

Universal Credit: Northern Ireland

Data to May 2020



Experimental Statistics - Published: 26 August 2020

This summary contains experimental statistics on Universal Credit in Northern Ireland. Experimental statistics are new official statistics undergoing evaluation. They are published in order to involve users and stakeholders in their development and as a means to build in quality at an early stage. Statistics have been produced at individual claimant and household level.

Universal Credit is a new payment to help support households that are out of work or are on a low income. Eligibility for Universal Credit depends on a household's circumstances. Universal Credit was introduced in Northern Ireland on a phased geographical basis between 27 September 2017 and December 2018.

Main Stories

140000

120000

100000

80000

40000

At 31 May 2020, 108,620 households (127,310 claimants) were on Universal Credit. The majority (93,380) of the households were in paid receipt of Universal Credit. The average amount of Universal Credit paid to the 93,380 households in payment was £680 per month. There were 15,240 households not in payment, most commonly because their monthly earnings exceeded the threshold for a Universal Credit award.

108,620 Households on Universal Credit at May 2020

Households Not In Payment

Households In Payment

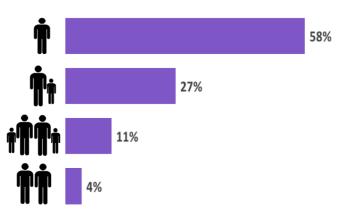
—Claimants

2018

2019

2018

93,380 Households in Payment at May 2020



s in Payment Average Payment at May 2020



£680 per month

The number of households on Universal Credit rose from 57,910 in February 2020 to 108,620 in May 2020. The number of claimants reached 127,310.

2019

2019

2019

2020

2020

In May 2020, the majority of Universal Credit households in payment were single people (58%). 27% were lone parents, 11% were couples with children and 4% were couples with no children.

The average amount of Universal Credit paid to the 93,380 households in payment was £680 per month.

At a glance Page **Total Claims** 3 Average monthly payment 4 Households receiving support 5 for housing **Household Advances** 6 Work conditionality regimes Sanctions 8 Where claimants live 9

Lead Statistician: Claire McCann claire.mccann@communities-ni.gov.uk

DFC Press Office: press.office@communities-ni.gov.uk

Comments? Feedback is welcome https://www.smartsurvey.co.uk/s/
NIUniversalCreditStatistics/

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What you need to know

This summary contains statistics on Universal Credit from its commencement on 27 September 2017 until the end of May 2020.

Universal Credit provides a single award per household based upon the circumstances of the household. Support for housing costs, children and childcare costs are integrated into Universal Credit. It also provides additions for disabled people and carers. Universal Credit replaces six existing benefits and tax credits.

The benefits and tax credits being replaced by Universal Credit: Income-based Jobseekers Allowance, Income-related Employment and Support Allowance, Income Support, Working Tax Credit, Child Tax Credit and Housing Benefit.

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.

Universal Credit payment arrangements differ between Great Britain and Northern Ireland. In Great Britain, Universal Credit is paid once per month directly to the claimant, including any housing allowances. Northern Ireland flexibilities are processes put in place to help the transition to Universal Credit in Northern Ireland. They include more frequent payments (twice per month) and the facility for payment of rent direct to the landlord. Payment can also be split between members of a household.

This report contains four measures:

- Claims made counts the number of household claims submitted for Universal Credit.
- Starts on Universal Credit follow an initial interview where eligibility for Universal Credit is confirmed
 and members of a household accept their Claimant Commitment. Entitlement to Universal Credit must also
 have been calculated.
- Claimants on Universal Credit include all individual members of a household who have started and are still on Universal Credit at the end of the reported month. Some claimants will have their claim terminated either at the request of the individual or if their entitlement to Universal Credit ends.
- **Households** are counted as being on Universal Credit where a claimant or claimants within the household have been included within the count of claimants.

Statistics will be published quarterly. Supplementary tables accompanying this publication are available at https://www.communities-ni.gov.uk/articles/universal-credit-statistics.

Impact of Coronavirus

The restrictions that were introduced throughout the country as a result of the coronavirus (COVID-19) pandemic led to a huge increase in the number of claims for Universal Credit. This increase in claims for Universal Credit is not all necessarily due to unemployment.

