



Department
for Work &
Pensions



Government
Social Research

Universal Credit Full Service Omnibus Survey

Findings from four waves of tracking research with
recent Universal Credit full service claimants

October 2024

Universal Credit Full Service Omnibus Survey

DWP research report no. RR 1078

A report of research carried out by Ipsos MORI on behalf of the Department for Work and Pensions.

© Crown copyright 2020.

You may re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit <http://www.nationalarchives.gov.uk/doc/open-government-licence/> or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gov.uk.

This document/publication is also available on our website at: <https://www.gov.uk/government/collections/research-reports>

If you would like to know more about DWP research, please email: socialresearch@dw.gov.uk

First published October 2024.

ISBN 978-1-78659-731-1

Views expressed in this report are not necessarily those of the Department for Work and Pensions or any other Government Department.

Content

Executive Summary	1
1 Introduction.....	5
1.1 Research aims	5
1.2 Method.....	5
1.3 Analysis.....	6
2 Routes onto Universal Credit full service.....	7
2.1 Routes onto UC	7
2.2 Reasons for delaying UC claim.....	7
3 Overall understanding of Universal Credit.....	9
3.1 Overall understanding of UC.....	9
3.2 Attitudes towards, and knowledge of, the work incentives	11
3.3 Understanding of the initial claim process.....	12
4 Work allowance and taper rate.....	16
4.1 Knowledge about the work allowance and taper rate.....	16
5 Conditionality and sanctions.....	18
5.1 Conditionality and sanctions	18
5.2 Impact on UC payments and the right to appeal	18
6 Childcare	21
6.1 Use of childcare	21
6.2 Knowledge of the childcare element of UC	22
6.3 Claiming childcare costs	23
7 Housing.....	25
7.1 Help with housing costs	25
7.2 The rules for housing costs and Council Tax	26
Conclusions	28
Appendix A: Claimant profile.....	29

List of figures

Figure 2.1: Reasons for delaying claim for UC	8
Figure 3.1: Overall understanding of UC.....	9
Figure 3.2: Attitudes towards work incentive and knowledge of earnings rule	11
Figure 3.3: Understanding of the initial claim process	12
Figure 3.4: Amount of advance payment claimants received.....	14
Figure 3.5: Reasons for not applying for an advance payment.....	15
Figure 4.1: Understanding of the work allowance	16
Figure 4.2: Understanding of the taper rate	17
Figure 5.1: Understanding of the factors that could result in sanctions.....	18
Figure 5.2: Understanding of the impact on UC payments and the right to appeal.....	20
Figure 6.1: Childcare arrangements and payment for formal childcare	21
Figure 6.2: Knowledge of the childcare element of UC	22
Figure 6.3: Knowledge of the evidence required to claim childcare costs.....	23
Figure 6.4: Reasons for not claiming childcare element of UC	24
Figure 7.1: Types of accommodation occupied by claimants.....	25
Figure 7.2: Understanding of the rules for housing costs and Council Tax	26
Figure 7.3: Understanding of responsibilities	27

List of tables

Table 3.1: Overall understanding of UC by age and prior benefits	10
Table 3.2: Attitudes towards work incentive and knowledge of earnings rule by age and prior benefits	11
Table 3.3: Understanding of the initial claim process by conditionality group and prior benefits	13
Table 3.4: Application for advance payments by prior benefits.....	14
Table 5.1: Understanding of the impact on UC payments by conditionality group, gender and age.....	20

Acknowledgements

The research team at Ipsos MORI would like to thank Antony Billingham at DWP for his advice during the design of this research. We would also like to express our thanks to the respondents who kindly gave up their time to take part in our surveys.

The Authors

This report was authored by researchers at the Ipsos MORI Social Research Institute:

Trinh Tu, Research Director

Natasha Jones, Research Executive

Glossary

Claimant Commitment	To claim Universal Credit claimants must agree to conditions set out in their Claimant Commitment. These conditions are based on the conditionality group the claimant falls under and determine their responsibilities to look for work. Failure to comply with the conditions agreed in the Claimant Commitment can lead to sanctions.
Conditionality group	Everyone who receives Universal Credit will be placed in a conditionality group based on their circumstances and work capability. The group that a claimant is placed in determines what is expected of them during their claim.
Intensive work search regime	Claimants in this group are either out-of-work or earning below the Administrative Earnings Threshold (£338 a month or £541 for couples). They are expected to take intensive action to find work and must attend regular Work-focused-Interviews with their Work Coach.
Light touch conditionality	Claimants in this group earn above the Administrative Earnings Threshold but less than the conditionality earnings threshold. They are expected to take actions to find more or better paying work and have less frequent contact with their Work Coach.
No conditionality group	Claimants in this group have no work-related requirements attached to their claim.
Universal Credit and Full Service	<p>A means-tested benefit for people of working-age who are on a low income. It replaces six existing means-tested benefits: Income Support; Income-based Jobseeker's Allowance; Income-related Employment and Support Allowance; Housing Benefit; Child Tax Credit; and Working Tax Credit.</p> <p>Universal Credit full service is now available everywhere in Great Britain, and requires claimants to have an online Universal Credit account to manage their claim.</p>

Executive Summary

Introduction

This report presents findings from two waves of a survey with a representative sample of new Universal Credit (UC) full service claimants¹. The surveys examine how well new claimants understand the UC claim process and their rights and responsibilities with a view to meeting their information needs.

There have been four waves of these surveys. This report contains findings for waves 3 and 4. The wave 3 survey interviewed 836 new claimants during February and March 2019. Wave 4 took place during 28 February and 15 March 2020 and interviewed 2,033 different UC claimants². Wave 4 findings are, therefore, based on claimants' experiences prior to the covid-19 pandemic lockdown which came into effect on 23 March 2020.

Overall understanding of Universal Credit

Overall understanding of UC was consistently high among new claimants at both waves 3 and 4. At wave 4, three-in-four new claimants (76%) reported that they knew how to claim UC and four-in-five (81%) knew what would happen if they failed to comply with their Claimant Commitment.

New claimants recalled being given key information by staff when they first made their claim. Again, findings were consistently positive for both waves 3 and 4. Nearly nine-in-ten (87%) at wave 4 were made aware that they needed to have a bank or similar account and 71% recalled being told they needed to have an email address. Seven-in-ten (70%) were aware that UC was paid monthly in arrears and four-in-five (79%) were informed that the first payment could take up to five weeks.

Awareness of advance payments was also high with three-in-four new claimants (74%) reporting that they were told about it. Three-in-five claimants (58%) reported that they had applied for an advance whilst waiting for their first UC payment. Findings were similar at both waves 3 and 4.

Attitudes towards the work incentive features of UC were more positive at wave 4: 47% of new claimants agreed that they would always be better-off working under UC (+6 percentage points compared to wave 3) though knowledge on how much people could earn and still claim UC remained low (38% vs. 37% at wave 3). Attitudes and knowledge on these aspects were more positive among younger claimants particularly those aged 16-34.

¹ New claimants are those who had completed their Claimant Commitment approximately three months prior to the survey fieldwork.

² The sample size was smaller at wave 3, as some of the interviews were used to include a subsample of 6-month claimants. At wave 4, the 6-month claimants were excluded and more interviews were carried out with 3-month claimants.

Work allowance and taper rate

Claimants who have responsibility for a child or have limited capability for work are eligible for a work allowance. This is the amount claimants can earn before their UC payment is affected. There are two set levels of work allowance, depending on the circumstances of the household. Currently those whose claim includes Housing Benefit can earn £192 and those without can earn £397 before their UC claim is affected. Once claimants earn more than their work allowance, their payments will be reduced at a steady rate (the taper rate). Currently, for every £1 earned over the work allowance, UC payments are reduced by 63p.

New claimants' understanding of the taper rate and eligibility for the work allowance remained low, albeit with a modest increase in overall knowledge of the taper rate between waves 2 and 4³ (from three percent to seven per cent). Just two percent of new claimants at wave 4 identified correctly the two groups eligible for the work allowance and seven per cent identified the correct taper rate. Seven-in-ten claimants (69%) did not know whether they qualified for a work allowance - similar to wave 2 findings.

Conditionality and sanctions

Everyone who receives UC is placed in a conditionality group based on their circumstances and work capability. The group they are in determines what is expected of them during their claim. Claimants who are required to take steps to get work, or move closer to it, or to increase their hours/income if they are already working agree a Claimant Commitment with their Work Coach, setting out the steps they will take. Failure to action these responsibilities could result in a temporary reduction to their UC, though claimants may appeal against this decision.

Half of claimants (52%) at wave 4 were fully knowledgeable of the factors that could lead to UC payments being stopped or reduced. At least seven-in-ten were aware of the main factors that could result in sanctions such as failing to attend a compulsory meeting with a Jobcentre adviser, failing to fulfil the Claimant Commitment, and failing to take reasonable action to look for work. The exception was "failing to apply for a job when asked to by the Jobcentre Adviser" – fewer new claimants (59%) were aware that this could lead to UC being reduced or stopped. Findings were similar for waves 3 and 4.

The majority of new claimants (81%) believed they have a good understanding of the implications of failing to comply with their Claimant Commitment, but further questioning showed that **many had poor understanding of the implications to their benefit payments.** This pattern was apparent at both waves 3 and 4. At wave 4, just one in six claimants (16%) correctly identified that their benefits could be reduced on a *temporary basis* if they failed to comply with the requirements in their Claimant Commitment. Claimants were better informed about their right to appeal a sanction on their claim – 54% knew this, which was similar to wave 3 findings.

Male claimants were more knowledgeable about conditionality and sanctions than females and younger claimants more knowledgeable than older ones.

³ New claimants were not asked these questions at wave 3.

