Universal Credit – experimental official statistics to October 2013

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Information, Governance and Security Directorate Department for Work and Pensions

Telephone:

Press Office: 0203 267 5129 Out of hours: 0203 267 5144

Website: www.gov.uk

Twitter www.twitter.com/dwppressoffice

Statistician:

Mark Burley
Information, Governance and
Security Directorate
Department for Work and Pensions
Kings Court
Hanover Way
Sheffield
S3 7UF

Telephone: 0114 209 8214

Email:

mark.burley1@dwp.gsi.gov.uk

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If you have any comments or suggestions regarding this publication, please contact DWP via <u>stats-</u>consultation@dwp.gsi.gov.uk.

Introduction

Universal Credit is a new benefit that has started to replace six existing benefits and tax credits with a single monthly payment. Universal Credit will eventually replace:

- 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'll get ongoing 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

Universal Credit was launched as a Pathfinder in areas of the North West commencing in April 2013. The four initial Pathfinder offices were Ashton-under-Lyne, Oldham, Warrington, and Wigan. Six further sites are rolling out between October and spring 2014, which started with Hammersmith on 28 October, followed by Rugby and Inverness on 25 November and will expand to Harrogate, Bath, and Shotton by spring 2014.

Key findings

Starters

- Between April 2013 and 31st October 2013, a total of 2,960 people have started on Universal Credit.
- Gender breakdowns of starters to Universal Credit show that the majority are males, with a male to female ratio around 7:3.
- The majority of new claims are for unemployed people aged under 25;

Caseload

- On the 31st October 2013, a total of 2,720 people were on the Universal Credit caseload.
- Nearly 7 in 10 of the Universal Credit caseload on 31st October 2013 are younger people, under the age of 25.

In this Summary

This Summary contains the second release of data on Universal Credit on the benefits starters and caseload to October 31st 2013. These have been developed and released in accordance with the Code of Practice for statistics and its supporting principles.

This report contains two measures:

- A starter to Universal Credit is defined as an individual who has completed the Universal Credit claim process, attended a Universal Credit interview with a work coach, and has received at least one Universal Credit payment. The reporting month in relation to starts to Universal Credit relates to the calendar month, i.e. the first day of the month up to and including the last day of the month.
- 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 reporting point. The reporting month in relation to the caseload on Universal Credit relates to the last day of the month, e.g. for October 2013, the measure is Universal Credit claimants on the 31st October 2013.

This report covers the period up to 31st October 2013 and includes summary statistics for the five Universal Jobcentre Plus offices, Ashton-under-Lyne, Oldham, Warrington, Wigan and Hammersmith, who had implemented Universal Credit up to this reporting period. Please note that Hammersmith went live on 28th October 2013 therefore these statistics will only cover the first few days of Universal Credit in this office. The postcodes covered by these offices begin: OL1, OL2, OL3, OL4, OL6, OL7, OL8, OL9, M35, M43, SK16, WA1, WA2, WA3, WA4, WA5, WA13, WN1, WN2, WN3, WN5, WN6, W6, W14.

It is important to note that the Universal Credit statistics include all people claiming this benefit, both those people in work and out-of-work. People on Universal Credit who are in employment may or may not be receiving a Universal Credit payment. As new claims for Universal Credit in the Pathfinder stage have been restricted to single, unemployed people without children then most claimants will be unemployed. Work is planned to use additional data sources to allow us to distinguish between these two groups in the future.

Future Releases

The next release of Universal Credit statistics will be in February 2014 and will contain data to 30 November 2013. As well as the offices, featured in this release, it will contain the first few days of Universal Credit going live in Rugby and Inverness offices.

DWP plans to expand the range of statistics included in future editions of this release as their reliability is confirmed.