On 20 March 2020, the government announced a temporary increase of £1,000 to the Universal Credit standard allowance for 1 year, increasing the amount of earnings a household could receive before their Universal Credit award is reduced to nil. Moreover, the self-employed who are temporarily without income due to the government's 'stay at home' restrictions, and people and households with COVID-19 or following the government requirements to isolate and not eligible for Statutory Sick Pay may also claim Universal Credit. People who are furloughed and on a low income may also qualify.

Claiming Universal Credit

How households claim Universal Credit

Households will usually make a claim for Universal Credit online, during which initial verification will take place. The claim date is the date that a household completes this process and submits their claim. After making a claim, an initial interview will take place with the household, where the eligibility for Universal Credit will be confirmed and members of a household accept their claimant commitment. At this point, a household will be recorded as starting Universal Credit provided entitlement is calculated. Not all households who make a claim for Universal Credit will go on to start. A household may not be eligible following assessment, the household may withdraw the claim or the household may not fulfil the claimant commitment requirements.

Total claims made have reached 203,150 since September 2017

New claims and starts per month up to May 2020



Universal Credit was introduced in Northern Ireland on a phased geographical basis starting with Limavady Jobs & Benefits Office on 27 September 2017 and concluding with Antrim and Ballymena Jobs & Benefits Offices on 5 December 2018.

Since Universal Credit fully rolled out in Northern Ireland the number of new claims had been quite steady at an average of around 7,000 each month. However, March and April 2020 saw the number of claims increase to 35,440 and 20,560 respectively. The number of claims dropped again in May 2020, but were still higher than previous levels at 10,070.

This large increase in claims is a result of the restrictions that were introduced throughout the country as a result of the coronavirus (COVID-19) pandemic.

Between September 2017 and 31 May 2020, a total of 203,150 Universal Credit claims have been made in Northern Ireland, 151,380 of which have gone on to start.

Due to the need to provide support to people as quickly as possible during the coronavirus (COVID-19) pandemic, some temporary changes were made to claiming Universal Credit. The impact of this for these statistics means that for all claims for the 4 weeks to 9 April 2020, they will count as a start on the date the claimant verified their identity. Usually, for most claims it is the date of the claimant commitment being agreed that determines when the claim counts in the 'starts on Universal Credit' series.

Households Receiving Universal Credit Payment

93,380 households on Universal Credit were in payment at 31 May 2020

Percentage of households on Universal Credit who were in payment, May 2020

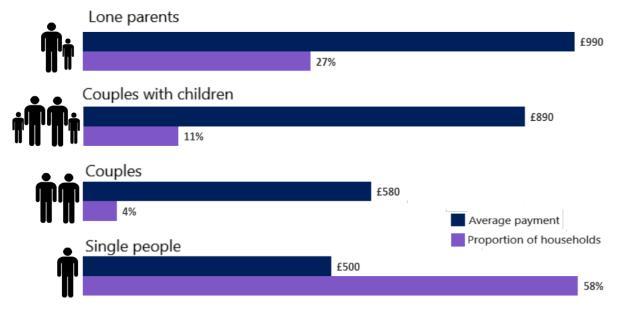


At 31 May 2020, 108,620 households were on Universal Credit. Of these households, 93,380 (86%) were in payment. The equivalent figure in February 2020 was 95%; the increase in the proportion of households not in payment is due to claims not being closed as quickly to allow more time for late reporting of earnings.

Of the 15,240 households not in payment, 14,300 (94%) received a nil award due to earnings above the entitlement threshold. Further reasons for a nil award include income from other sources, or capital in excess of £16,000.

The average Universal Credit household payment was £680 per month

Mean monthly amount of Universal Credit paid and proportion of households by family type, May 2020



During May 2020, the average amount (mean) of Universal Credit awarded to households in payment was £680 per month.

For households with children, higher average payments were a result of entitlement to support for one or more children, and a higher proportion with entitlement to support for housing. Lone parents received on average £990, whilst couples with children received £890.

In May 2020, 58% (54,280) of Universal Credit payments were to single people without children, while lone parents accounted for 27% (24,970) of Universal Credit payments. 11% (10,440) of payments were to couples with children and 4% (3,700) to couples without children.