Childcare

Claimants who are eligible for UC may be able to claim back up to 85% of their 'formal' childcare costs, usually if they are doing some paid work or have a job offer. Currently the most parents can claim back each month is £646 for one child or £1,108 for two or more children.

Parents' awareness of available childcare support remained low though there has been an increase in the proportion of parents who knew they could claim childcare costs for all their children regardless of age, albeit from a low base (7% at wave 4 compared to 3% at wave 3). There has been no corresponding increase in parents' knowledge of how much of their total childcare costs they could claim (8% correctly identified that they could claim more than three-quarters of the costs at both waves 3 and 4).

One-in-five parents were aware that Jobcentre advisors could provide support to cover the first childcare costs in advance of them moving in to work; findings were similar for waves 3 and 4.

The majority of parents were able to identify at least one acceptable evidence of payments required to claim formal childcare costs, but awareness of how often they must report childcare payments to the Jobcentre remained low and unchanged between wave 3 and 4 (16% knew they must report monthly).

The most common reasons given by parents for not claiming the childcare element of UC was because they were not sure they would be eligible (19%), that their childcare was covered by another government scheme (12%), that they weren't aware of the UC offer, and because they were not eligible for it (6%).

Housing

Claimants who are eligible for UC can get help paying for their housing if they rent from a private landlord, housing association or local authority, or to cover interest payments on their mortgage and service charges. The housing payment is included as part of the monthly UC payment and claimants are responsible for paying rent to their landlord. Once they have started claiming the housing payment, claimants need to report any changes in circumstances to the Jobcentre.

Claimants must apply directly to their local authority if they want to make a claim for Council Tax reduction.

The majority of claimants (80%) who received help with housing costs through UC reported that they were made aware that they must pay rent to their landlord directly when they applied for UC. Claimants were less familiar with the requirement to apply to their local authority for Council Tax (55%). Findings were similar at waves 3 and 4.

Three-in-four new claimants who paid rent (73%) knew they needed to keep the Jobcentre informed about changes), and over half (55%) knew it was also their responsibility to tell the Jobcentre about their rent-free weeks. However, new claimants were much less clear about what would happen to their UC payments if they regularly missed their rent payments (28%). Findings were similar at waves 3 and 4.

Conclusions

New claimants' understanding of how to claim UC have remained consistently high, evidenced by the high levels of recall of Jobcentre staff providing key information at the start of the claim.

Attitudes towards the work incentive features of UC improved between waves 3 and 4 though there is more that the Jobcentre can do to shift attitudes further such as ensuring claimants understand the work allowance and taper rate and how they affect them.

The majority of new claimants were able to identify at least *some* of the reasons that would result in their UC being reduced or stopped. However, they would benefit from more information on how a sanction would impact their UC payments and their right to appeal.

More needs to be done to ensure that parents are better informed about the childcare element of UC. Knowledge remained low across all parents including those using formal childcare.

Strategies to improve awareness and understanding of UC should prioritise older claimants (aged 45 plus) and former ESA claimant. These groups remained less informed than others.

1 Introduction

The Department for Work and Pensions (DWP) commissioned Ipsos MORI to conduct a tracking survey of recent Universal Credit (UC) claimants who made their claim using full service⁴.

Universal Credit is paid to people on low incomes or out-of-work. It is paid monthly in arrears and is available everywhere in Great Britain. It replaces six benefits: Housing Benefit; Income Support; Income-based Jobseeker's Allowance (JSA); Income-related Employment Support Allowance (ESA); Working Tax Credits; and Child Tax Credits. Claimants must have an online Universal Credit account to manage their claim.

1.1 Research aims

The purpose of this tracking research is to measure how well new claimants understand the claim process and their rights and responsibilities, with a view to meeting their information needs.

The research focuses on the following aspects of UC:

- The initial claim process including knowing how to apply for an advance
- The work allowance and taper rate
- Conditionality and sanctions
- Use of formal childcare and applying for help with childcare costs
- Knowledge of how to apply for housing costs as part of UC.

1.2 Method

There have been four waves of survey undertaken with a representative sample of new claimants in terms of gender, age, single/couple claim and conditionality group. The findings in this report are for the **wave 3 and 4 surveys**.

A new sample was drawn for each wave. The surveys used sequential mixed mode; starting with online and then telephone follow-up interviews focusing on claimants who were under-represented in the online survey. The number of completed interviews at each wave is shown in Table 1.

Wave 4 took place during 28 February and 15 March 2020⁵. Wave 4 findings are, therefore, based on claimants' experiences prior to the covid-19 pandemic lockdown which came into effect on 23 March 2020.

⁴ These are new claimants who had completed their Claimant Commitment approximately three months prior to the survey fieldwork.

⁵ The sample size was smaller at wave 3, as some of the interviews were used to include a subsample of 6-month claimants. At wave 4, the 6-month claimants were excluded and more interviews were carried out with 3-month claimants.

Table 1: Number of achieved interviews

Wave	Total interviews	Fieldwork dates
1	1,586	October to November 2017
2	1,445	May to June 2018
3	836 ⁶	February to March 2019
4	2,033	February to March 2020

1.3 Analysis

This report presents weighted findings. The demographic profile of claimants was slightly different between waves 3 and 4. Wave 4 surveyed more claimants who are: male, aged 35-44 years or in the intensive conditionality group (see Appendix A). This report only comments on changes or differences that are statistically significant.

⁶ The sample size was smaller at wave 3, as some of the interviews were used to include a subsample of 6-month claimants. At wave 4, the 6-month claimants were excluded and more interviews were carried out with 3-month claimants.

2 Routes onto Universal Credit full service

The proportion of Universal Credit (UC) full service claimants who were claiming another benefit prior to UC have fallen steadily over the four waves of this study. More were delaying their claim for UC, most commonly because they thought they would get another job quickly or because they believed they wouldn't qualify for UC.

2.1 Routes onto UC

Over half of new claimants (53%) had claimed another benefit prior to their current UC claim at wave 4. There has been a decline over time in the proportion of claimants who claimed another benefit prior to their current UC claim, from 71% at wave 1 to 66% at wave 2 and 65% at wave 3. The reduction at wave 4 is evident across different age groups, gender and among both couple and single claimants. Interestingly, claimants who had not claimed another benefit prior to their current UC claim reported similar levels of knowledge about UC as those applying from another benefit.

At wave 4, the most common benefits claimed by respondents prior to UC were Housing Benefit/Council Tax (22%), Jobseeker's Allowance (JSA; 19%) and tax credits (18%). One in ten (10%) had claimed Employment Support Allowance (ESA) and a similar proportion had claimed Income Support (8%).

2.2 Reasons for delaying UC claim

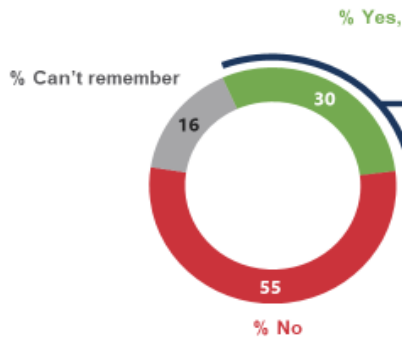
At wave 4, three in ten new claimants (30%) who were claiming another benefit had delayed making a claim for UC – higher than at wave 3 (23%). A third of claimants (36%) delayed their claim because they thought they would find another job quickly, and a further quarter (25%) thought they would not qualify for UC (Figure 2.1 on the following page). These reasons were more prevalent at wave 4 (findings were 20% and 14% respectively at wave 3).

There has been a decline in the number of claimants delaying their claim because they didn't know how to claim UC, from 29% at wave 3 to 23% at wave 4. More female claimants than males cited this reason.

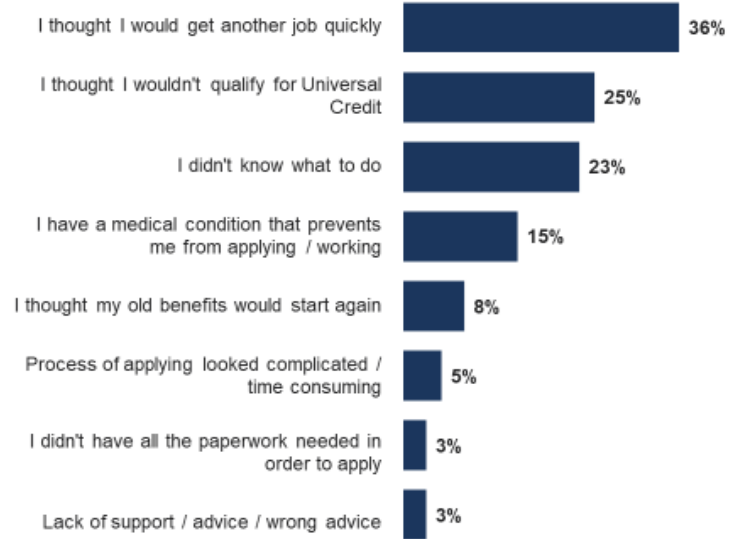
Universal Credit Full Service Omnibus Survey

Figure 2.1: Reasons for delaying claim for UC

Q. Did you delay making your claim to Universal Credit when your circumstances changed?



Q. Why did you delay making your claim for Universal Credit?



Base: All 3 month claimants (W4 2,033)

Base: All 3 month claimants who delayed making Universal Credit claim (310)

3 Overall understanding of Universal Credit

When people claim UC, they must accept their Claimant Commitment. This is a record of their responsibilities, setting out what a claimant has agreed to do to prepare for and look for work, or to increase their earnings if they are already working. The Claimant Commitment is regularly reviewed with the claimant by a Jobcentre Work Coach who explains the consequences of not meeting these responsibilities.

