

## Policy background and introduction

Universal Credit is revolutionising the welfare system by making work pay. The design and structure of Universal Credit is transformational, it focuses on replicating the world of work, encouraging claimants to take greater responsibility for their finances and incentivising them to earn more and progress in work. At the same time Universal Credit provides support for people who can't work or need help moving towards the labour market. Universal Credit is already transforming lives and evidence shows people are moving into work faster and working longer with Universal Credit than under the old system.

This publication provides ad hoc statistics on Waiting Days for claims to Universal Credit (UC). Universal Credit entitlement is calculated over monthly Assessment Periods (APs). Waiting Days are an initial period of non-entitlement, lasting for seven days from the date of claim. A claim's first Assessment Period would not begin until Waiting Days have been completed. Not all claimants will serve Waiting Days (as explained on page 3).

The benefit system is not intended to cover short gaps between jobs, or short periods of sickness. The application of Waiting Days within UC reflects this, and is similar to the application of Waiting Days within Jobseeker's Allowance and Employment and Support Allowance.

This publication is being released alongside two other statistical ad hoc publications, on the related topics of: UC payment timeliness and UC payment advances (link on page 11).

## Main story

Between 01 May 2016 and 30 June 2017, 64% of new claims to UC served Waiting Days.

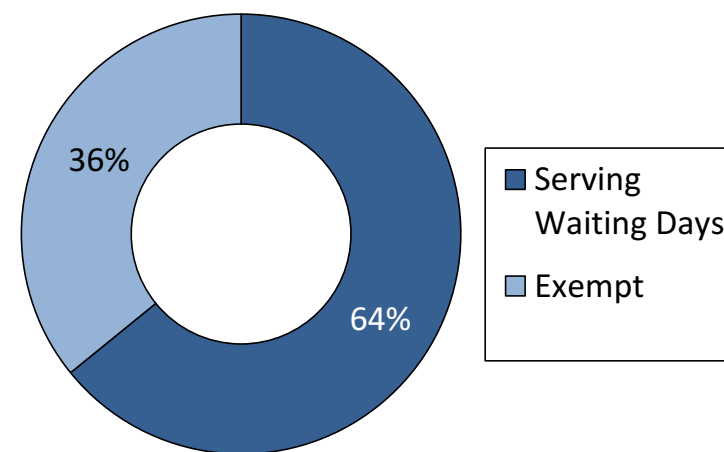
Analysis split by 'family type' shows that claims from 'single claimants without children' are significantly more likely to have served Waiting Days.

Analysis split by 'award entitlement' shows that claims with an entitlement to the 'UC standard allowance only' (i.e. without additional support needs) are significantly more likely to have served Waiting Days.

The overall proportion of new claims serving Waiting Days is relatively high (64%), because the majority of claims over the period have been from 'single claimants without children' and from claims entitled to the 'UC standard allowance only'.

We would expect the proportion of claims serving Waiting Days to fall in future, as the composition of claimant characteristics changes during the gradual roll-out of UC Full Service (as explained on page 4).

**The proportion of new claims to UC serving Waiting Days**



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Comments? Feedback is welcome

## What you need to know

### Universal Credit

#### *Policy background*

Universal Credit is revolutionising the welfare system by making work pay. The design and structure of Universal Credit is transformational, it focuses on replicating the world of work, encouraging claimants to take greater responsibility for their finances and incentivising them to earn more and progress in work. At the same time Universal Credit provides support for people who can't work or need help moving towards the labour market. Universal Credit is already transforming lives and evidence shows people are moving into work faster and working longer with Universal Credit than under the old system.

Support for housing costs, children and childcare costs are integrated into Universal Credit, which also provides additions for disabled people and carers. Over time, UC will replace the following benefits:

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

Some of the main characteristics of Universal Credit (UC) are:

- UC is available both to out-of-work and in-work claimants (who have a low income). As claimants move into (or out of) work, they will get on-going support through UC.
- Most claims to UC will be made online and managed through an online account.
- Claimants will typically receive a single, monthly, household payment. This will be paid into a bank account in the same way as a monthly salary.

