



Department
for Work &
Pensions

Equality analysis for the introduction of waiting days into Universal Credit

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Introduction

This document records the analysis undertaken by the Department to enable Ministers to fulfil the requirements placed on them by the Public Sector Equality Duty (PSED) as set out in section 149 of the Equality Act 2010. The PSED requires the Minister to pay due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act;
- advance equality of opportunity between people who share a protected characteristic and those who do not; and
- foster good relations between people who share a protected characteristic and those who do not.

In undertaking the analysis that underpins this document, where applicable, the Department has also taken into account the United Nations Convention on the Rights of Persons with Disabilities, and in particular the three parts of Article 19 which recognise the equal right of all disabled people to live in the community, with choices equal to others, and that the Department should take effective and appropriate measures to facilitate full enjoyment by disabled people of this right and their full inclusion and participation in the community.

Brief outline of policy or service

The Chancellor of the Exchequer announced in the 2013 Autumn Statement, the introduction of 7 waiting days into Universal Credit (UC). The 7 waiting days are to be served following a new award of UC to claimants who are in the all work-related requirements group on or after 27th April 2015. This will apply to both Live Service and Digital Service.

The Chancellor subsequently confirmed in the Budget statement of 19th March 2014 that the number of waiting days in Jobseeker's Allowance and Employment and Support Allowance would be increased from 3 to 7.

The principle behind the waiting days policy is that benefits are not intended to provide financial support for very brief breaks in employment or periods of sickness. Many people come to benefits directly from employment and it is reasonable to expect them to use those earnings to budget for an initial short period of unemployment. This measure will apply to single claimants who on the first day of the

waiting day period are in the all work-related requirements group and to joint claimants where one or both members of the couple are in this group. The all work-related requirements conditionality group includes those who are able to work and either have no earnings or are earning less than we could reasonably expect. This includes those who are out of work but have a working partner on low earnings (i.e. below the household conditionality earnings threshold). They are legally expected to take action to secure work or more work.

Waiting days will not apply to claimants who have earnings that are equal to or exceed the conditionality earnings threshold provided by Regulation 90 (claimants subject to no work-related requirements) of the Universal Credit Regulations 2013.

We propose to make provision in new Regulation 19A(3) for certain categories of claimant to be exempt from serving waiting days. These exceptions are:

- A new award of UC made to single claimants who were previously part of a couple and the UC award ends when they cease to be a member of that couple, and joint claimants who were previously single and their universal credit awards ended when they became a couple;
- Other claimants who have a new UC award that begins on the same day of each month as the assessment period in relation to a previous award. These are the claimants who return to UC within 6 months via the re-award process;
- Claimants who are terminally ill;
- Claimants who have recently been a victim of domestic violence (as determined in accordance with Regulation 98(2) of the Universal Credit Regulations 2013);
- Care Leavers (as defined in Regulation 2 of the Universal Credit Regulations);
- Young persons aged 16 or 17 and without parental support (as determined in accordance with Regulation 98(2));
- Former prisoners who have left prison within the past month (the term “prisoner” is defined in Regulation 2 of the Universal Credit Regulations);
- Claimants who were entitled to new style JSA or new style ESA within 3 months of their claim to UC.

Evidence and analysis

The waiting days policy applies to new flows into the All Work-related Requirements (AWRR) Group. By looking at the characteristics of people estimated to flow into this group, and comparing them to the characteristics of all people expected to flow onto Universal Credit, we can analyse whether some groups of people might be disproportionately affected by the waiting days policy.

Our forecast allows us to look at the gender and age characteristics of households who flow onto Universal Credit when it is fully rolled out. The forecasts are unable to provide a detailed breakdown of the gender or age of the partner within a couple household who flow onto Universal Credit.

The forecast also allows us to analyse whether a household receives Employment and Support Allowance or Personal Independence Payment/Disability Living Allowance, which is used as a proxy for disability for the purposes of this analysis.

Our forecasts do not allow for analysis of the flows onto Universal Credit by race. Instead, the proportions on Universal Credit in the AWRR group by race will be compared to the proportions within the entire Universal Credit population. For these purposes it is assumed that these proportions will also apply to individuals flowing onto Universal Credit.

We are unable to incorporate the characteristics of the groups who will be exempt from waiting days into the analysis.

