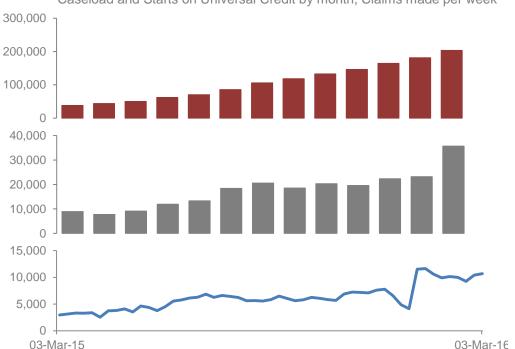
Universal Credit is a new benefit which aims to reduce poverty, by making work pay, and to help claimants and their families to become more independent.

Universal Credit was introduced in April 2013 in certain pathfinder areas of North West England. Since October 2013, it has progressively been rolled out to other areas. In the period covered by this release, 659 Jobcentre Plus offices have started to introduce Universal Credit.

#### **Universal Credit**

Caseload and Starts on Universal Credit by month, Claims made per week



### **Main Findings**

203,392 people were on the Universal Credit caseload, as of 11th February 2016. Of these, 80,363 (or 40 per cent) were in employment and 123,026 (or 60 per cent) were not in employment.

267,128 total starts to Universal Credit up to 11<sup>th</sup> February 2016. 32,912 starts to Universal Credit were in the last month.

404,815 claims have been made for Universal Credit up to 3<sup>rd</sup> March 2016. 40.317 claims have been made for Universal Credit in the last four weeks at an average of 10,079 per week.

Please note, due to preannounced data processing improvements, starts and caseload figures in the publication have been revised. Figures are not comparable to last month's publication. Please see the data source and defintions section for more detail.



#### Introduction

This Summary contains statistics on Universal Credit covering the period to 3<sup>rd</sup> March 2016 (for claims made) and 11<sup>th</sup> February 2016 (for starts and caseload) encompassing the 659 Jobcentre Plus offices which had implemented Universal Credit up to this date.

<u>Universal Credit</u> is a new benefit which aims to reduce poverty, by making work pay, and to help claimants and their families to become more independent. It also aims to simplify the benefits system by providing a single payment based upon the circumstances of the household. Support for housing costs, children and childcare costs are integrated in the new benefit. It also provides additions for disabled people and carers.

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

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

The main differences between Universal Credit and the current welfare system are:

- Universal Credit is available to people who are in work and on a low income, as well as to those who are out-of-work
- most people will apply online and manage their claim through an online account
- Universal Credit will be responsive as people on low incomes move in and out of work, they will get on-going support
- most claimants on low incomes will still be paid Universal Credit when they first start a new job or increase their part-time hours
- claimants will receive a single monthly household payment, paid into a bank account in the same way as a monthly salary; support with housing costs will usually go direct to the claimant as part of their monthly payment

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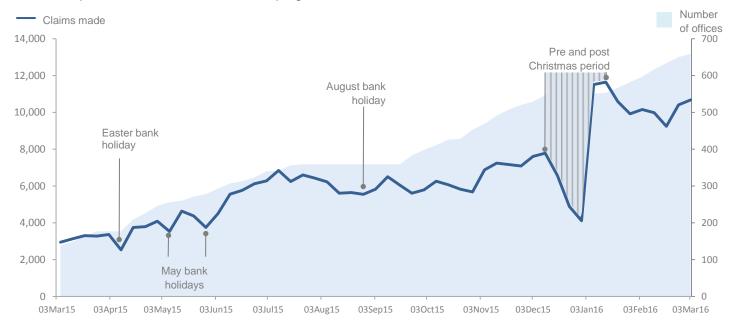
### **Claiming Universal Credit**

People will usually make a claim for Universal Credit on-line, during which initial claim verification will take place. After making a claim, an initial interview will take place with the claimant at which the eligibility for Universal Credit will be confirmed, and the claimant will accept a Claimant Commitment. At this point, a claimant will be recorded as starting Universal Credit. Users should note that the statistics on claims made are three weeks more up-to-date than statistics on starts and caseload. Not all people who make a claim for Universal Credit will go on to start. The statistics for claims and starts used in this publication include all claims and starts to Universal Credit.

Data processing improvements combined with methodological changes to the caseload data has led to more accurate and timely information becoming available on when an individual leaves Universal Credit. This has resulted in downward revisions from previously published caseload figures. Additionally, improvements have been made to the recording of the caseload and starts figures at a local office level. It is advisable to obtain the new data series of starts and caseload via **Stat-Xplore**.