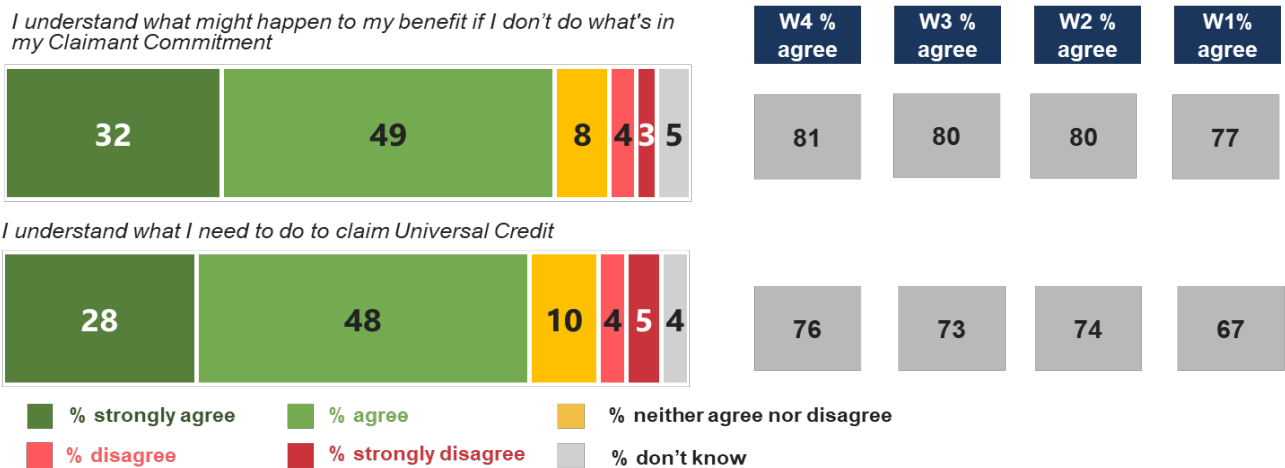
The majority of claimants understood what they needed to do to claim UC and knew what would happen if they failed to fulfil their Claimant Commitment. Views were more divided on whether they would always be better-off working under UC. This is linked to a lack of knowledge about how much they can earn and still claim.

3.1 Overall understanding of UC

New full service UC claimants were generally knowledgeable about how to make a claim for UC and understood what would happen to their benefit if they did not fulfil their Claimant Commitment (76% and 81% respectively). Claimants’ knowledge about these aspects increased between waves 1 and 2 but have been stable thereafter.

Figure 3.1: Overall understanding of UC

Q. How strongly do you agree or disagree with these statements?



Base: All 3 month claimants (W4 2,033)(W3 836)(W2 1,445)(W1 1,586). May not sum exactly with bar charts due to rounding.

Universal Credit Full Service Omnibus Survey

As seen in previous waves of the Omnibus, former ESA claimants and claimants aged 45 plus were **less** informed about how to claim UC compared to claimants overall (though the majority of these groups understood what they needed to do). There has been a noticeable increase in the proportion of claimants aged 35-44 reporting they understood what they needed to do to claim UC (76% vs. 67% at wave 3).

Claimants' understanding of the Claimant Commitment remained high across all claimant groups albeit slightly lower among older claimants and those formerly in receipt of ESA or Housing Benefit.

Table 3.1: Overall understanding of UC by age and prior benefits at wave 4

	Overall	Age				Benefits claimed before Universal Credit					
		16-24	25-34	35-44	45+	Tax Credits	ESA	JSA	Housing Benefit	Income support	None
Base	2,033	353	525	486	669	362	144	367	107	80	973
<i>I understand what I need to do to claim Universal Credit</i>											
Agree	76%	82%	81%	76%	69%	76%	64%	80%	79%	72%	78%
Disagree	10%	7%	8%	11%	11%	10%	13%	8%	11%	12%	9%
<i>I understand what might happen to my benefit if I don't do what's in my Claimant Commitment</i>											
Agree	81%	87%	84%	76%	78%	79%	75%	82%	72%	88%	82%
Disagree	8%	6%	7%	8%	9%	8%	9%	8%	7%	7%	7%

3.2 UC payments and deductions

Around two-thirds of new claimants also reported that it was clear from their UC account how their payment was calculated and what deductions were being made. These figures remained stable between waves 3 and 4⁷. Younger claimants were slightly clearer about both their payments and deductions compared to claimants aged 45 plus, though noticeably more claimants in this oldest age group found the presentation of payments and deduction clear at wave 4 compared to wave 3.

Table 3.2: Clarity of UC payments and deductions by age and prior benefits at wave 4

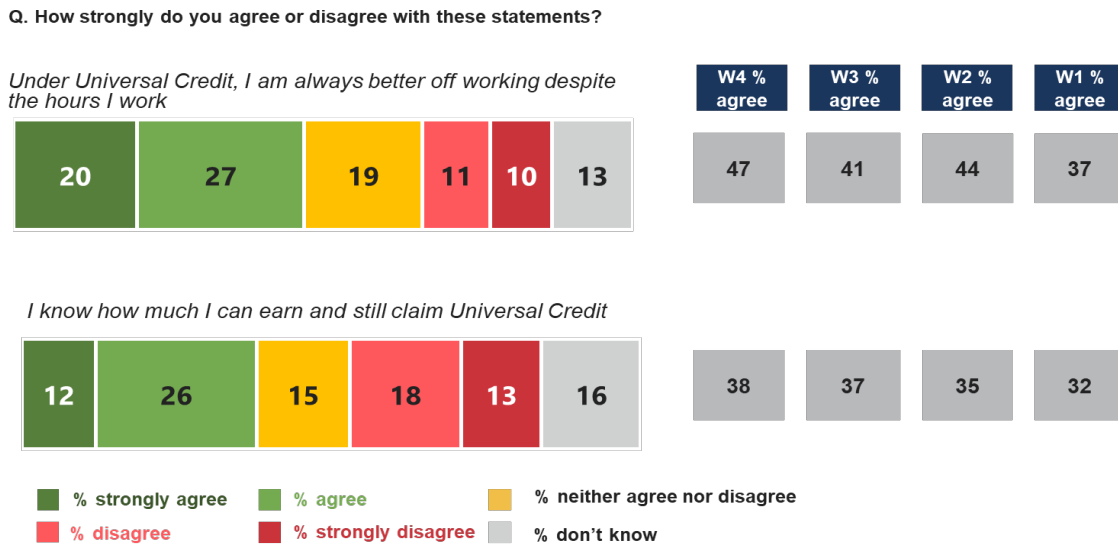
	Overall	Age				Benefits claimed before Universal Credit					
		16-24	25-34	35-44	45+	Tax Credits	ESA	JSA	Housing Benefit	Income support	None
Base	2,033	353	525	486	669	362	144	367	107	80	973
<i>My Universal Credit account makes it clear how my payment is calculated</i>											
Agree	65%	68%	70%	65%	60%	68	66%	64%	67%	67%	64%
Disagree	18%	16%	16%	19%	20%	18%	17%	17%	14%	20%	19%
<i>My Universal Credit account makes it clear what deductions are being made</i>											
Agree	67%	69%	71%	65%	63%	69%	65%	65%	66%	75%	66%
Disagree	15%	12%	13%	16%	17%	16%	14%	13%	12%	15%	15%

⁷ These questions were not included in waves 1 and 2.

3.2 Attitudes towards, and knowledge of, the work incentives

Attitudes towards the work incentive features of UC were more positive at wave 4 compared to previous waves: 47% agreed that they are always better-off working compared with 41% in wave 3. However, new claimants' knowledge about how much they could earn and still claim UC remained patchy (38%) and unchanged between waves 3 and 4.

Figure 3.2: Attitudes towards work incentive and knowledge of earnings rule



Base: All 3 month claimants (W4 2033)(W3 836)(W2 1,445)(W1 1,586). *Do not sum exactly with bar charts due to rounding.

Views differed by age, with younger claimants more informed and positive about the work incentive features of UC than their older counterparts. However, there has been a positive shift in views among claimants aged 45 plus: 41% believed that under UC they are always better-off working compared to 31% at wave 3.

Former ESA claimants remained the least informed about how much they could earn and were most sceptical that they would be always be better-off working under UC. Views expressed by former ESA claimants did not change between waves 3 and 4.