#### *Rollout*

Universal Credit is now available in every Jobcentre across the country, covering all Local Authorities, and supported by 22 Service Centres. UC is being introduced gradually, and was initially introduced from April 2013 in certain areas of the North West, known as Pathfinder sites. Initial eligibility criteria focused on single, unemployed, non-home-owning claimants without any children. In February 2015 the service started national rollout to new single unemployed claimants across Great Britain. By April 2016 Universal Credit was available for new claims from single unemployed claimants in all jobcentres across the country and also for couples and families in 96 sites across the North West of England. This phase of UC rollout was known as UC live service.

In May 2016 DWP started expansion of Universal Credit to a wider range of claimants, as with the rollout to single jobseekers, DWP have been doing this in a gradual, safe and secure way and the new Full Service is now available in 101 jobcentres around the country. From October 2017 DWP will begin to

scale up to more than 50 jobcentres a month and the intention is that all cases are migrated, and a Full Service is available nationally, by March 2022. After the expansion process is complete, DWP will begin migrating claimants on other benefits to the Universal Credit Full Service from July 2019. This phase of UC rollout is known as UC Full Service.

See the Universal Credit statistics release strategy (link on page 10) for updates on the release of Universal Credit statistics.

## Waiting Days

This publication provides ad hoc statistics on Waiting Days for claims to Universal Credit (UC).

Universal Credit entitlement is calculated over monthly Assessment Periods (APs). Waiting Days are an initial period of non-entitlement, lasting for seven days from the date of claim. A claim's first Assessment Period would not begin until Waiting Days have been completed. Not all claimants will serve Waiting Days (as explained in the following section).

The benefit system is not intended to cover short gaps between jobs, or short periods of sickness. The application of Waiting Days within UC reflects this, and is similar to the application of Waiting Days within Jobseeker's Allowance and Employment and Support Allowance.

## Which claimants serve Waiting Days

Waiting Days are applied to claimants within the 'All Work Related Requirements' conditionality group (i.e. unemployed claimant that are expected to be actively looking for work). However, there are also a number of exemptions from Waiting Days. These include claimants who...

...in the last month:

- Have left prison.

...in the last 3 months:

- Have been entitled to contribution-based Jobseeker's Allowance or Employment and Support Allowance.
- Have been entitled to 'income-based Jobseeker's Allowance or Employment and Support Allowance, or income support' but have left the benefit to start paid employment.

...in the last 6 months:

- Have been a victim of domestic abuse.
- Have left UC Full Service because of a change of circumstance but have reclaimed within 6 months.
- Have left UC Live Service because of earnings but have reclaimed within 6 months.

Or where the claimant is...

- ...migrating to UC from a relevant existing benefit.
- ...transferring from UC Live Service to UC Full Service.
- ...a care leaver under age of 22 and making their first UC claim.
- ...aged 16-17 with no parental support.
- ...terminally ill with less than 6 months to live.

## **The impact of the continued rollout of UC Full Service**

In the period covered (May 2016 and June 2017), around 70% of new claims to UC were made to UC Live Service. This is because UC Full Service continues to be rolled out across the country (as explained on page 3).

Claimants to UC Live Service are more likely to be in the 'All Work Related Requirements' conditionality group (i.e. unemployed claimants expected to be actively looking for work) and so more likely to serve Waiting Days. Therefore, as UC Full Service continues to be rolled out, we would expect the proportion of claimants that serve Waiting Days (currently 64%) to decrease.

## **Glossary of acronyms**

AP	Assessment Period (the monthly period over which UC entitlement is calculated).
FS	Full Service (one of the two UC services through which claims are administered) .
LS	Live Service (one of the two UC services through which claims are administered).
UC	Universal Credit.

## Method of analysis

Results are produced separately for new claims to UC Live Service and UC Full Service and are then aggregated to give overall results for UC. Results are given as a percentage, showing the proportion of claims which serve Waiting Days.