Housing Support & Payments Direct to Landlord

Over half of all households receiving a payment of Universal Credit were entitled to support for housing

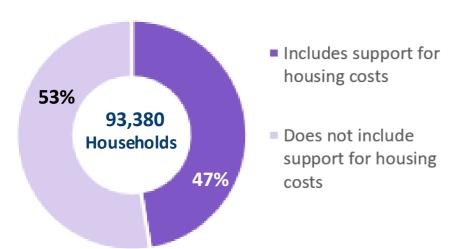
Universal Credit pays for different types of support required by the household, but in order to be entitled to this support certain conditions have to be met.

Support for housing helps households with costs such as rent or the interest charged on a mortgage. Less than half (47%, 44,290) of households that received a payment of Universal Credit in May 2020 were entitled to support for housing.

In May 2020, 41% (18,380) of households receiving a payment of Universal Credit with entitlement to support for housing werein the social rented sector, compared to 57% (25,280) in the private rented sector.

The remaining households were categorised as 'other or unknown' for tenure. This included households in owner-occupied accommodation receiving support for mortgage interest.

Proportion of households receiving a payment of Universal Credit with entitlement to support for housing costs



Direct payments to landlords by tenure, May 2020



In Northern Ireland, support for housing costs is made by direct payment to landlord, by default, where renting. This policy position differs from Great Britain where direct payments are made to the claimant by default.

In May 2020, 97% of households entitled to support for housing costs in the social rented sector had these paid directly to a landlord, compared to 53% in the private rented sector.

Household Advances under Universal Credit

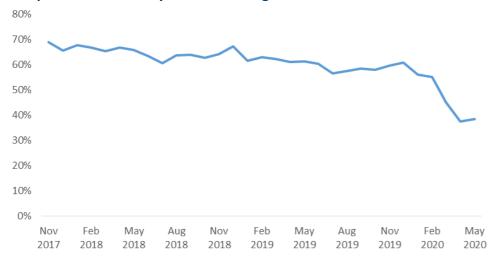
When households claim Universal Credit they will not receive their first payment for five weeks. If the household is in financial need and do not have enough money to live on until their first payment, they can ask for an advance payment of their Universal Credit. If the household already receives Universal Credit and their payment is increasing due to a change in circumstances, they can request an advance payment if they have yet to receive the increased amount.

Households receiving Universal Credit can also receive a 'Budgeting Advance' to help pay for emergency household costs, or for help getting a job or staying in work.

The statistics in this section relate only to those households that have started Universal Credit and been included within the household count at May 2020 or before.

53% of all households to start on Universal Credit have availed of an advance

Proportion of Starts by month availing of an advance



At May 2020, 80,480 of the households who started on Universal Credit had availed of at least one advance. The average amount paid per household was £610.

Households may not have applied for an advance or could have been refused if they:

- Had enough money to last until their Universal Credit payment
- Live with parents, relatives or friends
- Have any final earnings or redundancy payments
- Have any accessible savings

Advance uptake by Family Type at May 2020

Advances are more likely to be availed of by single and lone parent households compared to couples or couples with children.

More than half of single and lone parent households (57% and 63% respectively) who started on UC by the end of May 2020 have received advances, whilst 30% of couples and 30% of couples with children availed of advances.





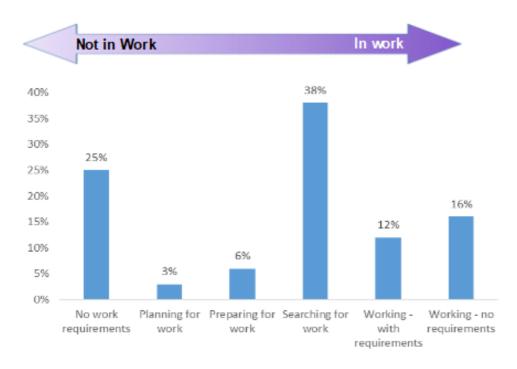




Average Advance by Family Type at May 2020

Claimants on Universal Credit

38% of claimants on Universal Credit were in the "Searching for work" conditionality regime



Conditionality regime specifies the category a claimant is in at the end of any given month. Conditionality refers to those work-related activities an eligible adult will have to carry out in order to retain eligibility for Universal Credit. Each eligible adult will fall into one of six conditionality regimes based on their capacity and circumstances. Different members of a household may be subject to the same or different requirements. As circumstances change claimants can also transition between different levels of conditionality.