Table 3.3: Attitudes towards work incentive and knowledge of earnings rule

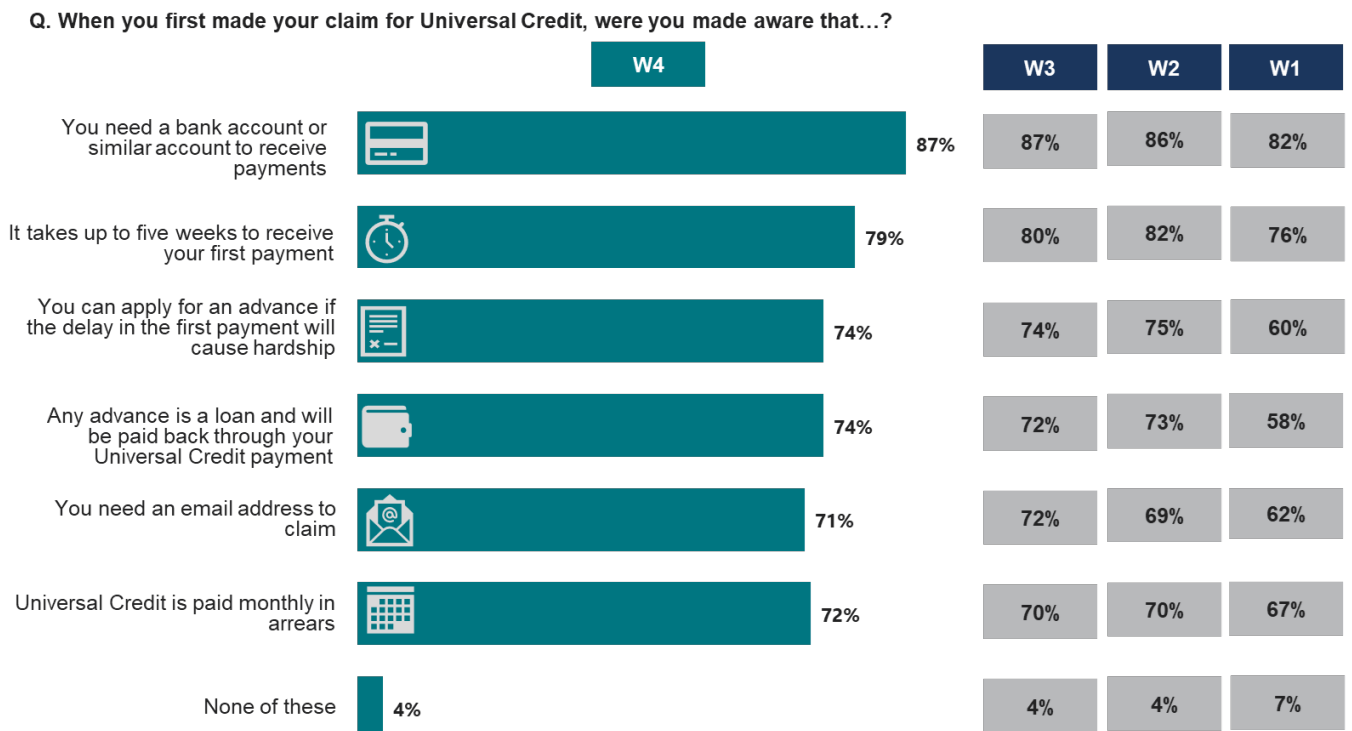
	Overall	Age				Benefits claimed before Universal Credit					
		16-24	25-34	35-44	45+	Tax Credits	ESA	JSA	Housing Benefit	Income support	None
Base	2,033	353	525	486	669	362	144	367	107	80	973
<i>Under Universal Credit I am always better off despite the hours I work</i>											
Agree	47%	50%	52%	44%	41%	41%	25%	52%	53%	36%	50%
Disagree	21%	17%	22%	23%	21%	26%	27%	20%	18%	25%	18%
<i>I know how much I can earn and still claim Universal Credit</i>											
Agree	38%	47%	40%	37%	31%	39%	26%	38%	45%	48%	38%
Disagree	31%	27%	31%	31%	32%	29%	34%	30%	23%	23%	32%

3.3 Understanding of the initial claim process

The majority of claimants were aware of at least some of the key features of UC when they first made their claim for it. Levels of awareness of different features have remained stable between waves 3 and 4, as has the proportion who were knowledgeable on at least 5-6 features (63%).

There continues to be a small but significant group of claimants with low levels of awareness: 12% of claimants were aware of two or fewer aspects and an additional 21% were aware of 3-4 of them (both unchanged compared to wave 3).

Figure 3.3: Understanding of the initial claim process



Base: All 3 month claimants (W4 2,033)(W3 836)(W2 1,445)(W1 1,586).

Male claimants continued to be more knowledgeable than females (68% were aware of 5-6 features vs. 59% females), but there was no significant difference in knowledge by age. The other noticeable difference is that former tax credit claimants were less aware than average that UC is paid monthly in arrears and that an email address is required to claim for UC.

Table 3.4: Understanding of the initial claim process by gender and prior benefits

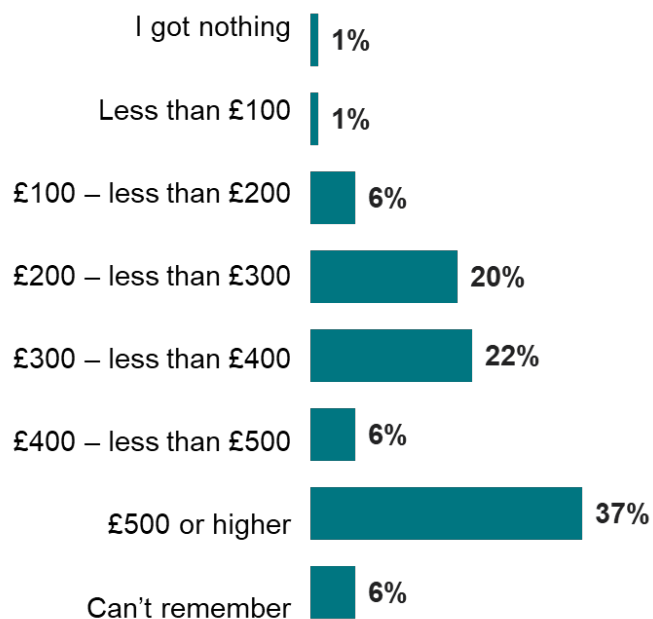
Wave 4	Overall	Gender		Benefits claimed before Universal Credit					
		Male	Female	Tax Credits	ESA	JSA	Housing Benefit	Income support	None
Base	2,033	1,085	948	362	144	367	107	80	973
You need a bank account	87%	90%	85%	86%	87%	88%	84%	88%	87%
It takes up to five weeks to receive your first payment	79%	80%	77%	80%	76%	79%	74%	73%	79%
You can apply for an advance	74%	77%	72%	74%	72%	76%	60%	79%	75%
Any advance is a loan	74%	77%	72%	75%	76%	78%	60%	76%	74%
UC is paid monthly in arrears	72%	78%	67%	67%	69%	77%	75%	64%	74%
You need an email address	71%	75%	67%	66%	70%	75%	73%	69%	72%
None of these	4%	4%	4%	4%	3%	3%	3%	2%	4%

3.4 Awareness of, and application for, advance payments

Three-quarters of new claimants (74%) were aware they could apply for an advance payment and 58% reported that they had applied for one whilst waiting for their first UC payment (Figure 3.4 on the following page). These figures were similar at waves 3 and 4. The average advance payment reported at wave 4 was £392 – slightly less than at wave 3 (£404).

Figure 3.4: Amount of advance payment claimants received

Q. Approximately how much advance payment did you get?



Base: All claimants who applied for an advance (W4 891).

Awareness of, and application for, advance payments were lowest among former Housing Benefit claimants though the amount received by successful applicants was higher than average. The application level was similarly low among those that had not claimed another benefit prior to UC though the majority of this group were aware of advance payments. These patterns were observed at both waves 3 and 4.

Table 3.5: Application for advance payments by prior benefits⁸

Benefits claimed before Universal Credit	% Aware of advance	% Applied for advance ⁹	Average advance payment received ¹⁰
Overall	74%	58%	£392
Former Tax Credits claimants	75%	67%	£471
Former JSA claimants	78%	66%	£343
Former ESA claimant	76%	60%	£419
Former Income Support claimants	76%	77%	£388
Former Housing Benefit claimant	60%	44%	£444
No prior claim	74%	50%	£366

⁸ Data for Housing Benefit not shown due to small base size.

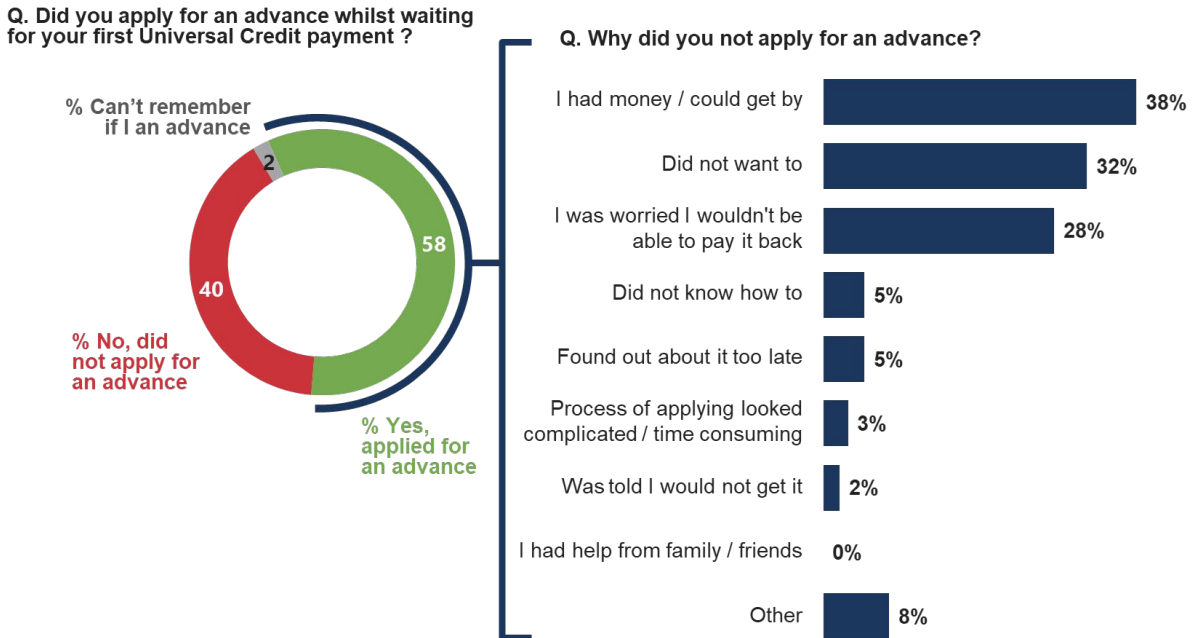
⁹ As a proportion of those who were aware of advance payments.

¹⁰ Average was calculated using the mid-point for each band, and £550 for the top band.

