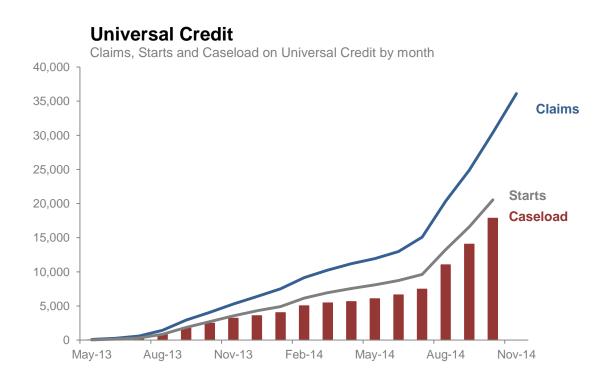
Universal Credit is a new benefit which aims to reduce poverty, by making work pay, and to help claimants and their families to become more independent.

Universal Credit was introduced in April 2013 in certain pathfinder areas of North West England. Since October 2013, it has progressively been rolled out to other areas. This release covers the period in which 68 Jobcentre Plus offices have started to introduce Universal Credit.



Main Findings

The total number of people who have made a claim for Universal Credit continues to rise as the roll out of Universal Credit continues, with **36,100** people making a claim up to 6th November 2014.

Of the people who have made a claim, **20,540** have, up to 9th October 2014, attended an initial interview, accepted their claimant commitment, and gone on to start Universal Credit.

As at October 2014, **17,850** people were on the Universal Credit caseload. Of these, 4,350 (or 24 per cent) were in employment and 13,500 (or 76 per cent) were not in employment.

contact us



Introduction

This Summary contains statistics on Universal Credit covering the period to 6th November 2014 (for claims made) and 9th October 2014 (for starts and caseload) covering the 68 Jobcentre Plus offices who had implemented Universal Credit up to this date.

<u>Universal Credit</u> is a new benefit which aims to reduce poverty, by making work pay, and to help claimants and their families to become more independent. It also aims to simplify the benefits system by bringing together the following benefits into a single payment:

- 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 will get on going 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

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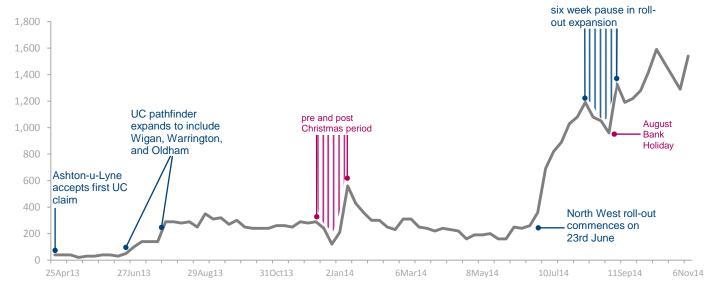


Claiming Universal Credit

People will usually make a claim for Universal Credit on-line, in which initial claim verification will take place. After making a claim, an initial interview will take place with the claimant in which eligibility for Universal Credit will be confirmed and the claimant will accept a <u>Claimant Commitment</u>. At this point, a claimant will be recorded as starting Universal Credit. Users should note that the statistics on claims made are four weeks more up-to-date than statistics on starts and caseload. Not all people who make a claim for Universal Credit will go on to start.

Claims made to UC are increasing

new claims in each week to Thur 6th Nov 2014



Key messages

The number of people making a claim to Universal Credit has been increasing since the expansion in North West England. The total number of claims made is now 36,100, with an average of 1,430 new claims per week in the past four weeks, compared to an average of 1,380 new claims per week in previous four weeks.

The *postcode area* in which the most claims were made in the past four weeks was 'L' (Liverpool) with 1,240 claims, followed by 'M' (Manchester) with 1,030.