The conditionality regimes within this publication have been taken from the Universal Credit Full Service system (UCFS) and renamed in order to aid the reader. 'No work requirements' covers the UCFS category no work related requirements, 'planning for work' covers light touch out of work, 'preparing for work' covers work preparation and work focused interview, 'searching for work' covers intensive, 'working with requirements' covers light touch in work, and 'working no requirements' covers no work related requirements.

During the coronavirus pandemic, a claimant's requirement to search for work is tailored towards their individual circumstances. This takes into account their personal circumstances, government health advice and their ability to work. Through an easement, work-related requirements can be 'turned off' either by a legal requirement or on a discretionary basis in response to the claimant's particular circumstances.

The 'No work requirements' conditionality regime has fallen as a proportion of people on Universal Credit to 25% from 39% in February 2020. The proportion of people in the 'Searching for Work' regime increased from 30% to 38% over the same period.

Conditionality Regimes	Explanation
No work requirements	Not expected to work at present. Health or caring responsibility prevents claimant from working or preparing for
	work.
Planning for work	Expected to work in the future. Lone parent/lead carer of child aged 1. Claimant required to attend periodic
	interviews to plan for their return to work.
Preparing for work	Expected to start preparing for future even with limited capability for work at the present time or parent of a
	child aged 2. The claimant is expected to take reasonable steps to prepare for working including Work Focused
	Interview.
Searching for work	Not working, or with very low earnings. Claimant is required to take action to secure work - or more/better paid
	work. The Work Coach supports them to plan their work search and preparation activity.
Working - with requirements	In work but could earn more, or not working but has a partner with low earnings.
3	
Working - no requirements	Individual or household earnings over the level at which conditionality applies. Required to inform Department for
	Communities of changes of circumstances, particularly if at risk of decreasing earnings or losing job.

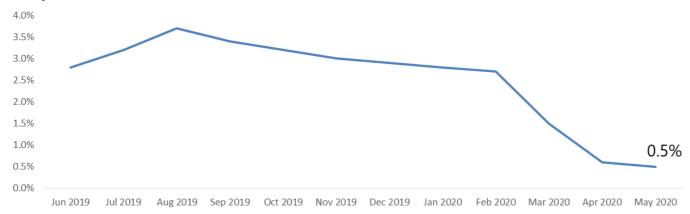
Sanctions under Universal Credit

To claim Universal Credit, a 'Work Coach' will set out with the claimant what is required of them in their claimant commitment. If they fail to meet each of their responsibilities that they agreed in their commitment, without good reason, they may be subject to a sanction. This is where their UC standard allowance is reduced for a set period. The length of the sanction depends on the level category that the reason for the sanction falls into, and the number of previous failures within the year.

The amount deducted is calculated daily as a percentage of the standard allowance and is dependent on the claimant's current personal circumstances and conditionality regime. Claimants will not be subject to sanction if they have **no work requirements** or **working - no requirements**. However, they may still have their payments reduced due to a sanction applied while in a previous conditionality regime.

0.5% of claimants had a drop in benefit amount due to a UC sanction in May 2020

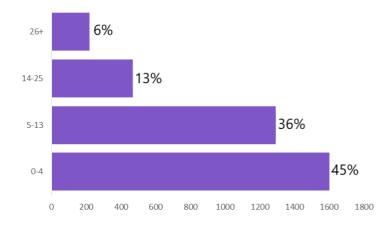
Proportion of claimants with a reduction in benefit amount due to a UC sanction



In May 2020, 0.5% of UC claimants subject to conditionality at the point where the sanction was applied had a deduction taken from their UC award as a result of a sanction.

During the coronavirus pandemic claimants were not expected to accept claimant commitments to be entitled to Universal Credit, this meant that there were no new sanctions during this period.