#### Claims made to Universal Credit

new claims per week and number of offices accepting claims in the last 13 months to Thur 3rd Mar 2016



#### **Key messages**

The total number of claims made for Universal Credit in the last four weeks is 40,317, with an average of 10,079 claims per week, compared to an average of 10,578 claims in the previous four weeks.

The number of claims made to Universal Credit has stayed high since the New Year as national roll-out expands across the country. Claims made reached a weekly peak of 11,647 on the week ending 14<sup>th</sup> January 2016 and a daily peak of 3,227 on 4<sup>th</sup> January 2016.

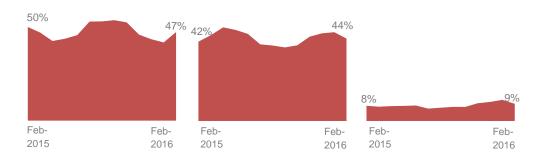
See **table 1.1** for summary statistics and <u>Stat-Xplore</u> for the full data series.



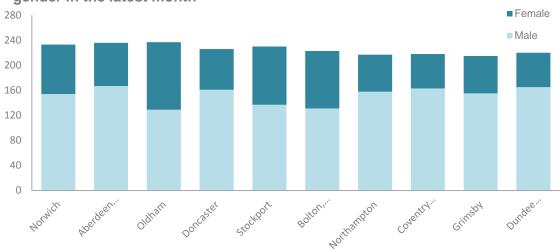
#### **Starts to Universal Credit**

Percentage of starts to Universal Credit by age and month

16-24 25-49 50+



# Jobcentre Plus offices with the highest number of starts by gender in the latest month



#### Published on Wed 16 March 2016, next release date is Wed 20 April 2016

#### **Key messages**

The total number of starts that have been made to Universal Credit in the month up to 11<sup>th</sup> February 2016 was 32,912. This is the highest monthly number of starts to Universal Credit.

In the past month, there have been more starts (233) to Universal Credit in Aberdeen Ebury House and Norwich Jobcentre Plus offices than any other.

Oldham Jobcentre Plus office still has the highest cumulative number of starts of any Jobcentre Plus office (6,829).

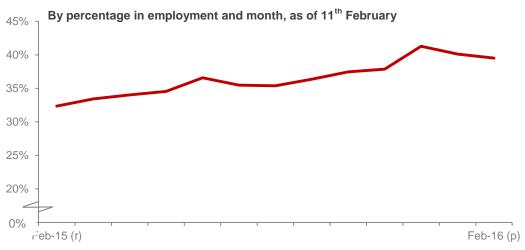
Moreover, the latest month saw a large increase in the proportion of starts to Universal Credit from the 16-24 age group. Reversing the recent trend the proportion has grown to 47 per cent in February from 42 per cent in January.

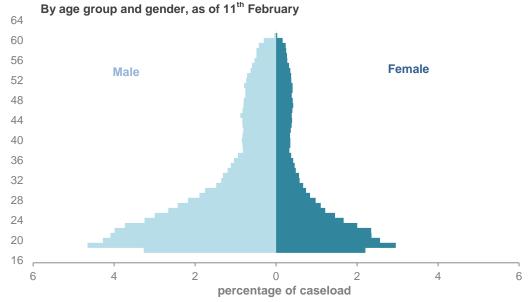
Due to data processing improvements this month's figures at local office level are not comparable to last month's publication. It is advisable to obtain the new data series via <a href="Stat-Xplore">Stat-Xplore</a>. Summary statistics are available in table 2.1.

Please note the figures for the latest month (February 2016) are provisional and will be finalised in the next release. See the <u>Data Source and Definitions</u> section for more details.



#### **Universal Credit caseload**





#### Published on Wed 16 March 2016, next release date is Wed 20 April 2016

### **Key messages**

There were 203,392 people on the Universal Credit caseload as of 11<sup>th</sup> February 2016. This represents an increase of 12 per cent on the caseload compared to January 2016.

The Jobcentre Plus office with the largest caseload was Oldham, with 3,040 Universal Credit claimants, followed by Bolton, Blackhorse Street, with 2,962 (caseload breakdown by Jobcentre Plus office, local authority and parliamentary constituency are available on <a href="Stat-Xplore">Stat-Xplore</a>).

