**) shows the proportion of the cumulative Universal Credit starters by gender, in the period looked at by this release you can see that the ratio of male to female starters is around 7:3.

1b: Analysis of caseload

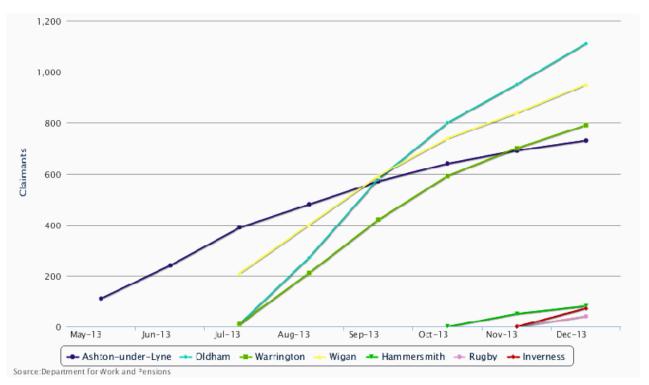
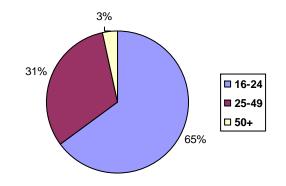


Chart 1.3: Universal Credit caseload, as at end of month, by Jobcentre Plus office

Chart 1.4: Universal Credit caseload, at 31st December 2013, by age band



Key messages

- On the 31st December 2013, the total caseload of Universal Credit claimants was 3,780 people;
- Nearly 7 in 10 claimants of the Universal Credit caseload on 31st December 2013 are younger people, less than the age of 25.

Chart 1.3 (and **table 3.1**) shows the time series of the monthly caseloads of Universal Credit. The highest caseload at end of December is in Oldham, followed by Wigan.

Chart 1.4 (and **table 3.1**) shows the percentage of December's caseload of Universal Credit, split by age. This shows that nearly 7 in 10 claimants of the Universal Credit in the latest month were under 25.

Table 3.2 and **3.3** break the Universal Credit caseload, at 31st December 2013, down by further geographies (based on the latest held address of the claimant).

Section 2. Tables on Universal Credit starters

** Further breakdowns of statistics in the tables below are available in Stat-Xplore – go to <u>https://sv.stat-xplore.dwp.gov.uk/views/</u> to explore further **

The following definitions and conventions are used in the next two sections

"-" Nil or Negligible;

"." Not applicable;

Figures are rounded to the nearest ten.

Totals may not sum due to rounding.

Figures are refreshed each time they are published and are subject to change.

Local Authorities and Parliamentary Constituencies are assigned by matching the claimant's postcode against the relevant postcode directory and may therefore differ to those given by Jobcentre Office.

Table 2.1 Monthly numbers of starters to Universal Credit

		Мау	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	Total	120	120	400	780	890	730	630	610
Gender	Male	80	90	250	530	620	540	450	440
	Female	40	40	150	250	270	200	180	170
	16-24	70	80	280	550	630	460	390	340
Age	25-49	40	40	100	210	240	250	220	230
	50+	-	-	10	20	20	20	20	40
	Ashton-Under-Lyne	120	120	170	100	120	100	80	60
	Wigan			210	200	210	180	150	120
	Warrington			10	210	220	190	140	100
Jobcentre Office	Oldham			10	270	340	260	210	180
Once	Hammersmith						-	50	40
	Rugby							-	40
	Inverness	•		•	•	•		-	70

Table 2.2 Cumulative numbers of starters to Universal Credit

		Мау	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	Total	120	240	640	1,420	2,310	3,040	3,670	4,280
Gender	Male	80	170	420	950	1,570	2,110	2,560	3,000
	Female	40	70	220	470	730	930	1,110	1,280
Age	16-24	70	150	440	980	1,610	2,070	2,470	2,810
	25-49	40	80	180	390	630	880	1,100	1,330
	50+	-	10	20	40	60	80	110	140
	Ashton-Under-Lyne	120	240	410	510	620	720	800	860
	Wigan			210	410	620	800	960	1,080
lab a an tua	Warrington			10	220	440	630	770	870
Jobcentre Office	Oldham			10	280	620	880	1,090	1,270
Once	Hammersmith						-	50	90
	Rugby							-	40
	Inverness							-	70