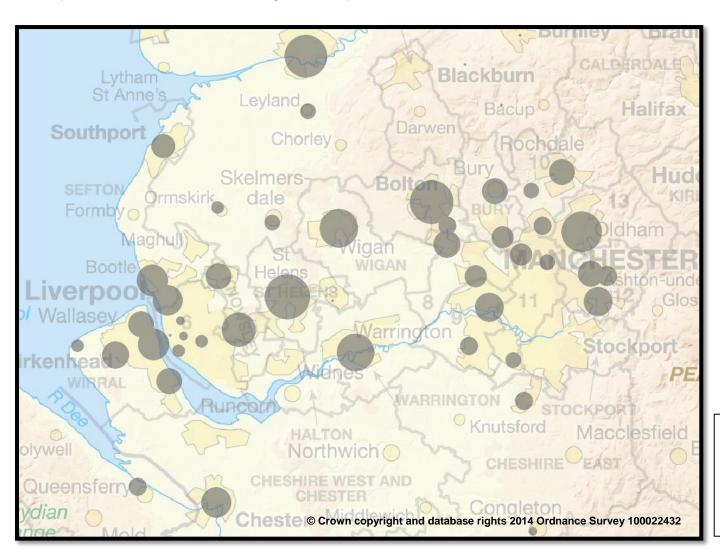
'CH' (Chester, inc. Wirral), 'OL' (Oldham, inc. Ashton-u-Lyne), 'WA' (Warrington, inc. St Helens), and 'BL' (Bolton, inc. Bury) all had more than 400 claims in the past four weeks.

See Excel table 1.01 for full data.



People starting Universal Credit

in the past month within the North West region, 12th September 2014 to 9th October 2014



Key messages

The total number of people who have started Universal Credit up to 9th October 2014 was 20,540, within 57 Jobcentre Plus offices.

The total number of people who have now started Universal Credit is 24 per cent higher than the total a month earlier (16,590).

In the past month, more people have started Universal Credit in the St Helens Jobcentre Plus office than any other (250 people starting).

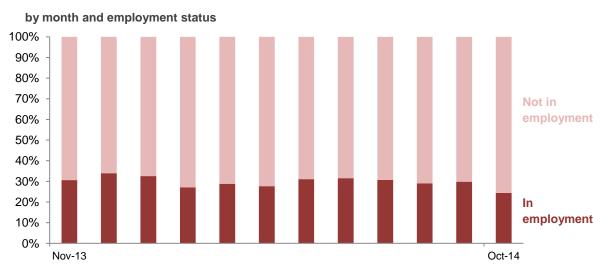
Approximately two-thirds (68 per cent) of people starting Universal Credit are male, and 61 per cent were aged under 24.

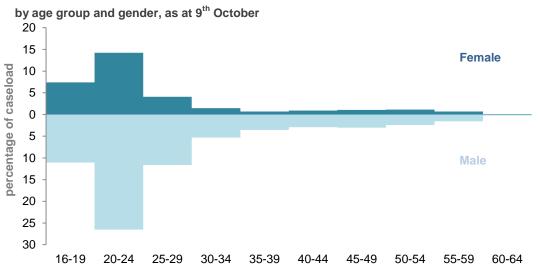
See Excel tables 2.01 - 2.04 for full data.

Map note: the circle represents a Jobcentre Plus office location, and the size of the circle is proportionate to the number of people starting Universal Credit in the past month.



Universal Credit caseload





Key messages

There were 17,850 people on the Universal Credit caseload as at 9th October 2014. This represents an increase of 27 per cent on the caseload compared to September 2014.

The Jobcentre Plus office with the largest caseload was Oldham with 2,570 Universal Credit claimants, followed by Wigan with 1,870 (caseload breakdown by local authority and parliamentary constituency are available in accompanying Excel tables).

Of the people on the caseload in October 2014, 24 per cent were in employment and 76 per cent were not in employment. The lower proportion in employment compared to previous months reflects a much higher number of new starters to Universal Credit in the past three months, with just under 4,000 new starts between September and October, and just under 10,000 new starts in the past three months..

59 per cent of the Universal Credit caseload in October 2014 have been on for less than three months, this compares to 54 per cent in September 2014, 45 per cent in August 2014 and 27 per cent in July 2014.

There are more males on the Universal Credit caseload than females (68 per cent compared to 32 per cent).

Males aged 20-24 make up 27 per cent of the total Universal Credit caseload.

See Excel tables 3.01 - 3.19 for full data.



Data Source

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

This and other new data sources will, in time, allow a progressively wider range of breakdowns to be published as the new IT systems are introduced. The methodology used and definitions of the official statistics may be updated within subsequent releases, along with information on the impact of any changes to the time series already released. A strategy for the release of official statistics on Universal Credit was published in September 2013.