Universal Credit Full Service Omnibus Survey

New claimants gave similar reasons at waves 3 and 4 for why they did not apply for an advance. The most common were because they had sufficient funds, because they did not want to apply for one, and because they were worried that they would not be able to pay it back. The prevalence of the reasons given were also similar at both waves.

Figure 3.5: Reasons for not applying for an advance payment



Base: All claimants aware of the option to request an advance payment (W4 1,509)

Base: All 3 month claimants who were aware of advance payment but did not apply (W4 586)

4 Work allowance and taper rate

Claimants who have responsibility for a child or have limited capability for work are eligible for a work allowance. This is the amount claimants can earn before their UC payment is affected. Once claimants earn more than their work allowance, their payments will be reduced at a steady rate (the taper rate). Currently, for every £1 earned over the work allowance, UC payments are reduced by 63p.

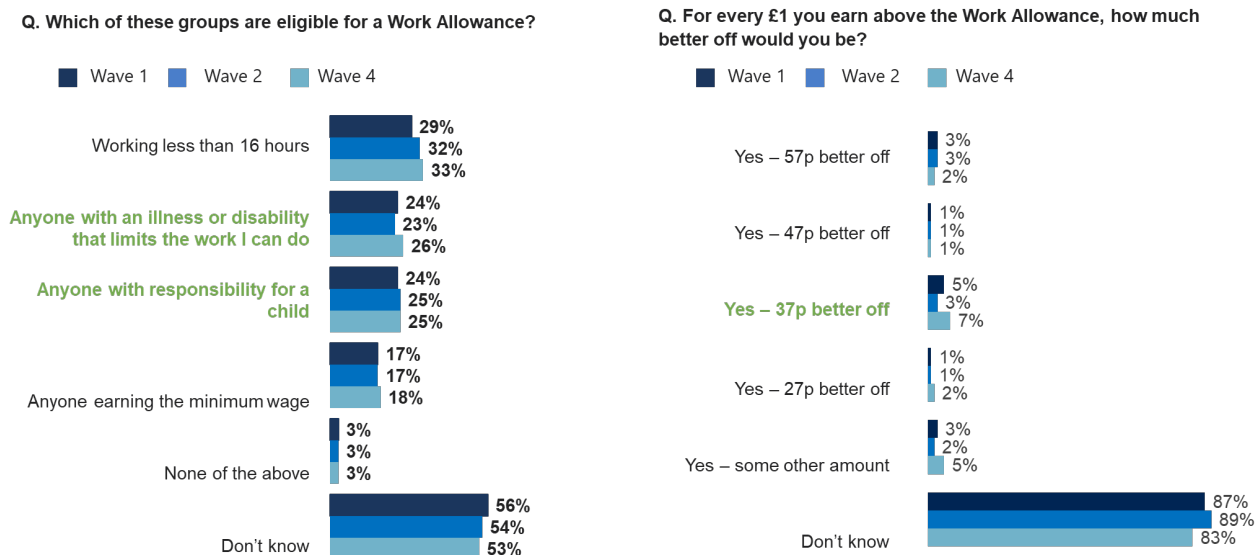
Knowledge about the work allowance and taper rate remained low, even amongst claimants who thought they qualified for it.

4.1 Knowledge about the work allowance and taper rate

New claimants' understanding of the taper rate and eligibility for the work allowance remained low, albeit with a modest increase in overall knowledge of the taper rate between waves 2 and 4 (Figure 4.1)¹¹. Just two percent of new claimants identified correctly the two groups eligible for the work allowance and seven per cent identified the correct taper rate.

Male claimants were more likely than females to *incorrectly* identify the groups eligible for the work allowance (and less likely to say don't know). The overall message remains similar to waves 1 and 2: there is considerable scope for raising claimants' awareness and understanding of both the work allowance and taper rate.

Figure 4.1: Understanding of the work allowance



Base: All claimants (W4 2,033) (W2 1,445)(W1 1,586). There is no trend data for wave 3 because these questions were asked of 6 month claimants only. Green text indicate the correct answers.

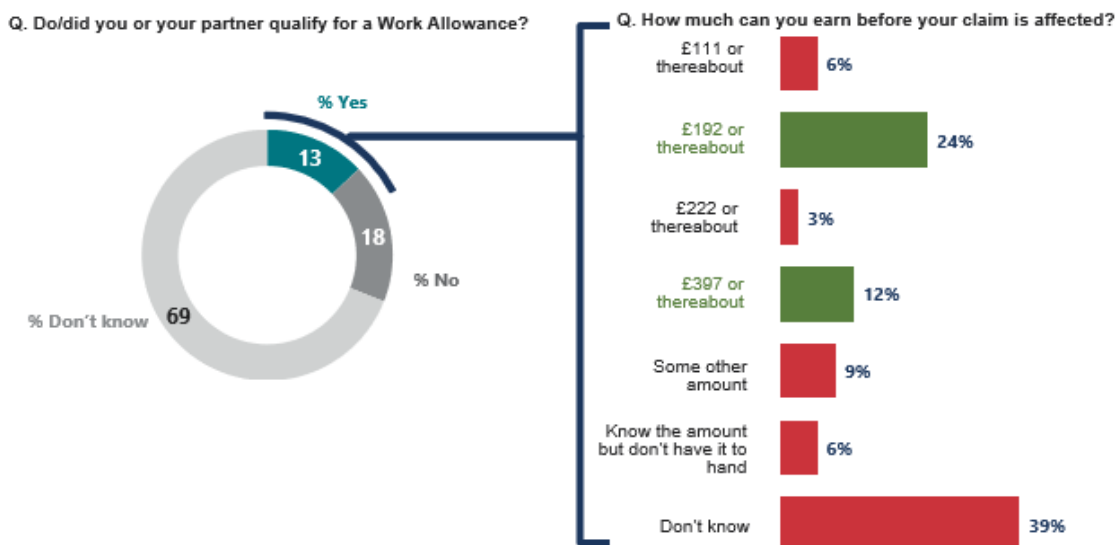
¹¹ New claimants were not asked these questions at wave 3.

Universal Credit Full Service Omnibus Survey

One in seven (13%) new claimants reported that they or their partner qualified for a work allowance; the figure was higher among claimants who were working whilst claiming (24%). However, as in wave 2 the majority of new claimants (69%) were unaware of their own eligibility for the work allowance.

Among those who thought they and/or their partner qualified for a work allowance, knowledge of how much they could earn before their UC was affected was low: just 13% cited the correct amounts (£192 or £397). This is fewer than at wave 2 when 28% cited the correct amounts.

Figure 4.2: Understanding of the taper rate



Base: All 6 month claimants (W3 930). All 6 month claimants who qualify for a work allowance (W3 161). There is no trend data because these questions were asked of 3 month claimants only at waves 1 and 2. Knowledge is slightly better among 6 month claimants compared to 3 month claimants at wave 2. Green bars indicate the correct answers

5 Conditionality and sanctions

Everyone who receives UC is placed in a conditionality group based on their circumstances and work capability. The group they are in determines what is expected of them during their claim. Claimants who are required to take steps to get work, or move closer to it, or to increase their hours/income if they are already working, will agree a Claimant Commitment with their Work Coach setting out the steps they will take. Failure to action these responsibilities could result in a temporary reduction to their UC, though claimants may appeal against this decision.

Half of claimants (52%) were fully informed about the factors that could lead to UC payments being stopped or reduced, but just 14% were aware of the implications for their benefit payments. However, over half (54%) knew that they could appeal against their benefits being stopped or reduced under any circumstance. Findings are similar to wave one.

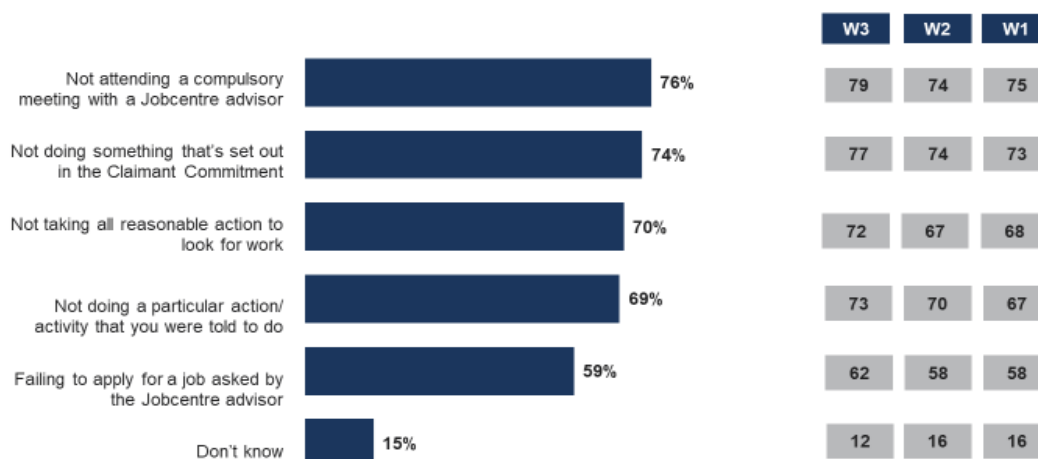
5.1 Conditionality and sanctions

Half (52%) of new claimants at wave 4 identified correctly all the common reasons that would cause UC payments to be stopped or reduced. A fifth (19%) correctly identified 3-4 reasons and 14% managed to identify 1-2 reasons. These findings were similar to wave 3.

Former ESA and Housing Benefit claimants - new to conditionality - were less knowledgeable than other groups.

Figure 5.1: Understanding of the factors that could result in sanctions

Q. To your knowledge, which of these may lead to Universal Credit being reduced or stopped?



Base: All 3 month claimants (2033) (W3 836) (W2 1,445) (W1 1,586).