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Section 1. Official statistics and commentary

** Further breakdowns are available for some of the charts below in Stat-Xplore – where available, click on link to explore further, or go directly to the Stat-Xplore visualisation page at: https://sv.stat-xplore.dwp.gov.uk/views/ **

1a. Analysis of starters

Chart 1.1 Universal Credit starters, cumulative to 31st October 2013, by age band

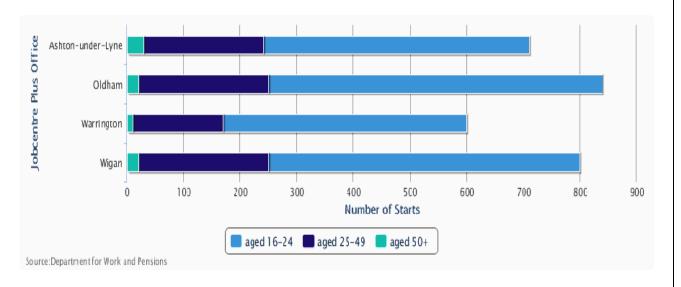
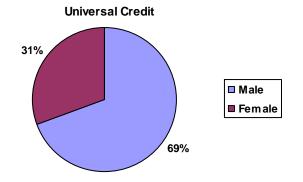


Chart 1.2: Universal Credit starters, cumulative to 31st October 2013, by gender



Key messages

- Between April 2013 and 31st October 2013, a total of 2,960 people have started on Universal Credit;
- Nearly 7 out of 10 new claims are for people aged under 25 and reflect the initial take-on for Universal Credit, of single, non home owning, unemployed people without any children;
- The ratio of male to female starters to Universal Credit is around 7:3

Table 2.1 shows a time series of monthly starts to Universal Credit, split by office.

- This shows that for each office after the initial month of going live, the numbers of new on-flows to the benefit stabilise.
- By October 2013, the highest number of new starters in that month were in Oldham, followed by Warrington and Wigan.

Chart 1.1 shows the cumulative number of new starters. During the period May to October 2013 2,960 people started on the benefit.

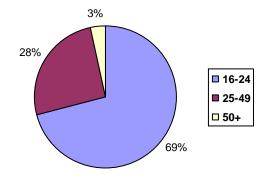
Chart 1.2 (and **table 2.2**) shows the proportion of the cumulative Universal Credit starters by gender, in the period looked at by this release you can see that the ratio of male to female starters is around 7:3.

1b: Analysis of caseload

Chart 1.3: Universal Credit caseload, as at end of month, by Jobcentre Plus office



Chart 1.4: Universal Credit caseload, at 31st October 2013, by age band



Key messages

- On the 31st October 2013, the total caseload of Universal Credit claimants was 2,720 people;
- Nearly 7 in 10 claimants of the Universal Credit caseload on 31st October 2013 are younger people, less than the age of 25.

Chart 1.3 (and **table 3.1**) shows the time series of the monthly caseloads of Universal Credit. The highest caseload at end of October is in Oldham, followed by Wigan and then Ashton-under-Lyne

Chart 1.4 (and **table 3.1**) shows the percentage of October's caseload of Universal Credit, split by age. This shows that nearly 7 in 10 claimants of the Universal Credit in the latest month were under 25.

Table 3.2 and **3.3** break the Universal Credit caseload, at 31st October 2013, down by further geographies (based on the latest held address of the claimant).

Section 2. Tables on Universal Credit starters

** Further breakdowns of statistics in the tables below are available in Stat-Xplore – go to https://sv.stat-xplore.dwp.gov.uk/views/ to explore further **

The following definitions and conventions are used in the next two sections

Figures are rounded to the nearest ten.

Totals may not sum due to rounding.

Figures are refreshed each time they are published and are subject to change.

Local Authorities and Parliamentary Constituencies are assigned by matching the claimant's postcode against the relevant postcode directory and may therefore differ to those given by Jobcentre Office.