Of the people on the caseload in February 2016, 40 per cent were in employment and 60 per cent were not in employment.

There were more males on the Universal Credit caseload than females (66 per cent compared to 34 per cent).

Males aged 20-24 made up 19 per cent of the total Universal Credit caseload.

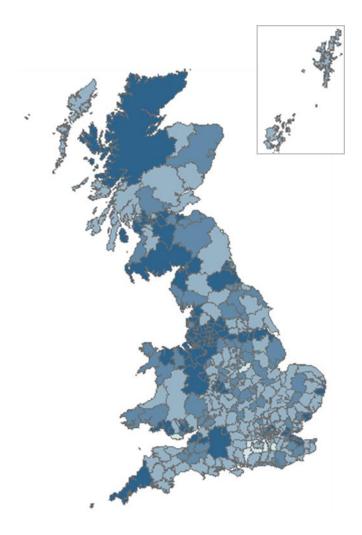
There was an increase in the proportion of people who had been on the Universal Credit caseload for less than three months in February. At 38 per cent it has risen to match the proportion of people who had been on the caseload for more than six months.

Due to data processing improvements this month's figures are not comparable to last month's publications. It is advisable to obtain the new data series via <a href="Stat-Xplore">Stat-Xplore</a> or tables 3.1-3.3 for summary statistics.

Please note figures for the latest month (February 2016) are provisional and will be finalised in the next release. See the Data Source and Definitions section for more details.



#### **Universal Credit caseload and starters**



The adjacent map shows Universal Credit caseload by Local Authority as at 11<sup>th</sup> February 2016.

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

#### Interactive map:

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

Please click here to access the interactive map.

On the interactive map, the size of each pin is proportional to the number of claimants on Universal Credit as at 11<sup>th</sup> February 2016. Key statistics for each Jobcentre Plus office can be viewed by clicking on each pin.

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



#### **Data Source**

These official statistics have been compiled using data from systems within local offices and records of Universal Credit benefit payments made by the Department.

This and other new data sources will, in time, allow a progressively wider range of breakdowns to be published as new IT systems are introduced. The methodology used and definitions of the official statistics may be updated within subsequent releases, along with information on the impact of any changes to the time series already released.

A <u>strategy</u> for the release of official statistics on Universal Credit was published in September 2013 and updated in February 2016. 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 <u>Experimental Statistics</u>. Users are invited to <u>comment</u> on the development and relevance of these statistics at this stage.

#### **Definitions used**

This report contains three main measures:

- The **claims** made figure in this release is defined as the number of individuals who have submitted a claim to Universal Credit regardless of whether they then go on to start Universal Credit. There are a number of reasons why they may not start; for example, the individual may not be eligible to claim Universal Credit. The headline claims made figure includes all claims made for Universal Credit, so if an individual goes on to make multiple claims, each claim will be included in the headline figure. Figures which only include claimants' first spell on Universal Credit can be found on <u>Stat-Xplore</u>. It is also important to note that the headline figure relates to all claims made up to 3<sup>rd</sup> March 2016, which is three weeks later than the figures provided for starters and caseload. This means that individuals who have made a claim to Universal Credit after the 11<sup>th</sup> February 2016 will be included in the claims made figure but will not be included in the starters and caseload figures, even if they have completed the claim process and have started on Universal Credit. They will, however, be captured in future releases which cover the period after 11<sup>th</sup> February 2016.
- A starter to Universal Credit is defined as an individual who has completed the Universal Credit claim process and accepted their
   <u>Claimant Commitment</u>. The headline figure for starts includes all successful claims made for Universal Credit. Therefore, if an individual
   has started on Universal Credit more than once during the period covered by this release, then each spell will be included in the headline
   figure. Figures which only include claimants' first spell on Universal Credit can be found on <u>Stat-Xplore</u>. The reporting month in relation to



**starts** to Universal Credit relates to a period from the second Friday in the previous month to the second Thursday in the current month; for example, for February 2016 the starts recorded relate to the period 15<sup>th</sup> January 2016 to 11<sup>th</sup> February 2016.

