



## **The impact of Universal Credit in North East England on health and wellbeing: findings from a qualitative study in Gateshead and Newcastle**

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### **Key findings**

- The impact of claiming and managing Universal Credit was profound on vulnerable claimants; increased conditionality (more requirements being put on claimants), harsh deductions, threat of sanctions, and risk of eviction and homelessness, food and fuel insecurity, further exacerbated health conditions. Universal Credit impacted so negatively on claimants' mental health that some had considered suicide.
- Universal Credit is not working for vulnerable claimants and does not appear to be achieving its aims of simplifying the benefit system and improving work incentives.
- Universal Credit adversely affected vulnerable claimants' rights to health, social security and an adequate standard of living, increased poverty, insecurity and social isolation among people with disabilities and health issues.
- Significant workload pressures and additional costs were described for voluntary and community sector organisations, local government, the NHS and wider health and social care system as a result of Universal Credit.

## **Introduction**

In April 2013, Universal Credit, a flagship component of the UK government's welfare reforms was introduced, which radically changed the welfare benefits and tax credits system for people of working age. Universal Credit aims to simplify the benefits system, 'make work pay' and reduce system fraud and error (Department for Work and Pensions 2012). Combining six separate welfare benefits into one monthly payment to a nominated household member has been beset with difficulties (National Audit Office 2018). Universal Credit has been 'rolled out' incrementally and by December 2018, 1.4 million citizens were claiming UC. When the system is fully operational, just under 7 million households will receive UC. (Kennedy and Keen 2018). Since it started, Universal Credit has been plagued by delays and implementation problems (National Audit Office 2018, House of Commons 2018), although the Department for Work and Pensions aim to have Universal Credit fully rolled out and all individuals on legacy benefits, so called 'managed migration,' transferred to Universal Credit by 2023 (Rudd 2019).

## **Local research context**

Gateshead Council Public Health team commissioned research in response to the roll out of Universal Credit in Gateshead in October 2017. Universal Credit had been rolled out in Newcastle earlier in 2017. *The aim of the research was to understand the impact of the roll out of Universal Credit on claimants and staff in Gateshead and Newcastle.*

## **Our research**

Universal Credit claimants were recruited with the support of staff from Gateshead Council, Gateshead Housing Company, and eight voluntary and community sector organisations in Gateshead and Newcastle providing welfare rights advice and support. Staff from these organisations were also interviewed about their experiences of supporting claimants. Department for Work and Pensions staff were invited and declined to take part in the study. Thirty-three claimants aged between 21 and 63 were recruited most of whom had long-term health conditions (including physical and mental health problems), disability and complex

lives, who would be regarded by the Department for Work and Pensions as vulnerable.

Thirty-seven staff providing support and advice also took part.

Interviews took place between April and October 2018.

## **What are the main findings?**

### ***Difficulties with claiming Universal Credit***

Claimants said their experience of claiming Universal Credit was complicated, difficult and demeaning. They described a labyrinthine, dysfunctional Universal Credit system prone to administrative errors, experienced as impersonal, hostile, degrading and difficult to navigate.

*Walk a day in the shoes of someone who is on it...but until then, don't say it's easy, because it's not, not by a long shot.* (Claimant 6)

The requirement to start and manage a Universal Credit claim online was problematic for many participants. Digital literacy, verifying identification online, lack of computer access, a bank account or email address added to the difficulties of applying.

*It takes the smallest amount of stuff, like no access to technology before you're at ... a sticky wicket.* (Claimant 16)

Waiting for payment between 5-12 weeks (on average 7.5) pushed many claimants into debt, rent arrears and serious hardship, which included going without food and utilities. Few were offered alternative arrangements, such as fortnightly payments or payments direct to landlords.

*I was close to being thrown out of where I was living because of repeated UC failure.* (Claimant 1)

Staff supporting Universal Credit claimants described confusing, inconsistent and inaccurate advice from UC helpline staff, and delays in correcting mistakes. The arbitrary nature of Universal Credit decision-making led to frustration and concern for claimants ahead of the 'managed migration' process. Fears were expressed by staff about the anticipated effects of UC on children living in poverty.

*It was so difficult around those 6 weeks (awaiting UC payment)...the council gave me a food voucher but I still needed nappies for the baby. My health visitor brought*

*some food for us, because when she came, it was so cold, she was concerned.*

(Claimant 2)

Some good practice was observed among staff: co-location, collaboration and partnership with Department for Work and Pensions staff at a local level worked well to build relationships, help navigate the UC system and support claimants who needed additional support.

### ***Impact on health and wellbeing***

The impact of claiming and managing on Universal Credit was profound. Claimants variously reported increased conditionality, harsh deductions, continual threat of sanctions, and risk of eviction and homelessness, rising debt, food insecurity and inability to pay bills. Claimants reported the numerous ways in which Universal Credit impacted negatively on their mental health and some had considered suicide.

*I got to a stage where I'd actually planned taking my life. It gets me upset when I talk about it...I could've easily done something horrific because these people at the end of the phone...that anxiety I was put through drove me to a place where nobody should be. (Claimant 28).*

### **Policy relevance and implications**

- This research amplifies calls for a halt and radical overhaul of Universal Credit policy and practice by the UK government, alongside a comprehensive review of its impact on vulnerable groups.
- Universal Credit should be appropriately resourced before managed migration begins.
- The five-week delay in payment needs to be removed as a matter of priority.
- An updated Equality Impact Assessment for Universal Credit is urgently needed.
- Long-term research is needed to examine the effects of Universal Credit on health inequalities, the effectiveness of sanctions, and to understand the wider impact of UC on public sector spending.
- Research on the impact of Universal Credit on workload for primary care, mental health and accident and emergency services needs to be undertaken.

## Further information

A copy of the full research report is available at:

<https://www.gateshead.gov.uk/article/10089/People-moved-onto-Universal-Credit-are-fighting-to-survive->

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