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. In the period covered by this release, 359 Jobcentre Plus offices have started to introduce Universal Credit.

Universal Credit Caseload and Starts on Universal Credit by month, Claims made per week 100.000 Caseload 80.000 60,000 40,000 20.000 20,000 **Starts** 15.000 10,000 5,000 0 8,000 **Claims** 6,000 4,000 2,000 () 30-Jul-15 30-Jul-14

Main Findings

89,357 people were on the Universal Credit caseload, as of **9**th **July 2015**. Of these, **27,004** (or 30 per cent) were in employment and **62,348** (or 70 per cent) were not in employment.

104,736 total starts to Universal Credit up to 9th

July 2015. 16,945 starts to Universal Credit

were in the last month.

174,676 claims have been made for Universal Credit up to 30th July 2015. 26,109 claims have been made for Universal Credit in the last four weeks at an average of 6,527 per week.



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Introduction

This Summary contains statistics on Universal Credit covering the period to 30th July 2015 (for claims made) and 9th July 2015 (for starts and caseload) encompassing the 359 Jobcentre Plus offices which 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 providing a single payment based upon the circumstances of the household. Support for housing costs, children and childcare costs are integrated in the new benefit. It also provides additions for disabled people and carers.

The following benefits will be abolished as Universal Credit rolls out.

- 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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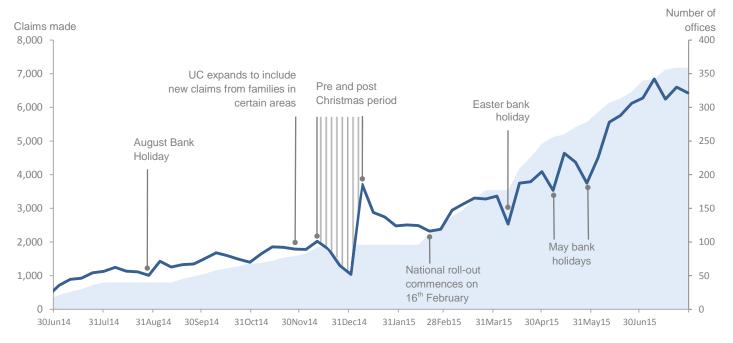
Claiming Universal Credit

People will usually make a claim for Universal Credit on-line, during which initial claim verification will take place. After making a claim, an initial interview will take place with the claimant at 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 three 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.

The statistics for claims and starts used in this publication include all claims and starts to Universal Credit. If an individual has had more than one claim each claim will be included in the figures. Similarly, each start an individual has had will be included in the starts to Universal Credit figures. See the Data Source and Definitions section for more details. Please note due to these adjustments, it is advisable to obtain the new time series for claims and starts via the **Excel tables** and **Stat-Xplore**.

Claims made to UC are increasing

new claims per week and number of offices accepting claims in the last 13 months to Thur 30th July 2015



Key messages

The overall rate at which claims are being made continues to increase as Universal Credit expands to the rest of Great Britain.

The total number of claims made is 174,676, with average of 6,527 claims made in the past 4 weeks, compared to an average of 5,931 claims in the previous four weeks.

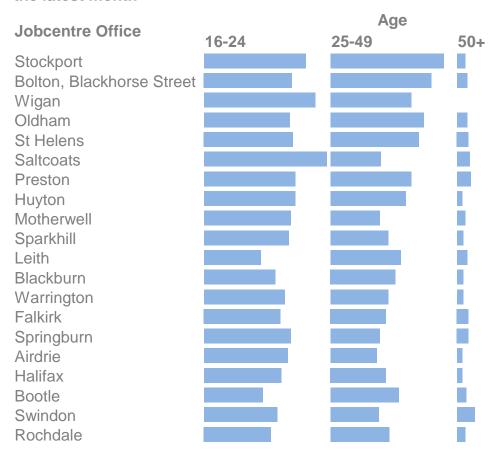
Since national roll-out the rate of claims has been increasing at a rapid pace, peaking at 6,841 claims in the week ending 9th July, and reaching a daily peak of over 1,700 claims on the 6th July.

See **Excel table 1.1** for summary statistics and **Stat-Xplore** for the full data series.