These statistics have been developed using guidelines set out by the UK Statistics Authority, and are new official statistics undergoing evaluation. They have therefore been designated as Experimental Statistics. Users are invited to comment on the development and relevancy of these statistics at this stage.

Definitions used

This report contains three main measures:

- The number of **claims** made is defined as the number of individuals who have submitted a claim to Universal Credit regardless of whether they then go on to start Universal Credit. There are a number of reasons why they may not start e.g. the individual is not eligible to claim Universal Credit. It is also important to note that the headline figure relates to all claims made up to 6th November 2014 which is 4 weeks later than the figures provided for starters and caseload. This means that individuals who have made their first claim to Universal Credit after the 9th October 2014 will be included in the claims made figure but will not be included in the starters and caseload figures even if they complete the claim process and are still on Universal Credit. They will, however, be captured in future releases which cover the period after 9th October 2014.
- A **starter** to Universal Credit is defined as an individual who has completed the Universal Credit claim process and accepted their <u>Claimant Commitment</u>. The reporting month in relation to **starts** to Universal Credit relates to a period from the second Friday in the previous month to the second Thursday in the current month, e.g. for October 2014 the starts recorded relate to the period 12th September 2014 to 9th October 2014. Figures show the first successful claim per individual. Subsequent claims by the same individual will not be counted in this release. Work is currently ongoing to identify and include these cases in future publications. The number of individuals with multiple starts to Universal Credit, up to the reporting point, is negligible.
- 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 'count date'. A termination would be recorded either at the request of the individual or if their entitlement to Universal Credit ends, for example, they no longer satisfy the financial conditions to receive Universal Credit as they have capital over £16,000, or increased earnings which reduce their award to zero for six consecutive months. The latest overall Universal Credit caseload figure reported in this release relates to the second Thursday in October, i.e. 9th October. Please note that this figure is provisional and will be finalised in the next release (although the expectation is that the provisional figure will be within one per cent of the final figure). The caseload figure now also includes a breakdown on whether the claimant is **in employment** or **not in employment**. An individual on Universal Credit at the count date will be recorded as in employment if they have employment earnings within the Universal Credit assessment period which spans the count date. They may not be in employment precisely on the count date.



Universal Credit and measures of unemployment

Unemployment in the UK is measured using the Labour Force Survey (LFS) consistent with the International Labour Organisation (ILO) definition. The LFS is a sample survey of people living in private households. The survey asks a series of questions about respondents' personal circumstances and their activity in the labour market. Through these questions every respondent is classified as in employment, unemployed or economically inactive, consistent with ILO definitions.

The LFS and ILO defines an individual as unemployed if they are without work, available for work and seeking work. The UK applies this as anybody who is not in employment by the above definition, has actively sought work in the last 4 weeks and is available to start work in the next 2 weeks, or has found a job and is waiting to start in the next 2 weeks, is considered to be unemployed. The measure is not dependent on which, if any, benefit is being claimed.

The Office for National Statistic (ONS) also publish monthly National Statistics on the claimant count – a measure of how many people are claiming Jobseeker's Allowance. Although the headline claimant count statistics do not include data on Universal Credit claimants, ONS do publish an <u>indicative</u> representation of the claimant count adjusting for Universal Credit caseload.

Further roll out

Universal Credit, which is already available in a number of areas across England, Scotland and Wales, continued its roll out across the North West of England from 23rd June 2014. From 30th June 2014 Universal Credit also expanded to include claims from couples.

Universal Credit will continue its roll out to Jobcentres in the North West until the whole region is covered and then to all Jobcentre Plus offices and local authorities across the country from February 2015

In total over 90 Jobcentre Plus offices, or 1 in 8 Jobcentres in Britain, will offer the service once the North West expansion has been completed.

Further information can be found at:

https://www.gov.uk/government/news/north-west-universal-credit-expansion

 $\underline{\text{https://www.gov.uk/government/news/universal-credit-to-take-the-first-new-claims-for-couples}}$

https://www.gov.uk/government/news/plans-announced-for-accelerated-rollout-of-universal-credit-after-success-in-north-west

For the period for which these statistics cover there were 57, for starters and caseloads and 68 for claims made, Jobcentre offices delivering Universal Credit. See Excel tables 4.01 for a full list of Jobcentre Plus offices by the date they implemented Universal Credit.