### **Calculation of results**

Our analysis is based on new claims to UC which were made in the period 1<sup>st</sup> May 2016 to 30<sup>th</sup> June 2017.

The proportion of these claims that served Waiting Days is calculated as:

$$\text{Proportion of new claims serving Waiting Days} = \frac{\text{New claims serving Waiting Days}}{\text{All new claims}}$$

Claims which transfer from UC Live Service to UC Full Service are not counted in this analysis. These claims are exempt from Waiting Days and are not strictly new claims to UC (they may have served Waiting Days before).

### **Results of this analysis have been presented separately for:**

- Different family types.

The different family types used in this analysis include: 'Single, no children', 'Couple, no children', 'Single with children', and 'Couple with children'. Claimants with only one child are included in the 'with children' categories.

Claims from single claimants accounted for the majority of new claims over the period. However, once UC is fully rolled-out the proportion of new claims from single claimants is expected to be lower.

Family types can change during the course of a claim. The analysis reflects the claimant's circumstances when they started their UC claim. For a small number of new claims the family type is not recorded. These claims are shown in table 2 under the claim type category of 'missing'.

- Different categories of Award Entitlement

Results have been presented separately for claimants that receive support, as part of their UC award, in respect of:

- Housing;
- Children (or a child);
- Caring;
- Disability;
- A disabled child (or children);
- Childcare;
- None of the above.

Claims can fall into more than one category depending on the claimant's circumstances (unless they fall into the 'none of the above' category). Therefore the sum of new claims from each category of award entitlement will not match the total number of new claims.