Table 2.1 Monthly numbers of starters to Universal Credit

		May	June	July	August	September	October
	Total	120	120	400	760	870	700
Gender	Male	80	90	250	520	610	510
	Female	40	40	150	240	260	190
Age	16-24	70	80	280	540	630	440
	25-49	40	40	100	200	220	230
	50+	-	-	10	20	20	20
	Ashton-Under-Lyne	120	120	160	100	120	90
Jobcentre Office	Wigan			210	190	210	180
	Warrington			10	210	210	180
	Oldham			10	260	330	250
	Hammersmith						_

Table 2.2 Cumulative numbers of starters to Universal Credit

		May	June	July	August	September	October
	Total	120	240	640	1,400	2,270	2,960
Gender	Male	80	170	420	940	1,550	2,060
	Female	40	70	220	460	720	910
Age	16-24	70	150	440	980	1,610	2,050
	25-49	40	80	180	380	600	840
	50+	-	10	20	40	60	80
	Ashton-Under-Lyne	120	240	400	500	620	710
Jobcentre Office	Wigan			210	410	620	790
	Warrington			10	220	430	610
	Oldham			10	270	600	840
	Hammersmith						

[&]quot;-" Nil or Negligible;

[&]quot;." Not applicable;

Section 3. Tables on Universal Credit caseload

Table 3.1 Caseload of Universal Credit

		31st May	30 th June	31 st July	31 st August	30 th September	31 st October
	Total	110	230	620	1,350	2,130	2,720
Gender	Male	80	160	410	900	1,450	1,900
	Female	40	70	210	450	680	820
	16-24	70	150	430	960	1,520	1,890
Age	25-49	40	80	170	360	560	770
	50+	-	10	20	40	50	70
	Ashton-Under-Lyne	110	230	390	470	570	630
labaantus	Wigan			210	400	590	740
Jobcentre Office	Warrington			10	210	420	570
Onioc	Oldham		•	10	260	560	780
	Hammersmith						-
Duration	Up to 3 months	110	230	610	1,250	1,920	2,150
	3 - 6 months			10	100	210	560
	More than 6 months						10

Table 3.2 Universal Credit Caseload by Local Authority: at the end of October 2013¹

	31 st October
Oldham	770
Tameside	620
Warrington Unitary Authority	550
Wigan	700
Other Local Authority	90

Table 3.3 Universal Credit Caseload by Parliamentary Constituency: at the end of October 2013¹

	31 st October
Ashton-under-Lyne	550
Denton and Reddish	90
Makerfield	300
Oldham East and Saddleworth	290
Oldham West and Royton	420
Stalybridge and Hyde	40
Warrington North	290
Warrington South	260
Wigan	400
Other Parliamentary Constituency	90

¹ Note the "Other" categories will contain claimants that were originally based in Universal Credit areas when their claim started for but have since moved to another area.

Section 4. Methodology

4a. Data Source

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

These are the first official statistics to be released on Universal Credit, using a new data source and a new methodology. The statistics have been developed using guidelines set out by the UK Statistics Authority, and are new official statistics undergoing evaluation they have accordingly been badged as being Experimental Statistics. Users are invited to comment on the development and relevancy of these statistics at this stage.

As the data available for Universal Credit evolves over time, the methodology used and definitions may develop also. Users of these statistics are, therefore, asked to note the status as experimental official statistics² and that subsequent releases may include revisions to the time series already released.

4b. Definitions used

A starter to Universal Credit is defined as an individual who has completed the Universal Credit claim process, attended a Universal Credit interview with a personal adviser, and has received a Universal Credit payment.

A Universal Credit claimant is recorded as being on the caseload if they have started Universal Credit and are not recorded (up to the reporting point) as having terminated their Universal Credit spell.

Section 5. Further roll out

Five further sites have started to roll out between November 2013 and the spring 2014, starting with Rugby and Inverness on 25 November and will expand to Harrogate, Bath, and Shotton by spring 2014.

Eligibility for Universal Credit will be the same as in the Pathfinder areas. Newly unemployed people who would formerly have made a straightforward claim for Jobseeker's Allowance and who meet certain additional criteria.

² For further details of experimental statistics, see: http://www.statisticsauthority.gov.uk/news/assessment-and-designation-of-experimental-statistics.html