• The **caseload** of Universal Credit claimants includes those who have started Universal Credit (as above) and have not had a termination recorded for this spell, up to the 'count date'. A termination would be recorded either at the request of the individual or if their entitlement to Universal Credit ends. For example, if they no longer satisfy the financial conditions to receive Universal Credit as they have capital over £16,000, or if increased earnings reduced their award to zero for six consecutive months. The latest overall Universal Credit caseload figure reported in this release relates to the second Thursday in February, i.e. 11<sup>th</sup> February 2016. Please note that caseload figures are provisional and will be finalised in the next release (the expectation is that the provisional caseload figure will be within four per cent of the final figure at a national level). The caseload figure includes a breakdown on whether the claimant is **in employment** or **not in employment**, which is also subject to revision; although the expectation is that this will be within five per cent of the final figure. An individual on Universal Credit at the count date will be recorded as in employment if they have employment earnings recorded within their completed Universal Credit assessment period closest to the count date. They may not be in employment precisely on the count date.

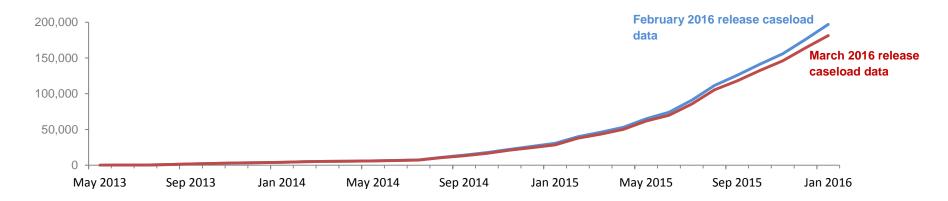
To ensure that monthly comparisons can be made, some of the charts used in this release have been standardised to a 4  $\frac{1}{3}$  week month using a simple pro rata.

#### Revisions to the statistics

Statistics released in March 2016 incorporated an improvement to the processing of data which feeds into the Universal Credit official statistics. The improvement uses data which is used to identify more accurately when a person leaves Universal Credit.

As a result of the improvement, the Universal Credit caseload series has been revised back to the start of the data series, but has only had an effect from April 2014 onwards. This revision includes the breakdown of the caseload by in employment / not in employment. The chart below illustrates the level of revision between the previously published series and the newly published series. For the latest month in the comparison – January 2016 – the overall Universal Credit caseload has been revised downwards by eight per cent. This difference varies when looking at lower geographical areas.





An additional improvement has been made in recording the local office of a Universal Credit claimant, which has led to revisions to both the Universal Credit starts and Universal Credit caseload series. Users are advised that previously obtained statistics are not comparable to the current figures and to obtain the data series again from either the statistical tables (in ODS format) or from <a href="Stat-Xplore">Stat-Xplore</a>.

#### **Universal Credit and measures of unemployment**

Unemployment in the UK is measured using the Labour Force Survey (LFS) consistent with the International Labour Organisation (ILO) definition. The LFS is a sample survey of people living in private households. The survey asks a series of questions about respondents' personal circumstances and their activity in the labour market. Through these questions every respondent is classified as in employment, unemployed or economically inactive, consistent with ILO definitions.

The LFS and ILO define an individual as unemployed if they are without work, available for work and seeking work. The UK considers anybody who is not in employment by the above definition, has actively sought work in the last 4 weeks and is available to start work in the next 2 weeks, or has found a job and is waiting to start in the next 2 weeks, to be unemployed. The measure is not dependent on which, if any, benefit is being claimed.

The Office for National Statistics (ONS) also publish monthly National Statistics on the claimant count – a measure of how many people are claiming Jobseeker's Allowance. From 17 June 2015, the Claimant Count published by the ONS includes out of work Universal Credit claimants. Further information on the claimant count can be found here: http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Claimant+Count



#### **Further roll out**

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

A limited test of the Full Service for Universal Credit was launched in Sutton, South London, on 26<sup>th</sup> November 2014, and expanded into Croydon and Southwark, South London on the 10<sup>th</sup> June 2015 and 4<sup>th</sup> November 2015 respectively. Claimants will manage their Universal Credit claim online to monitor payments, communicate with their work coach and record work search progress. Please note that this publication does not currently include statistics covering these areas.

On January 27<sup>th</sup> the Full Service for Universal Credit was introduced into Hounslow, West London, figures for Hounslow in this publication do not include Full Service claimants.

Further information can be found at:

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

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

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

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

www.gov.uk/government/uploads/system/uploads/attachment\_data/file/499616/transition-rollout-schedule-phase-1-to-2-2016.pdf

For the period which these statistics cover there were 659 Jobcentre Plus offices delivering Universal Credit. See **table 4.1** for a full list of Jobcentre Plus offices by the date they implemented Universal Credit.