# UC Waiting Days: proportion of new claims serving Waiting Days

Chart 1: UC Waiting Days: proportion of new claims serving Waiting Days

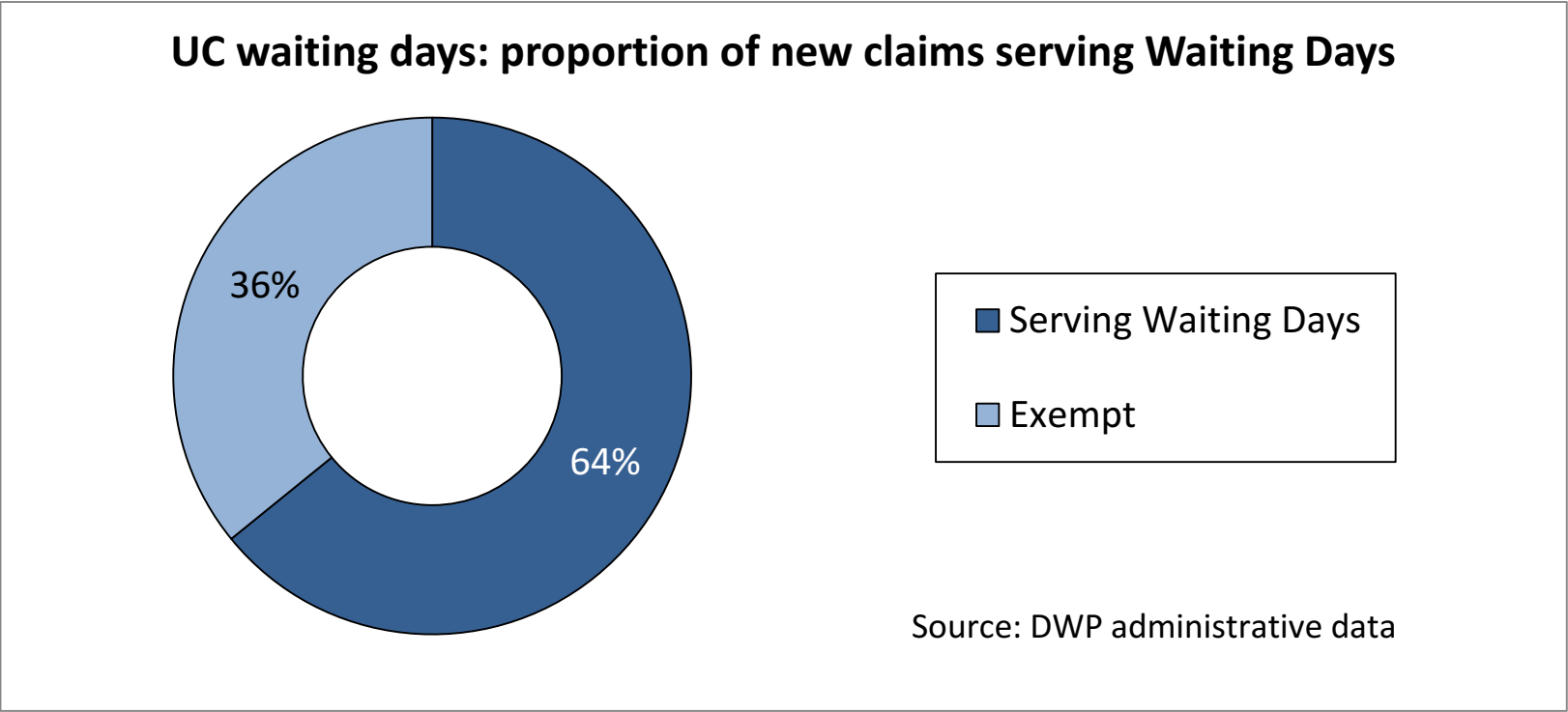


Chart 1 shows that, between 1<sup>st</sup> May 2016 and 30<sup>th</sup> June 2017, 64% of new claims to UC served Waiting Days. As discussed on page 4, we would expect this proportion to fall in future as the composition of claimant characteristics changes during the gradual roll-out of UC.

Table 1: UC Waiting Days: proportion of new claims serving Waiting Days

Number of new claims serving waiting days	Proportion of new claims serving Waiting Days
343,600	64%

These numbers have been rounded to the nearest 100.  
Source: DWP administrative data.

## UC Waiting Days: proportion of new claims serving Waiting Days, split by family type

Chart 2: UC Waiting Days: proportion of new claims serving Waiting Days, split by family type

