

Universal Credit: end the punitive regime

STCG's call for people 'transferring' from existing benefits to Universal Credit to be paid their existing benefits until the UC claim has been processed, has been questioned on the grounds that those on 'legacy benefits' (the six benefits that will be subsumed into UC) are not *transferring* to UC yet. To understand what's going on we have to get beyond the confusing vocabulary of the DWP. There is, it seems, a difference between 'natural migration' and 'managed migration'. The latter will not take place until 2019 when *all* those in receipt of 'legacy benefits' will be transferred or 'migrated' onto UC. It currently only applies to 'new claims'. Here's where the bureaucratic language of the DWP obscures what is actually happening. It's not just people who have never previously claimed benefits who are going onto UC. People *are* going from existing benefits onto UC now.

There is nothing 'natural' about this 'migration'. The fact is that under certain conditions people who were on existing benefits have been obliged to go onto UC. They have had their benefits stopped and have suffered the waiting period of six weeks or more whilst the UC claim is being processed. That's why 76% of council tenants in Swindon who are currently on UC have average rents arrears of £843, nearly double the figure for all council tenants in arrears.

The circumstances under which these people find themselves being put onto UC are, from the point of view of principles, irrelevant. Poor people are having their benefits stopped and are pushed into rent arrears and debt. *This is unjust and inhumane and it should be stopped.*

The Child Poverty Action Group explains. 'Migration' is the term used by the DWP for the process by which a claimant with a current award ('legacy benefit') has that award/s terminated, and has to then rely on UC for means-tested support. These 'legacy benefits' are

- Income-based Job Seekers Allowance;

- Income related Employment Support Allowance;
- Income Support;
- Housing Benefit;
- Child Tax Credit, and
- Working Tax Credit.

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According to CPAG 'managed migration' will involve transitional protection for those whose award of UC is lower than their 'legacy benefit' entitlements. In contrast those suffering the consequences of 'natural migration' have no transitional protection. 'Natural migration' is triggered by *a change of circumstances* whereby the person has to claim UC and *entitlement to 'legacy benefits' are terminated*. A change of circumstances prompts a 'new' claim.

CPAG says that “there are currently no clear rules or guidance when natural migration should or should not occur. Dispute is already occurring regarding ESA pending appeal...”

CPAG gives these examples of what happens:

- An ESA claimant fails the work capability assessment and tries to claim JSA pending a 'mandatory reconsideration' (i.e. the claimant appeals against the result of the assessment). In a “full-service” area like Swindon “this will always result in the abolition of income-based JSA and income related ESA”;
- A JSA claimant in a full service area becomes sick and tries to claim ESA instead;

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- A claimant in a full service area not already on tax credits has a first child and tries to claim CTC;
- A lone parent loses his/her entitlement to IS when her/his youngest child turns five, and they try to claim JSA;
- Someone in a full service area on JSA becomes a carer and cannot manage JSA conditions;
- A couple separates or forms and there are attempts to make new IS/JSA claims.

CPAG says that changes should not result in a UC claim effectively being required if they merely lead to a current award or payment of a legacy benefit being changed rather than prompting a new claim. They give the example of an ESA claimant failing the WCA, requesting a mandatory reconsideration, then appealing and getting an ESA pending appeal, but at no point making a new claim. *In some full service areas the DWP is claiming that the individual can only get UC pending appeal.* One of the tenant reps in Swindon has found herself in the situation of being declared fit for work, having to claim UC and having her HB stopped during the period of the processing of the claim. From what we hear it is common for claimants to be given conflicting information by different DWP staff.

We know that all manner of injustices are being perpetrated by the DWP's regime both in relation to the assessments of fitness or otherwise for work and the quixotic and punitive sanctions regime. You can lose your housing benefit/housing element of UC if you are sanctioned.

From our point of view the reason why somebody has to change from existing benefits to UC is irrelevant. **Nobody should be placed in a position whereby they have to apply for UC and lose benefits during the processing period. Nobody should be forced into arrears of rent, or have to borrow money to cover for the absence of benefits during the UC processing period.**

We don't, of course, know the detail of the 1,080 council tenants who are on UC, how they got there. But there can be no other explanation for

the fact that whilst 25% of council tenants have rent arrears, 75% of council tenants on UC are in arrears and owe nearly double the average amount, than existing benefits have been stopped.

Our call for the continuation of payment of existing benefits whilst a UC claim is being processed is therefore, entirely justified. The punitive regime should be ended. The rationale for the inhumane treatment of claimants overall, is that picture painted by Osborne of claimants in bed with the curtains drawn, whilst 'hard-working people' are on the way to work. In reality people who have worked all their lives are being punished for circumstances beyond their control; life events, be it redundancy, accident, illness, or relationship break-down.

If somebody who has not claimed any 'legacy benefits' puts in a claim for UC then they will obviously have their finances examined for the first time. But in the case of somebody in receipt of one or more 'legacy benefits' who is obliged to put in a UC claim there is no reason why they could not continue receiving their existing benefits until the point where their UC claim has been processed and becomes live.

This is an entirely reasonable demand and requires only the abandonment of the punitive regime which throws households into a financial crisis as a matter of government policy.

If there are any financial adjustments to be made when UC kicks in then any monies can be claimed back when the claimant starts receiving their UC payment.

Swindon Tenants Campaign Group has written to our council and our MPs calling on them to press the government to pay existing benefits until UC claims are processed.

Please add your voice to this demand by emailing:

Council Leader David Renard at drenard@swindon.gov.uk and our **MPs** at robert.buckland.mp@parliament.uk justin.tomlinson.mp@parliament.uk