Starts to Universal Credit

Highest number of starts in the top 20 Jobcentre Plus offices by age in the latest month



Key messages

The total number of starts that have been made to Universal Credit in the month up to 9th July 2015 was 16,945.

In the past month, there have been more starts to Universal Credit in Stockport Jobcentre Plus office than any other (209 people starting). Although Oldham office still has the highest cumulative number of starts of any Jobcentre Plus Office (5,340).

Around two-thirds (63 per cent) of the starts to Universal Credit in July were by males, and over half (53 per cent) were under the age of 25.

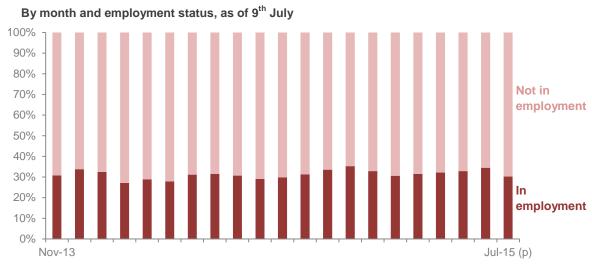
The proportion of people that started Universal Credit who were under the age of 25 increased in July. Up to recently the 25-49 age group had been the fastest growing age group. However, with the pace of national roll-out increasing, the number of people starting Universal Credit aged under 25 has risen substantially over the last month, especially in certain regions of Scotland.

Please note the figures for the latest month (July 2015) are provisional and will be finalised in the next release. See the <u>Data Source and Definitions</u> section for more details.

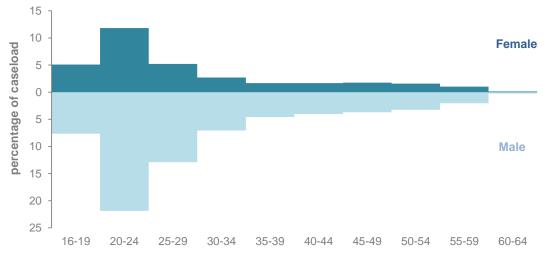
See **Excel table 2.1** for summary statistics and **Stat- Xplore** for the full data series.



Universal Credit caseload



By age group and gender, as of 9th July



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Key messages

There were 89,357 people on the Universal Credit caseload as of 9th July 2015. This represents an increase of 21 per cent on the caseload compared to June 2015.

The Jobcentre Plus office with the largest caseload was Oldham, with 2,969 Universal Credit claimants, followed by Wigan, with 2,209 (caseload breakdown by Jobcentre Plus office, local authority and parliamentary constituency are available on Stat-Xplore).

Of the people on the caseload in July 2015, 30 per cent were in employment and 70 per cent were not in employment.

46 per cent of the Universal Credit caseload in July 2015 has been on for less than three months, this compares to 44 per cent in June, 43 per cent in May, and 46 per cent in April.

There are more males on the Universal Credit caseload than females (67 per cent compared to 33 per cent).

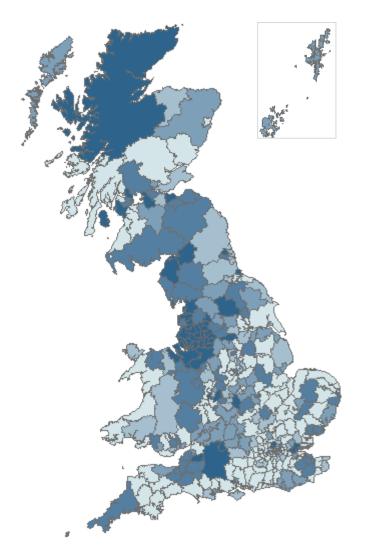
Males aged 20-24 make up 22 per cent of the total Universal Credit caseload.

See **Excel tables 3.1-3.3** for summary statistics and **Stat- Xplore** for the full data series.

Please note figures for the latest month (July 2015) are provisional and will be finalised in the next release. See the Data Source and Definitions section for more details.



Universal Credit caseload and starters



The adjacent map shows Universal Credit caseload by Local Authority as at 9th July 2015.

The darker areas of the map are Local Authorities with high levels of Universal Credit claimants, while the lighter areas are the Local Authorities with fewer Universal Credit claimants.

Interactive map:

Further statistics on the Universal Credit caseload and starters showing information at Jobcentre Plus office level are also available via an interactive map.

