

Written evidence from Name Withheld (UCU0083)

Introduction

I would like the inquiry to take my experience and views of going on to Universal Credit and how it has affected me.

I was put on Universal Credit in February 2016 and currently remain on the live service.

I am looking for a full time permanent job, However on struggling to obtain this, I take any form of temporary work I can get which I find builds my self confidence, makes my C.V look more attractive to employers and gives me a sense of self worth.

I would particularly like the following points to be taking into consideration:

1. The unprofitability to take certain forms of temporary work
2. The removal of the work allowance.
3. The unclarity of what will be included in the means tested 65%
4. The 8-9 weeks I have to wait for a payment not just when I made my first claim but can occur any time after doing temporary work.
5. The entrapment of remaining on benefits.
6. Inadequate staff training by Universal Credit call centre staff and work coaches
7. Summary

1. The Unprofitability of taking certain forms of temporary work

Now on Universal Credit, the only temporary work that is profitable to do is if it lasts two weeks or more and the last pay date from my employer/agency is in the same period of when I actually do the work of my Universal Credit assessment period.

Once the pay from the employer and 65% of the last weeks pay goes into the following assessment period, any work I have done in the last assessment period, the pay I have earned is in effect cancelled out by the high amount of 65% being taken from my Universal Credit pay. This therefore means it is completely discouraging to take any temporary work where pay at end of temporary assignment will overlap into two Universal Credit assessment periods.

2. The removal of the work allowance

If the work allowance was restored to exactly £111, This would ease the burden/hit and would not happen. Altering the taper rate has little to no effect. If the work allowance was restored to £111, The benefits of taking part time, full time, and temporary work remains about the same as the previous JSA system.

3. The unclarity of what will be included in the means tested 65%

When first joining Universal credit (In February 2016). I did not understand how it worked and was never explained by any job centre staff or Universal Credit helpline in what way the

65% is calculated. A simple formula (similar to the one shown in my Universal Credit statements) could have been showed to me at any time. However this was not the case.

I had no clue how I was supposed to budget for the first month and was amazed when my first payment was £74.77 to cover me being paid in areas for the previous 4 weeks after taking a two week paid job (previously being on JSA) and then needing to rely on this payment for the following four weeks.

This payment would now be about £2.68 for the previous four weeks and would have had to cover me for the next four weeks. (Now the work allowance of £111 has since been removed)

This payment was also reduced due to a tax rebate being paid through my pay within the two weeks work I did. I am still struggling to understand why Universal Credit is taking tax rebates from the low income and can not see many people making this allowance when budgeting.

Since being on Universal Credit, I understand better however, if the work allowance was restored to £111, the majority of tax rebate, holiday pay would remain with the claimant and encourage work further as opposed to the completely discouraging way in not rewarding any work whilst being on Universal Credit in the current situation.

4. The effect of the 8-9 week wait for a Universal Credit payment

If I had been in rented accommodation as opposed to me being in the fortunate position of living with my parents I would immediately have been in rent arrears and struggling to tide me over for the 8 weeks (Four weeks before the first U.C payment and four weeks after the U.C payment). There is no question in my mind that I would be struggling if I lived in rented accommodation.

I raised this with my constituency MP at the time and my local C.A.B office at the time and have included a copy of the letter shown below in appendix 1.

5. The entrapment of remaining on benefits.

I am still on Universal Credit a year later and as stated above doing temporary work. However the only profitable work is when actually doing work, and pay from that work falls into the same Universal Credit assessment period, when it does not, I am finding I have to wait 8 weeks again for a Universal Credit assessment period.

I am now asking recruitment agencies when there pay date is to see how profitable work is so I can estimate what my take home will be and the effect on how long I will have to wait for my Universal Credit payment on finishing the temporary contract and guess what it will be.

6. Inadequate staff training by Universal Credit call centre staff and work coaches

Job centre work coaches are inadequately trained in how pay from work affects Universal Credit and could benefit from further training.

Universal Credit Call Centres differ in the variety of how well trained they are and have given me wrong advice resulting in my claimant commitment having to be altered by my

work coach on a weekly basis and also a non-payment until telephoning up Universal Credit to rectify this.

Now I am having to report when work starts and ends by telephoning Universal Credit helpline more often and this can lead to another discouragement to taking work due to the costly phone calls and time kept waiting on hold trying to get through to an advisor as everything now has to be reported through the Universal Credit Call system.

7. Summary

So in short if I was to take two weeks or a temporary contract where the last two weeks pay overlaps two assessment periods, I can be waiting for 8 weeks to get a Universal Credit payment. This has led to me having to go to the job centre for up to 5 weeks of weekly appointments where I am not even getting a Universal Credit payment.

I also am finding it exactly the same as the previous JSA System when having to report when work starts and ends having to telephone the Universal Credit.

I am not finding it any easier to take temporary work than the previous JSA system and can easily see why others are discouraged from taken work. I never felt trapped to remain on benefits when on Job Seekers Allowance and signing off/on when doing temporary work. I was given a sense of seeing a way into full time employment.

I now feel more trapped that I will be relying on benefits longer being on Universal Credit than I ever did on JSA.

I also never received a letter stating the £111 work allowance was being removed.

I thank you for your time in reading this and hope the inquiry will take some of the points in consideration I have raised.

NAME AND ADDRESS SUPPLIED

In my situation, Payment of Universal Credit took 5 weeks but for many people can take six weeks.

As I was under the impression it took 4 weeks, On receiving my letter dated 3rd March telling me my payment would be 1st April and claim started from 28th February. On the 11th March 2016 at approximately 9:15, I called the Universal Credit helpline and was told by a supervisor my payment would be changed to the 28th March due to I had waiting days implement which should not be on there, due to my circumstance of claiming Job Seekers Allowance within the previous six months. On this occasion I was told that the implementation of waiting days had caused a lot of confusion.

Now expecting my payment on 28th March, when no payment arrived, I called the Universal Credit helpline again and asked for a supervisor to call me back. When the supervisor called me back, I was told that I had not been put on waiting days in the first instance and most people wait 5 weeks for their first payment with new claimants having to wait 6 weeks for

payment. I find this a totally unacceptable time to wait. I was once again told by the supervisor, the implementation of waiting days has caused absolute confusion.

March 2017