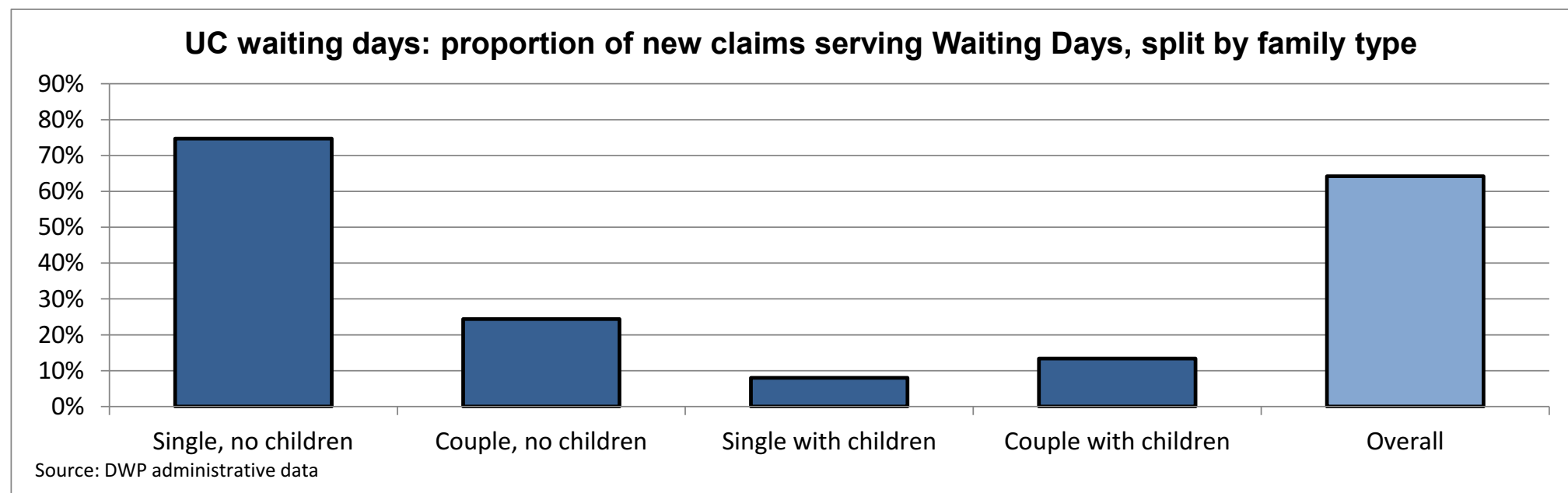


Chart 2 shows that, between 1<sup>st</sup> May 2016 and 30<sup>th</sup> June 2017:

- For single claimants without children, 75% of new claims to UC served Waiting Days.
- The proportion of new claims that served Waiting Days was much lower for other family types (claims from a couple or where the claimant has a child).
- The overall proportion of new claims serving Waiting Days is relatively high (64%), because the clear majority of claims over the period were from single claimants without children. These claimants are more likely to be in the 'All Work Related Requirements' conditionality group, and less likely to be exempt from Waiting Days (see page 3 for a further explanation of which claimants serve Waiting Days). We would expect the proportion of claims serving Waiting Days to fall in future, as the composition of claimant characteristics changes during the gradual roll-out of UC.

Note that claimants with only one child are included in the 'with children' categories.

**Table 2: UC Waiting Days: proportion of new claims serving Waiting Days, split by family type**

<b>Claim Type</b>	<b>Number of new claims serving Waiting Days</b>	<b>Proportion of new claims serving Waiting Days</b>
Single, no children	330,700	75%
Couple, no children	2,400	24%
Single with children	4,300	8%
Couple with children	3,200	13%
Missing	2,900	-
<b>Overall</b>	<b>343,600</b>	<b>64%</b>

These numbers have been rounded to the nearest 100.

Source: DWP administrative data.



## UC Waiting Days: proportion of new claims serving Waiting Days, split by award entitlement

Claimants may receive support, as part of their UC award, in respect of:

- Housing (eligible claimants entitled to a 'housing allowance' as part of their UC award);
- Children or a child (eligible claimants entitled to a 'child allowance' as part of their UC award);
- Caring (eligible claimants entitled to a 'carer allowance' as part of their UC award);
- Disability (eligible claimants entitled to a 'limited capability for work' – or work-related activity – allowance as part of their UC award);
- A disabled child (eligible claimants entitled to a 'disabled child allowance' as part of their UC award);
- Childcare (eligible claimants entitled to a 'childcare allowance' as part of their UC award);
- None of the above (claimants entitled to a 'UC standard allowance only');

Claims can fall into more than one category depending on the claimant's circumstances (unless they fall into the 'none of the above' category).