Length (in weeks) of sanctions under UC

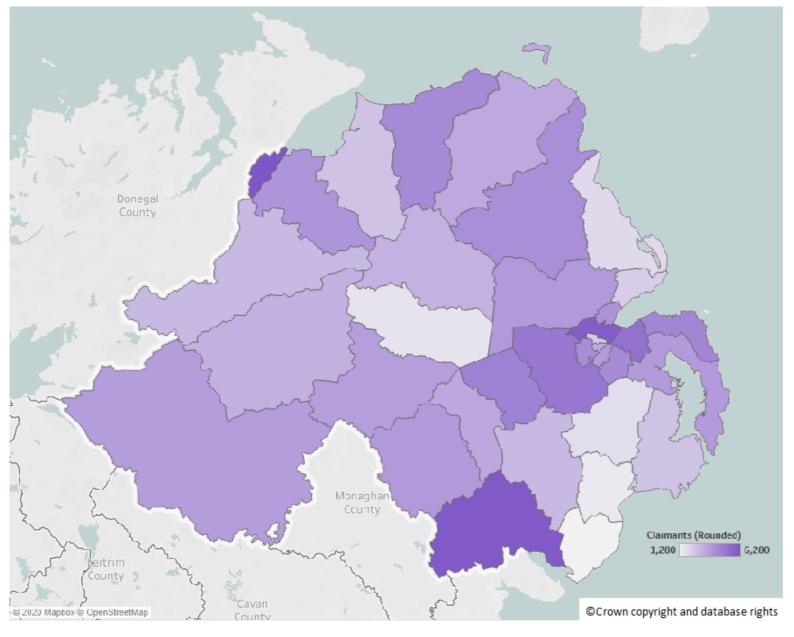


Of all ended UC sanctions, 81% lasted 13 weeks or less.

Less than half (45%) of all sanctions that have ended lasted 4 weeks or less. For certain conditionality groups, the sanction for not attending a Work Focused Interview lasts from the referral date until the claimant attends the interview. In this case a sanction of between 7 and 28 days is applied.

Failure to comply with interview requirements accounted for 83% of all UC sanctions

Where Universal Credit Claimants Live



The darker areas of the map are areas with higher numbers of Universal Credit claimants, while the lighter areas are the areas with fewer Universal Credit claimants.

Additional geographical breakdowns are available within the supplementary tables that accompany this publication.

JBO	Total Claimants
Andersonstown	4,350
Antrim	3,890
Armagh	3,890
Ballymena	4,260
Ballymoney	3,410
Ballynahinch	1,860
Banbridge	2,910
Bangor	4,570
Carrickfergus	2,310
Coleraine	4,430
Cookstown	1,690
Downpatrick	2,630
Dungannon	3,750
Enniskillen	3,810
Falls Road	3,410
Foyle	6,280
Holywood Road	5,280
Kilkeel	1,280
Knockbreda	4,420
Larne	1,960
Limavady	2,640
Lisburn	5,070
Lisnagelvin	4,060
Lurgan	4,690
Magherafelt	3,130
Newcastle	1,540
Newry	6,140
Newtownabbey	4,120
Newtownards	3,850
North Belfast	6,030
Omagh	3,160
Portadown	3,440
Shaftesbury Square	3,850
Shankill	2,340
Strabane	2,930

About these Statistics

These Experimental Statistics have been compiled using data from records of Universal Credit benefit claims held by the Department for Communities.

The methodology used and definitions of the statistics may be updated within subsequent releases, along with information on the impact of any changes to the time series already released.

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 (https://www.smartsurvey.co.uk/s/NIUniversalCreditStatistics/).

Figures contained within this publication are subject to rounding to the nearest 10 unless otherwise stated. Percentages shown are calculated using figures prior to rounding.

The figures contained within the publication and supplementary tables are subject to scheduled revisions. This is to account for retrospective actions on the Universal Credit Full Service system (UCFS). Revisions to figures within the supplementary tables are indicated by light shading to figures previously published. The darker shade indicates that these figures are provisional and will be subject to the aforementioned revisions within the next scheduled publication. These revisions are performed in accordance with T3.9 of the <u>UK Statistics Authority Code of Practice for Statistics</u>. Revised figures within these tables cover December 2019 to February 2020.

Roll out

Universal Credit was introduced to Great Britain in 2013 and began rolling out in Northern Ireland on 27 September 2017. Roll out for new claims in Northern Ireland completed on 5 December 2018.

Where to find out more

https://www.nidirect.gov.uk/articles/universal-credit

https://www.communities-ni.gov.uk/sites/default/files/publications/communities/dfc-universal-credit-introduction.pdf

https://www.communities-ni.gov.uk/publications/universal-credit-customer-information