This shows the location of Jobcentre Plus offices who now accept Universal Credit claims, up to 9th July 2015.

Please click <u>here</u> to access the interactive map.

On the interactive map, the size of each pin is proportional to the number of claimants on Universal Credit as at 9th July 2015. Key statistics for each Jobcentre Plus office can be viewed by clicking on each pin.

For further information on supported browsers, please visit the following website: http://doc.arcgis.com/en/arcgis-online/reference/browsers.htm



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 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 <u>strategy</u> 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 relevance of these statistics at this stage.

Definitions used

This report contains three main measures:

- The **claims** made figure in this release 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; for example, the individual may not be eligible to claim Universal Credit. The headline claims made figure includes all claims made for Universal Credit, so if an individual goes on to make multiple claims, each claim will be included in the headline figure. Figures which only include claimants' first spell on Universal Credit can be found on <u>Stat-Xplore</u>. It is also important to note that the headline figure relates to all claims made up to 30th July 2015, which is three weeks later than the figures provided for starters and caseload. This means that individuals who have made a claim to Universal Credit after the 9th July 2015 will be included in the claims made figure but will not be included in the starters and caseload figures, even if they have completed the claim process and have started on Universal Credit. They will, however, be captured in future releases which cover the period after 9th July 2015.
- 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 headline figure for starts includes all successful claims made for Universal Credit. Therefore, if an individual has started on Universal Credit more than once during the period covered by this release, then each spell will be included in the headline figure. Figures which only include claimants' first spell on Universal Credit can be found on <u>Stat-Xplore</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; for example, for July 2015 the starts recorded relate to the period 12th June 2015 to 9th July 2015.

• 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, if they no longer satisfy the financial conditions to receive Universal Credit as they have capital over £16,000, or if increased earnings reduced 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 July, i.e. 9th July 2015. Please note that caseload figures are provisional and will be finalised in the next release (the expectation is that the provisional caseload figure will be within one per cent of the final figure). The caseload figure includes a breakdown on whether the claimant is **in employment** or **not in** employment, which is also subject to revision; although the expectation is that this will be within two per cent of the final figure. An individual on Universal Credit at the count date will be recorded as in employment if they have employment earnings recorded within their completed Universal Credit assessment period closest to the count date. They may not be in employment precisely on the count date.

To ensure that monthly comparisons can be made, some of the charts used in this release have been standardised to a $4^{1}/_{3}$ week month using a simple pro rata.

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 define an individual as unemployed if they are without work, available for work and seeking work. The UK considers 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, to be unemployed. The measure is not dependent on which, if any, benefit is being claimed.

The Office for National Statistics (ONS) also publish monthly National Statistics on the claimant count – a measure of how many people are claiming Jobseeker's Allowance. From 17 June 2015, the Claimant Count published by the ONS will include out of work Universal Credit claimants. Further information on the claimant count can be found here:

http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Claimant+Count



Further roll out

Universal Credit, which is available in a number of areas across England, Scotland and Wales, completed its roll out to the whole of the North West of England on 15th December 2014. From 30th June 2014 Universal Credit expanded to include new claims from couples and from 24th November 2014 to new claims from families. Universal Credit continued its roll out to all Jobcentre Plus offices and local authorities across the country on 16th February 2015.

A limited test of the Digital Service for Universal Credit was launched in Sutton, South London, on 26th November 2014, and expanded into Croydon, South London, on 10th June 2015. Claimants will manage their Universal Credit claim online to monitor payments, communicate with their work coach and record work search progress. Please note that this publication does not currently include statistics covering this area.

Further information can be found at:

https://www.gov.uk/government/news/universal-credit-to-take-the-first-new-claims-for-couples

https://www.gov.uk/government/news/welfare-revolution-rolls-out-to-families-universal-credit-to-be-in-a-third-of-jobcentres-by-spring

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

https://www.gov.uk/government/publications/universal-credit-national-expansion

https://www.gov.uk/government/publications/universal-credit-information-for-claimants-in-sutton

For the period for which these statistics cover there were 359 Jobcentre offices delivering Universal Credit.

See Excel table 4.1 for a full list of Jobcentre Plus offices by the date they implemented Universal Credit.