**Chart 3: UC Waiting Days: proportion of new claims serving Waiting Days, split by award entitlement**

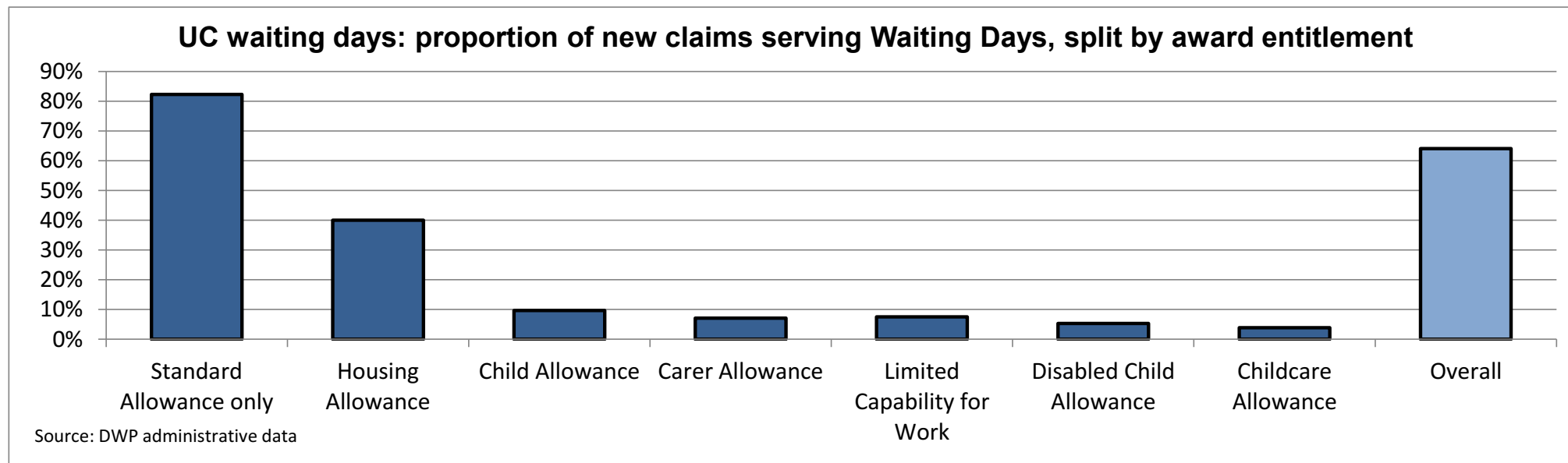


Chart 3 shows that, between 1<sup>st</sup> May 2016 and 30<sup>th</sup> June 2017:

- For claimants entitled to the *UC standard allowance* only, 82% of new claims served Waiting Days.
- For claimants entitled to the *housing allowance*, 40% of new claims served Waiting Days.
- The proportion of new claims that served Waiting Days was much lower for other categories of award entitlement.

- The overall proportion of new claims serving Waiting Days is relatively high (64%), because the majority of claims over the period were from claimants entitled to the 'UC standard allowance only'. These claimants are more likely to be in the 'All Work Related Requirements' conditionality group, and less likely to be exempt from Waiting Days (see page 3 for a further explanation of which claimants serve Waiting Days). We would expect the proportion of claims serving Waiting Days to fall in future, as the composition of claimant characteristics changes during the gradual roll-out of UC.

Note that as claims can fall into more than one category, the sum of 'number of new claims serving Waiting Days' from each category of UC entitlement will not match the overall total.

**Table 3: UC Waiting Days: proportion of new claims serving Waiting Days, split by award entitlement**

UC entitlement	Number of new claims serving Waiting Days	Proportion of new claims serving Waiting Days
Standard allowance only	263,800	82%
Housing allowance	77,000	40%
Child allowance	7,500	10%
Carer allowance	600	7%
Limited capability for work	300	8%
Disabled child allowance	200	5%
Childcare allowance	100	4%
<b>Overall</b>	<b>343,600</b>	<b>64%</b>

These numbers have been rounded to the nearest 100.

Source: DWP administrative data

## About these statistics

These statistics have been compiled using administrative data covering Live Service and Full Service which, when combined, represent all claims to Universal Credit.

This analysis covers the period May 2016 to June 2017 and excludes nil value Universal Credit awards. These may occur, for example, when a claimant has high earnings during the relevant Assessment Period. By excluding these Assessment Periods this analysis is restricted to the active, in-payment Universal Credit caseload.

This publication is being released alongside two other statistical ad hoc publications, on the related topics of: UC payment timeliness and UC payment advances. These publications can be found at: <https://www.gov.uk/government/collections/ad-hoc-statistical-analyses-2017#ad-hoc-statistical-publications>.

All volumes are rounded to the nearest 100 awards. All percentages are rounded to the nearest 1%. Totals may not sum due to rounding.

## Where to find out more

More information on the Universal Credit statistics release strategy can be found at:

<https://www.gov.uk/government/publications/universal-credit-statistics-background-information>

Monthly Universal Credit official experimental statistics releases can be found at:

<https://www.gov.uk/government/collections/universal-credit-statistics>

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