Section 3. Tables on Universal Credit caseload

		Мау	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	Total	110	240	620	1,360	2,160	2,770	3,240	3,780
Gender	Male	80	160	410	910	1,470	1,940	2,280	2,660
	Female	40	70	210	450	690	830	970	1,110
	16-24	70	150	430	960	1,520	1,900	2,170	2,460
Age	25-49	40	80	180	370	590	810	980	1,190
	50+	-	10	20	40	50	70	90	130
	Ashton-Under-Lyne	110	240	390	480	570	640	690	730
	Wigan			210	400	590	740	840	950
labaantee	Warrington			10	210	420	590	700	790
Jobcentre Office	Oldham			10	270	580	800	950	1,110
Onice	Hammersmith				•	•	-	50	80
	Rugby				•	•		-	40
	Inverness				•	•		-	70
Duration	Up to 3 months	110	240	620	1,260	1,950	2,200	2,090	1,850
	3 - 6 months			10	100	210	560	1,070	1,720
	More than 6 months					<u> </u>	10	90	210

Table 3.1 Caseload of Universal Credit at the end of each month

Table 3.2 Universal Credit Caseload by Local Authority: at the end of December 2013

	31 st December
Oldham	1,090
Wigan	900
Warrington UA	760
Tameside	720
Highland	70
Hammersmith and Fulham	70
Rugby	40
St. Helens	40
West Lancashire	10
Halton UA	10
Manchester	10
Rochdale	10
Kensington and Chelsea	10
Other local authority ¹	50

 Table 3.3 Universal Credit Caseload by Parliamentary Constituency: at the end of

 December 2013

	31st December
Ashton-under-Lyne	650
Oldham West and Royton	560
Wigan	510
Oldham East and Saddleworth	440
Warrington North	410
Makerfield	390
Warrington South	360
Denton and Reddish	110
Hammersmith	70
Inverness, Nairn, Badenoch and Strathspey	70
Stalybridge and Hyde	60
Rugby	40
St Helens North	40
West Lancashire	10
Weaver Vale	10
Kensington	10
Leigh	10
Ross, Skye and Lochaber	10
Other constituency ¹	60

¹Note the "Other" categories will contain claimants that were originally based in Universal Credit areas when their claim started but have since moved to another area.

Section 4. Methodology

4a. Data Source

These official statistics have been compiled using data from systems within local offices and records of Universal Credit payments made by the Department.

These are the first official statistics to be released on Universal Credit, using a new data source and a new methodology. The statistics have been developed using guidelines set out by the UK Statistics Authority, and are new official statistics undergoing evaluation they have accordingly been badged as being Experimental Statistics. Users are invited to comment on the development and relevancy of these statistics at this stage.

As the data available for Universal Credit evolves over time, the methodology used and definitions may develop also. Users of these statistics are, therefore, asked to note the status as experimental official statistics² and that subsequent releases may include revisions to the time series already released.

4b. Definitions used

A starter to Universal Credit is defined as an individual who has completed the Universal Credit claim process, attended a Universal Credit interview with a personal adviser, and has received a Universal Credit payment.

A Universal Credit claimant is recorded as being on the caseload if they have started Universal Credit and are not recorded (up to the reporting point) as having terminated their Universal Credit spell.

² For further details of experimental statistics, see: <u>http://www.statisticsauthority.gov.uk/news/assessment-and-designation-of-experimental-statistics.html</u>

Section 5. Further roll out

After the initial Pathfinder areas six further sites are rolling out between October and spring 2014, which started with Hammersmith on 28 October, followed by Rugby and Inverness on 25 November, Harrogate and Bath on 24 February and will expand to Shotton by spring 2014. Eligibility for Universal Credit will be the same as in the Pathfinder areas. Newly unemployed people who would formerly have made a straightforward claim for Jobseeker's Allowance and who meet certain additional criteria.