5.2 Impact on UC payments and the right to appeal

At wave 4, one in six claimants (16%) correctly identified that their benefits could be reduced on a *temporary basis* if they failed to comply with the requirements in their

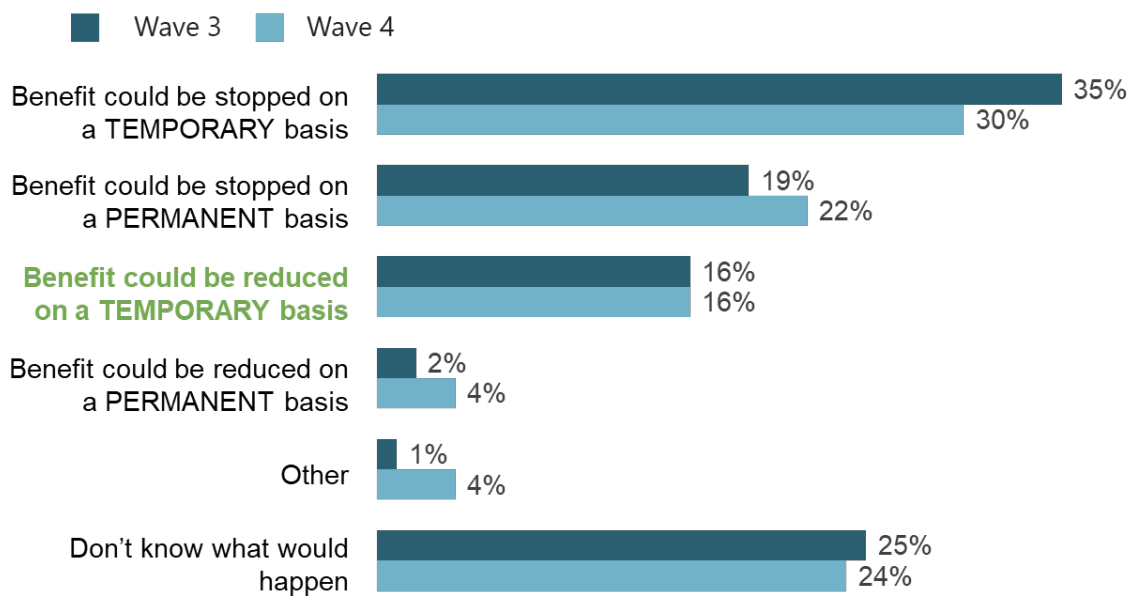
Universal Credit Full Service Omnibus Survey

Claimant Commitment (Figure 5.2). The remaining majority gave an incorrect response or reported that they did not know. Findings were similar to earlier waves.

Twice as many male claimants as females identified the correct response at wave 4 (21% vs. 11%), and younger claimants were slightly more knowledgeable than overall (19% vs. 16% overall). Former JSA claimants were more knowledgeable than former tax credit claimants (22% vs. 11%); knowledge among tax credit claimants declined between waves 3 and 4 (from 18% to 11%).

Figure 5.2: Understanding of the impact on UC payments

Q. What, if anything, would happen if you/your partner did not meet the requirement in your Claimant Commitment?



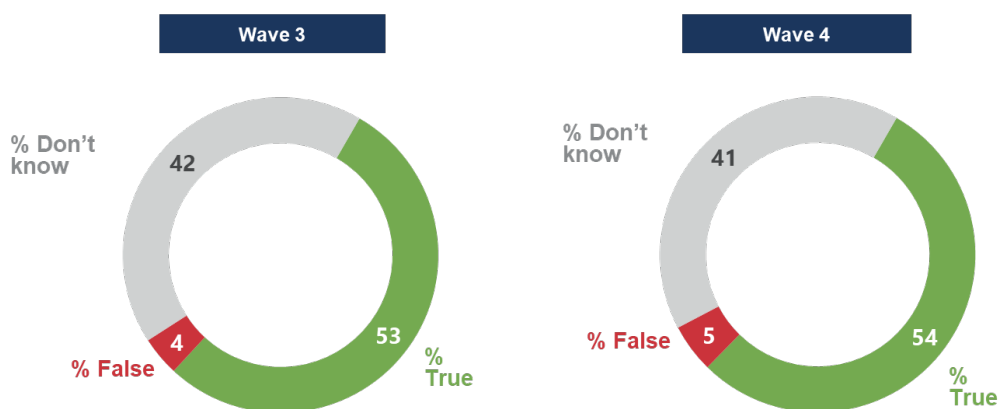
Base: All 3 month claimants (W4 2033) (W3 836). Green text s indicate the correct answers.

Claimants were more were knowledgeable about their right to appeal a sanction on their claim than about the impact of sanctions on their UC payment. At wave 4, over half (54%) correctly identified that claimants could appeal whatever the circumstance. This figure has remained unchanged over the four waves.

Figure 5.3: Awareness of the right to appeal

Q. To your knowledge, is this statement true or false?

“People who have their Universal Credit stopped or reduced may appeal against this decision whatever the circumstance.”



Base: All 3 month claimants (W4 2033)(W3 836).. Green segments indicate the correct answers.

Male claimants were more knowledgeable than females about the impact of sanctions on UC payments and the right to appeal (Table 5.1) most likely because more male claimants had prior experience of claiming JSA. There is less difference by age; those aged 45 plus were less aware about the right to appeal compared to younger claimants. Claimants subjected to the intensive work search regime (comprising of more men than women) were better informed on the impact of sanction on UC payments than claimants with light touch or no conditionality

Overall knowledge about sanctions remained low and unchanged overtime, with only one in ten (10%) claimants aware of **both** the impact on their benefits and their rights to appeal under any circumstance.

Table 5.1: Understanding of the impact on UC payments by conditionality group, gender and age

Wave 4	Overall	Gender		Age				Conditionality group		
% Aware of claimant aware of statement		Male	Female	16-24	24-35	35-44	45+	Intensive work search	Light touch	None
Base	2,033	1,085	948	353	525	486	669	1,370	364	299
Benefits reduced on a TEMPORARY basis	16%	21%	11%	19%	14%	15%	17%	19%	14%	9%
People who have their UC stopped/reduced may appeal whatever the circumstance	54%	59%	49%	53%	57%	57%	48%	54%	53%	54%

6 Childcare

Parents who are eligible for UC may be able to claim back up to 85% of their formal childcare costs, usually if they are doing some paid work or have a job offer. Currently the most parents can claim back each month is £646 for one child or £1,108 for two or more children.

Awareness of support for childcare costs available as part of UC remained low, including amongst parents who used formal childcare. There has been a slight increase in the proportion of parents who knew they could claim childcare costs for all their children regardless of age.

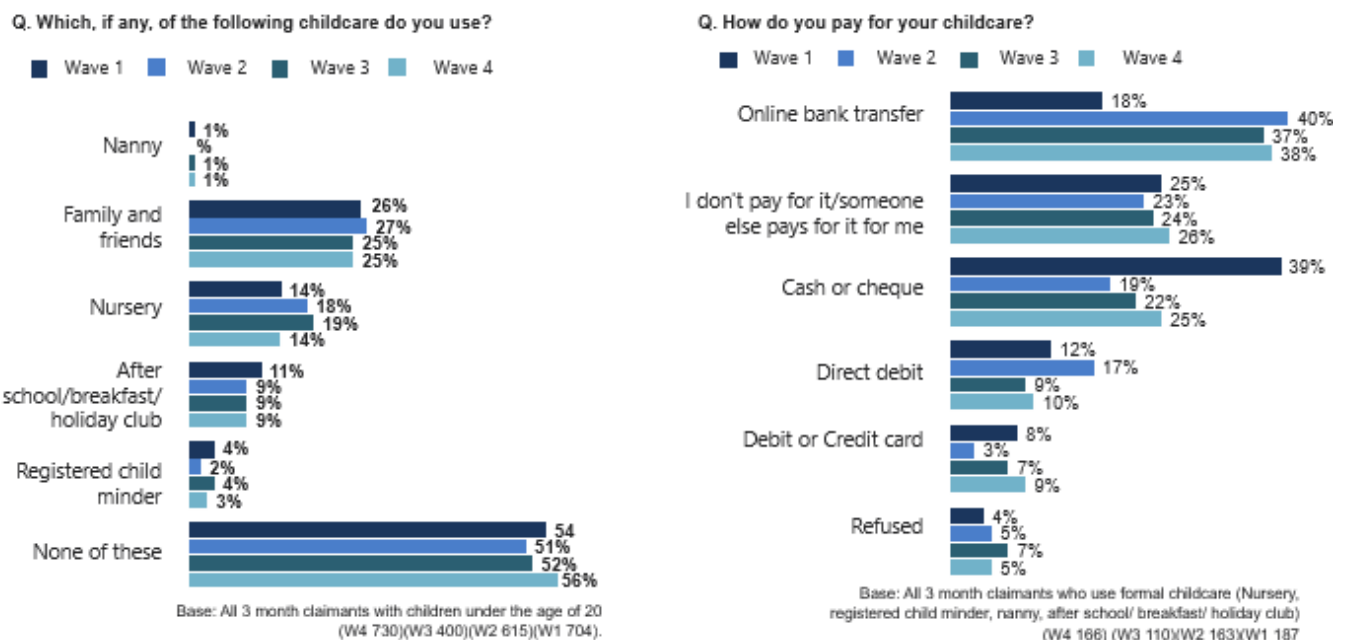
6.1 Use of childcare

Less than half of parents (44%) reported that they used childcare at wave 4; this figure has remained fairly stable across the four waves. The most common childcare providers were family and friends whilst the most common *formal* childcare were nurseries. One in ten (9%) used an after school, breakfast or holiday club and small minorities used a registered childminder and nanny (Figure 6.1).