Please note figures are rounded to the nearest 5% and therefore may not sum due to rounding.

Gender

For couple households it is assumed that there is an equal number of male and females. This was then combined with the gender distribution from single households to get the distribution at an individual level.

Table 1: Distribution of individuals flowing onto UC by gender.

	AWRR group	Distribution of all individuals flowing onto UC
Male	60%	55%
Female	40%	45%

Around 55% of individuals estimated to flow onto Universal Credit in steady state are male, and 45% are female. Around 60% of individuals estimated to flow in to the all work-related requirements group are male. This suggests that, before any exemptions are considered, males may be slightly over-represented in those affected by the waiting days policy in Universal Credit.

Age

Our forecasts provide the distribution of the age of single households but for couple households the age of the 'main claimant'¹ is used. It is assumed that this distribution applies to the individuals flowing onto Universal Credit.

¹ The main claimant relates to main claimant in the legacy benefit system

Table 2: Distribution of households flowing onto UC by age

	AWRR group	Distribution of all households flowing onto UC
Under 18	0%	0%
18 to 24	35%	30%
25 to 34	25%	30%
35 to 44	15%	15%
45 to 54	15%	15%
55+	10%	10%

Households aged 18 to 24 are slightly over-represented in households flowing into the all work-related requirements group, whilst households aged 25 to 44 are slightly under-represented. This suggests that, before exemptions to the policy are considered, people aged 18 to 24 may be slightly over-represented in the people affected.

Disability

A disabled household is a household where at least one member is in receipt of Employment and Support Allowance or Personal Independence Payment/Disability Living Allowance. These are used as a proxy for disability as defined by the DDA.

Table 3: Households flowing onto UC by disability status

	AWRR group	Distribution of all households flowing onto UC
Disabled	10%	15%
Not disabled	90%	85%

Disabled households are slightly under-represented in the households flowing into the all work-related requirements group compared to all households flowing onto Universal Credit.

Race

Our estimate suggests that of all individuals on Universal Credit 85% will be white and 15% will be of 'Other ethnicity'. This compares to 80% will be white in the AWRR group and 20% will be 'Other ethnicity'. Assuming that these proportions apply to those flowing onto Universal Credit then individuals with 'Other Ethnicity' will be over represented.

Gender reassignment

The Department does not hold information on its administrative systems on gender reassignment. There is no reason to believe the policy will cause particular disadvantage to claimants on grounds of gender reassignment.

Sexual orientation

The Department does not hold information on its administrative systems on the sexual orientation of claimants. However, as UC rules treat couples and single claimants the same regardless of sexual orientation we have no reason to believe the policy will cause particular disadvantage to claimants on grounds of sexual orientation.

Religion or belief

The Department does not hold information on its administrative systems on the religion or beliefs of claimants. However, we have no reason to believe the policy will result in a particular disadvantage to claimants on grounds of religion or belief.

Marriage and civil partnership

The information held by the Department on its administrative systems does not distinguish between different types of partnership. However, UC provisions do not treat those who are married differently from those in civil partnerships or those who are not married or in a civil partnership. We therefore have no reason to believe that this policy would result in particular disadvantage to claimants in different types of partnership, including those who are not married or in a civil partnership

Decision making

We have assessed the equality impacts of this change based on the information available. We have no evidence that any protected groups would be disproportionately affected by the recommended approach in a manner that would result in unlawful discrimination, harassment or victimisation. However, we will monitor the impacts of the policy and we will use evidence on the experiences and outcomes of the protected groups to assess (and if necessary respond to) the broader impact over time.

Monitoring and evaluation

The Universal Credit Evaluation Framework, published in December 2012, sets out the Department's broad intentions for evaluation, including impact measurement.² This provides an overview of plans for evaluating the introduction, implementation, delivery and impact of UC. Changes to UC policy and or regulations will be reviewed

² https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/180879/universal-credit-evaluation-framework.pdf

in line with the framework as we continue to roll UC out nationally.

When will the potential impacts be reviewed?

The Universal Credit 'Test and Learn' framework is a key element of the broader DWP approach to evaluating UC policy. The impacts of changes of policy will be reviewed on an on-going basis as part of this process.

Sign off

Nina Young