



# Public Affairs & Social Policy Unit

Ryan Gow  
Public Affairs Adviser

Tel: 0207 367 4575  
Email: [Ryan.Gow@salvationarmy.org.uk](mailto:Ryan.Gow@salvationarmy.org.uk)

Date 9 March 2020  
Ref: 09032020RG TSA

Economic Affairs Committee  
House of Lords  
London  
SW1A 0PW

Dear committee members.

Thank you for inviting me to give evidence at the 3 March 2020 hearing on universal credit.

Below I have set out some key reflections on the exchanges we had during last week's evidence session.

## Delays to receiving first UC payments

The committee heard our concerns about the five week delay before claimants can receive universal credit payments. Ministers argue that the advance payment system provides a way of bridging the period between the claim and when individuals are able to receive their first universal credit payment. However the Army believes that advances trap many people in a cycle of debt.

The Salvation Army's experience is that many of the people we see are often already in debt. This means that by the time that claimants have to begin repayment of the advances their existing debt problems are intensified. The Step Change charity found that 65% of people that they surveyed who had received advance payments had to cut back on food and groceries expenditure due to the need to repay the advances.

In one of our Welsh corps an individual was repaying £52 a week due to an advance payment. As Gary Lemon said during the course of last week's evidence session, a private sector lender would be required to undertake an affordability assessment before offering someone a loan. However the Department for Work and Pensions is not required to do that when they offer an advance loan to a UC claimant.

## Mental Health

The Government's own Universal Credit Full Service Survey in 2018 corroborated The Salvation Army's survey findings that the biggest barrier to people applying for universal

Territorial Headquarters, 101 Newington Causeway, London SE1 6BN  
Switchboard: 020 73674500 Web: [www.salvationarmy.org.uk](http://www.salvationarmy.org.uk)

The Salvation Army is a Christian church and registered Charity No.214779 and in Scotland SC009359; Social Trust Registered Charity No. 215174 and in Scotland SC037691  
Republic of Ireland Registered Charity No. CHY6399; Guernsey Registered Charity No. CH318; Jersey NPO0840; Isle of Man Registered Charity No. 267  
The Salvation Army Trustee Company, registered number 00259322 (England and Wales). Registered office: 101 Newington Causeway, London SE1 6BN  
General: Brian Peddle Territorial Commander for the United Kingdom with the Republic of Ireland: Commissioner Anthony Cotterill

credit was mental health. It also found that the area that claimants most needed support in was applying online via a computer.

As outlined in the evidence session, The Salvation Army proposes that work coaches' case loads are kept at 50 clients in order that they have the time to make a thorough assessment of the needs and circumstances of claimants. Current work coach case loads are on average 170 people. At present the benefit system is not detecting those with particular needs and therefore they cannot be signposted to the support that exists.

***One million claimants of sickness benefits - the Employment Support Allowance are due to be migrated onto UC. This group will include many vulnerable claimants with mental health conditions.***

We have urged the Department for Work and Pensions to put in place the reduced case loads for work coaches in order that this group of people are given proper support.

### **Who Has Lost Out Under Universal Credit?**

Some committee members raised the question of which groups have lost out under universal credit. The Army sees the following groups as having lost out under UC due to features of its design. These are the following:

- Some disabled people (those who had been eligible for severe disability premium)
- African and Caribbean women (The Runnymede Trust found they had lost £5,000 a year)
- People in precarious employment (many of whom are under the age of 25)
- Lone parents

The Salvation Army would like to see the urgent removal of the five week waiting period before claimants can receive their first UC payment.

Yours sincerely



**Dr Matthew Sowemimo**  
**Head of Public Affairs and Social Policy, The Salvation Army UK and Ireland**

Territorial Headquarters, 101 Newington Causeway, London SE1 6BN  
Switchboard: 020 73674500 Web: [www.salvationarmy.org.uk](http://www.salvationarmy.org.uk)

The Salvation Army is a Christian church and registered Charity No.214779 and in Scotland SC009359; Social Trust Registered Charity No. 215174 and in Scotland SC037691  
Republic of Ireland Registered Charity No. CHY6399; Guernsey Registered Charity No. CH318; Jersey NPO0840; Isle of Man Registered Charity No. 267  
The Salvation Army Trustee Company, registered number 00259322 (England and Wales). Registered office: 101 Newington Causeway, London SE1 6BN  
General: Brian Peddle                      Territorial Commander for the United Kingdom with the Republic of Ireland: Commissioner Anthony Cotterill