Use of childcare was higher among claimants doing some paid work compared to those not doing any (52% vs. 33%). In particular, in-work claimants made greater use of family and friends (31% vs. 18%) and nursery (17% vs. 11%) compared to claimants who were not working.

Online transfers continued to be the most common method of payment for parents, followed by cash and cheque.

Figure 6.1: Childcare arrangements and payment for formal childcare

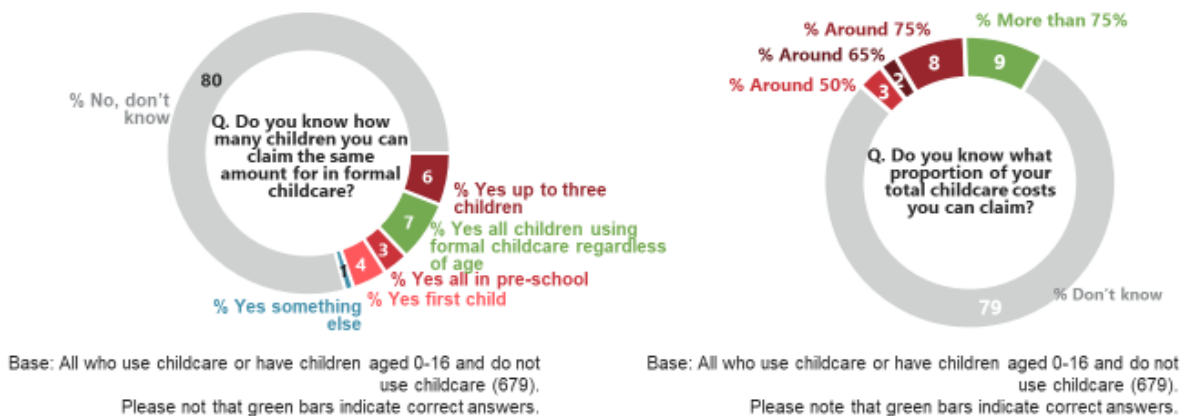


6.2 Knowledge of the childcare element of UC

Parents' awareness of the childcare support available under UC remained low: over eight in ten did not know how many children or how much of their childcare costs they could claim for.

Positively, there has been an increase in the proportion of parents who knew they could claim childcare costs for all their children regardless of age, albeit from a low base (7% at wave 4 compared to 3% at wave 3). This change was mainly observed among single parents. There has been no corresponding increase in parents' knowledge of how much of their total childcare costs they could claim (just 8% correctly identified that they could claim more than three-quarters of the costs at both waves 3 and 4). Across both features, female claimants were more knowledgeable than males.

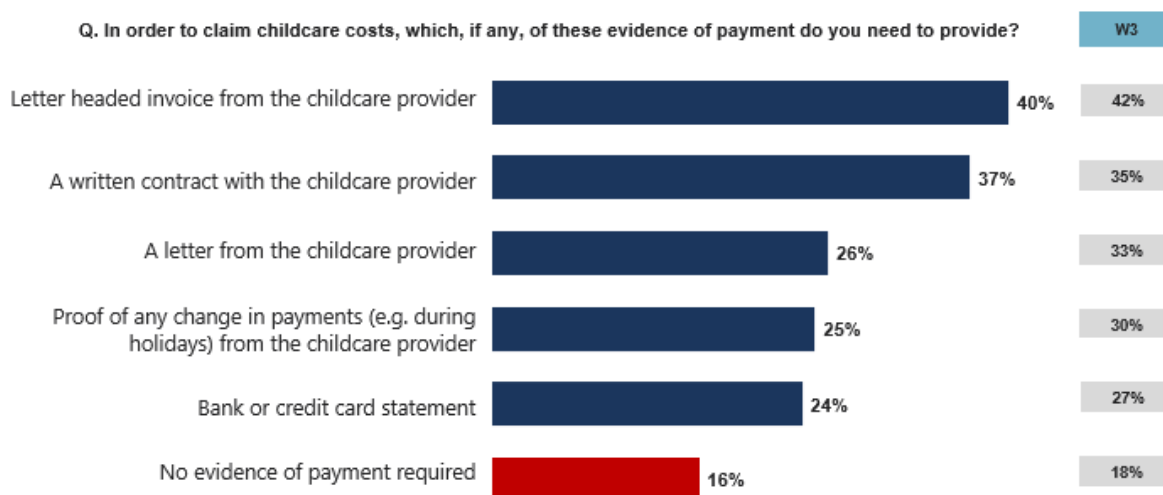
Figure 6.2: Knowledge of the childcare element of UC



Jobcentre advisers can provide support to cover the first childcare costs in advance for claimants who are moving into work. Knowledge of this provision was low amongst parents at both waves 3 and 4; 20% were aware at wave 4. Knowledge among female parents improved from 14% to 20% between waves 3 and 4 to match the level of male parents (19% at wave 4).

Parents claiming childcare payments under UC have to provide evidence of payments to the Jobcentre, and the majority were able to identify correctly at least one acceptable evidence of payments (Figure 6.3). However, 16% falsely thought that no evidence was required – similar to what was reported in wave 3 (18%).

Figure 6.3: Knowledge of the evidence required to claim childcare costs



Base: All W4 (679) and W3 (362) who use childcare or have children aged 0-16 and don't use childcare.

Awareness among parents of how often they would be expected to report childcare payments to the Jobcentre remained low and unchanged between waves 3 and 4. Just one in seven (16%) correctly identified that they must report monthly. Seven per cent cited other frequencies, and 77% did not know. Awareness of this requirement among female parents increased slightly between waves 3 and 4 (from 13% to 19%) and female parents remained more knowledgeable than males (19% vs. 8%).

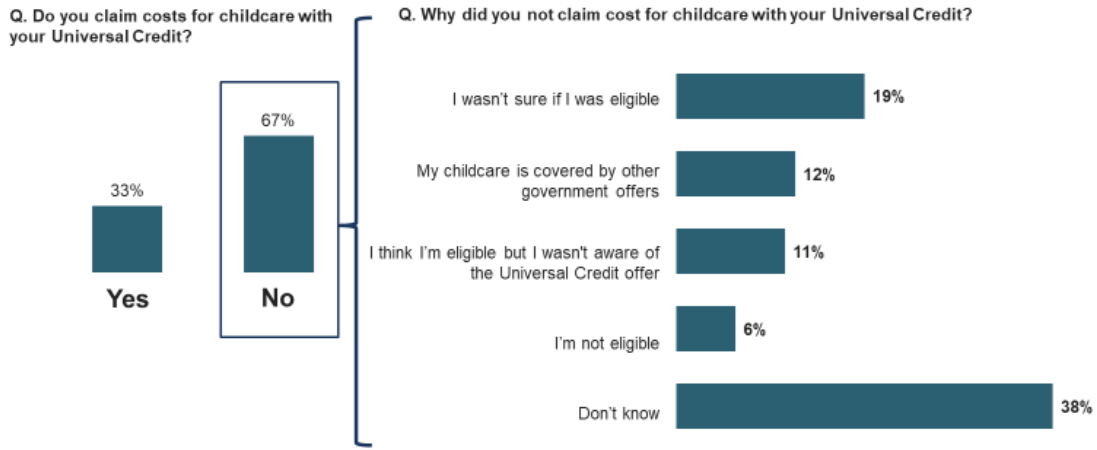
6.3 Claiming childcare costs

A third (33%) of parents had claimed costs for formal childcare with their UC – a similar level to wave 3¹². Parents gave a range of reasons for not claiming, the most common was because they were uncertain that they would be eligible for it. There has been a noticeable increase in the proportion of female parents reporting that they do not know why they did not claim (from 14% at wave 3 to 40% at wave 4).

¹² The sample sizes for parents who had claimed/not claimed childcare costs are too small to support detailed subgroup analysis.

Universal Credit Full Service Omnibus Survey

Figure 6.4: Reasons for not claiming childcare element of UC



Base: All who use formal childcare (166). All who did not claim childcare costs on Universal Credit (119).

7 Housing

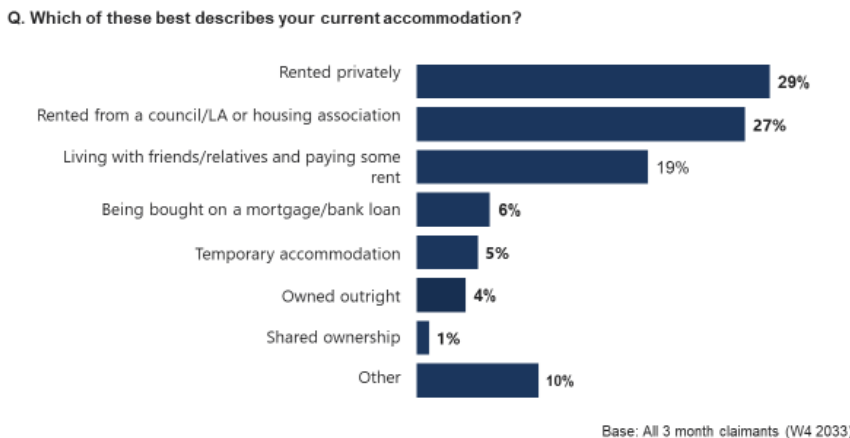
Claimants who are eligible for UC can get help paying for their housing. Housing payment is included as part of the monthly UC payment and claimants are responsible for paying rent to their landlord. Once they have started claiming housing payment, claimants need to report any changes in circumstances to the Jobcentre. Claimants must apply directly to their local authority if they want to make a claim for Council Tax reduction.

New claimants were well informed on the requirement to pay rent directly to their landlord but were less familiar with the requirement to apply to their local authority for Council Tax. Claimants who paid rent knew they needed to keep the Jobcentre informed about changes, but were much less clear about what would happen to their UC payments if they regularly missed their rent payments.

7.1 Help with housing costs

Six in ten (61%) claimants who paid rent or part-rent¹³ received help with their housing costs; fewer than in wave 3 (70% received help towards housing costs). This decrease has been reported across all groups of claimants. However, the characteristics of those more likely to receive help with their housing costs is unchanged: claimants aged 45 plus, single claimants with children, and former tax credits claimants (77%, 72% and 76% respectively).

Figure 7.1: Types of accommodation occupied by claimants



The proportion renting from a private landlord were similar at waves 3 and 4 and was more common among claimants aged 35 plus, couples and in-work claimants. There had been some change in other types of accommodation occupied by claimants. Specifically, there

¹³ From a council, local authority or Housing Association; from a private landlord; those living with friends/family and paying some rent; or those on a shared ownership scheme.

were fewer claimants renting from the council, local authority or housing association compared to wave 3 (27% vs. 35% at wave 3), most notably among single parents, and claimants aged 25-34 and 45 plus. More single parents and claimants aged 25-34 were renting from friends and relatives resulting in an overall increase in this tenure at wave 4 (19% vs. 14% at wave 3).

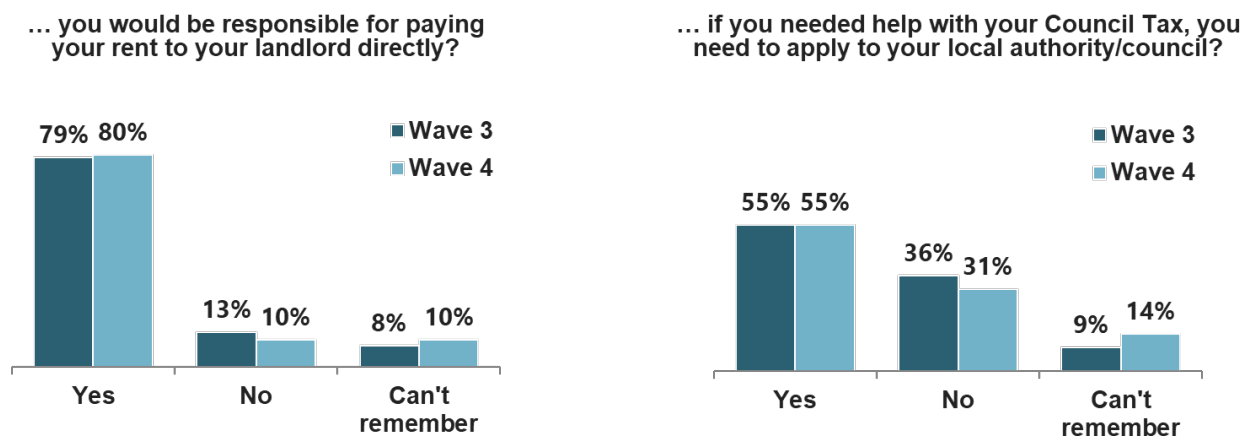
7.2 The rules for housing costs and Council Tax

The majority (80%) of claimants who received help with housing costs through UC reported that they were made aware that they must pay rent to their landlord directly when they applied for UC. However, significantly fewer (55%) recalled being told that they had to apply to their local authority for Council Tax. Findings were similar to wave 3.

In-work claimants were better informed than those not working, though both groups had good levels of awareness: 84% of in-work claimants knew they must pay rent to their landlord directly compared with 78% of claimants who were not working. Former ESA claimants were significantly less informed; levels of awareness among former ESA claimants declined from 87% to 63% between waves 3 and 4. In contract former tax credit claimants were more knowledgeable about this responsibility at wave 4 (86% vs. 78% at wave 3).

Figure 7.2: Understanding of the rules for housing costs and Council Tax

Q. When you first made your claim for Universal Credit, were you aware that . . .



Base: All 3 month claimants who received help with housing cost through Universal Credit (W4 925) (W3 477)

Claimants generally knew to tell the Jobcentre about changes to their rent, but they were less aware of the impact on them if they regularly missed their rent payments. Three-in-four (73%) understood their obligation to inform the Jobcentre of changes to their rent, and over half (55%) knew it was also their responsibility to tell the Jobcentre about their rent-free weeks. However, claimants' understanding of what would happen if they regularly missed their rent payments remained low: just 28% knew that their UC payment could be

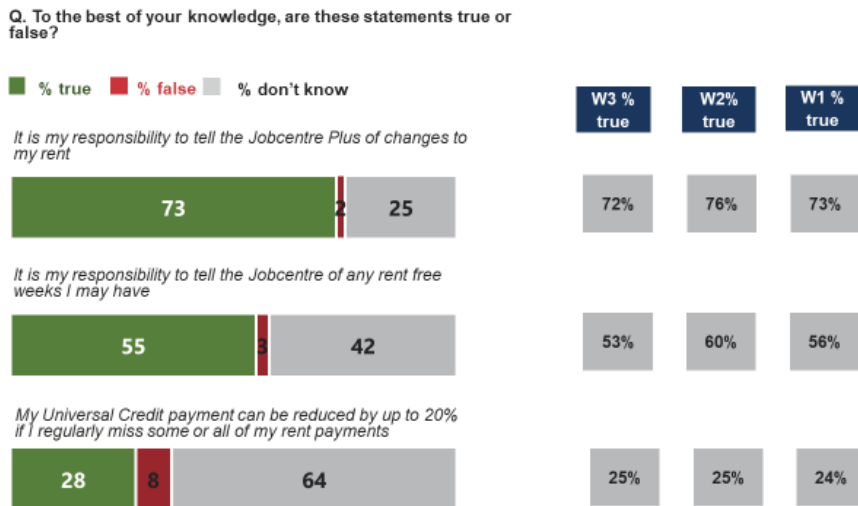
Universal Credit Full Service Omnibus Survey

reduced by up to 20%. These findings were similar to wave 3 and have not changed substantially across the four waves.

Overall, 23% of claimants correctly identified all three statements in Figure 7.3 – similar to wave 3 (21%). Another 33% correctly identified two; and 21% correctly identified one only.

Figure 7.3: Understanding of responsibilities

Q: To the best of your knowledge, are these statements true or false?



Base: All 3 month claimants living in rented or part rented accommodation (W4 1523 , (W3 679)(W2 1157)(W1 1274).

Conclusions

New claimants' understanding of how to claim UC has remained consistently high; at wave 4 three-in-four new claimants reported that they knew how to claim UC. Furthermore, the majority of new claimants continue to recall being given key information about UC by staff when they first made their claim.

Attitudes towards the work incentive features of UC improved between waves 3 and 4 though there was still a sizeable group of new claimants who were unconvinced that they would be better-off working on UC. There is more that the Jobcentre can do to shift attitudes further, such as ensuring claimants have a better understanding of how much they could earn and still claim UC, who would be eligible for a work allowance, how much better-off claimants would be working, and the number of hours they could work and still claim. Claimants remained poorly informed about these aspects and this applied equally to those who were working whilst claiming.

The majority of new claimants were able to identify at least *some* of the reasons that would result in their UC being reduced or stopped. They were least aware that failing to apply for a job asked by the Jobcentre Adviser could result in a sanction. New claimants would also benefit from more information on how a sanction would impact their UC payments and their right to appeal a sanction on their claim.

Finally, more needs to be done to ensure that parents are better informed about the childcare element of UC. There has been a slight increase in the proportion of parents who knew they could claim childcare cost for all their children but overall levels of knowledge about the UC childcare offer remained low.

Strategies to improve awareness and understanding of UC should bear in mind that former JSA claimants are generally well informed on many of the aspects covered. The groups most in need of further information are older claimants (aged 45 plus) and former ESA claimants.

Appendix A: Claimant profile

	Wave three				Wave four			
	Weighted		Unweighted		Weighted		Unweighted	
	N	%	N	%	N	%	N	%
Gender								
Male	350	42%	318	38%	990	49%	1,085	53%
Female	486	58%	518	62%	1,043	51%	948	47%
Age								
16-24	149	18%	151	18%	300	15%	353	17%
25-34	258	31%	244	29%	624	31%	525	26%
35-44	179	21%	191	23%	486	24%	486	24%
45+	251	30%	250	30%	623	31%	669	33%
Conditionality								
Intensive	438	52%	484	58%	1228	60%	1370	67%
Light touch	150	18%	143	17%	358	18%	364	18%
None	248	30%	209	25%	447	22%	299	15%
Claim status								
Couple	108	13%	124	15%	304	15%	259	13%
Single	728	87%	712	85%	1729	85%	1774	87%
TOTAL	836	100%	836	100%	2,033	100%	2,033	100%

Universal Credit Full Service Omnibus Survey

	Wave one				Wave two			
	Weighted		Unweighted		Weighted		Unweighted	
Gender	N	%	N	%	N	%	N	%
Male	680	43%	605	38%	661	46%	672	47%
Female	906	57%	981	62%	784	54%	773	53%
Age								
16-24	286	18%	253	16%	257	18%	240	17%
25-34	463	29%	452	29%	434	30%	406	28%
35-44	342	22%	324	20%	310	22%	267	18%
45+	495	31%	557	35%	444	31%	532	37%
Conditionality								
Intensive	1,028	65%	1,021	64%	870	60%	909	63%
Light touch	255	16%	262	17%	239	17%	173	12%
None	303	19%	303	19%	336	23%	166	11%
Claim status								
Couple	234	15%	227	14%	236	15%	203	14%
Single	1,352	85%	1,359	86%	1,209	85%	1,242	86%
TOTAL	1,586	100%	1,586	100%	1,445	100%	1,445	100%