

Briefing on Universal Credit

Access to financial assistance and support, through welfare benefits, is vital for women survivors of domestic abuse – particularly for those who are forced to flee their homes. The Conservative Government has made a real commitment to tackling this crime, and have already acted to mitigate detrimental impacts of welfare reform on survivors and the services that they support them. Women's Aid is, however, currently concerned about the roll-out of Universal Credit (UC) for two key reasons:

1. The **design of Universal Credit** risks exacerbating financial abuse for survivors, and poses an additional barrier to their ability to escape abusive relationships;
2. The **exemption from Universal Credit in refuges is not working effectively**, causing to increasing strain on a sector already struggling from huge demand and pressure.

A 'housing costs' element of UC is set to replace housing benefit - which covers the majority of housing costs in domestic abuse refuges - by 2022. Refuges are currently exempt from the housing element of UC due to administrative complexities - as women and children may only stay in these services for a short period of time. A new 'model of funding' to replace housing benefit is therefore under development by the Department for Work and Pensions (DWP) and Ministry of Housing, Communities and Local Government (MHCLG). Women's Aid is highly concerned about the model of funding currently proposed - which would remove refuges from the benefits system entirely from 2020, and [threatens to dismantle](#) this life-saving national network of services.

Financial Abuse

As a form of domestic abuse and coercive control, financial abuse can include exploitation of a survivors' income and time, using or misusing their money, financial monitoring, controlling their access to resources, and accruing debts in their name. Women's Aid's Annual Survey in 2016 found that half of women using refuge had experienced or were experiencing financial abuse.¹ A survey of over a hundred survivors of domestic abuse by Women's Aid and the TUC found that over half could not afford to leave because they had no money of their own.² Financial abuse has a devastating impact and can mean survivors: cannot meet basic needs for themselves and their children; have no access to their own financial resources; face significant problems in securing employment; experience major barriers to leaving a relationship and achieving safety and independence.³

1. Universal Credit

Universal Credit (UC) is a means-tested benefit for people of working-age who are on a low income, replacing six existing means-tested benefits: income support; income-based Jobseeker's Allowance; income-related Employment and Support Allowance; Housing Benefit; Child Tax Credit; Working Tax Credit. It was introduced 2013 and is currently being rolled out across the country, with full implementation set for 2022.

Assessment and Household Payments

Women's Aid is highly concerned that UC is likely to exacerbate financial abuse. Most claims are made online, and benefits are assessed and paid monthly in a single payment in arrears. UC is paid to only one person in the household on a monthly basis. The amount that one member of a couple receives, in one lump sum each month, is therefore likely to be quite high.

Survivors' Views

Welfare benefits have "helped me to afford the rent on a nice, safe house for my children and I to live in. They have also helped with my child care costs so I could go back to work".

¹ Women's Aid Annual Survey 2016: 54.5% of 2017 women using 131 responding refuge services.

² Howard, M and Skipp, A, Unequal, trapped and controlled, Women's Aid and TUC, 2015

³ Howard, M and Skipp, A, Unequal, trapped and controlled, Women's Aid and TUC, 2015

Given survivor's experiences of financial abuse, UC will increase a perpetrator's ability to further control and abuse. A survey of survivors by Women's Aid and the TUC found that:

- Almost 70% of agreed that their partner would ask DWP to pay UC into their account;
- Almost 73% agreed that monthly payments could make financial abuse more likely;
- Over 58% agreed that monthly payments could mean they are more likely to get more behind with bills/rent and build up debt;
- 60% agreed that the housing costs element of UC should be paid direct to the lender or landlord;
- Almost 60% agreed that the entire UC award should be paid to the mother in families with children.⁴

Split Payments

The Government recognises that UC could exacerbate financial abuse and have established a type of Alternative Payment Arrangement, 'split payments', for these circumstances and ensure that a greater share of the UC payment can be given to the individual in the household who carries out the primary child care responsibilities. We are concerned, however, that this does not provide a robust solution:

- The process of applying for a split payment could be highly dangerous - as if a perpetrator finds out that a survivor has made an application, the abuse may worsen. There is currently no clarity about the safety measures in place for survivors - such as warnings and sign-posting to domestic abuse support services - when making an application for a split payment.
- DWP is also not currently monitoring or assessing the operation of split payments - and are not collecting data on the numbers: of applications made for split payments; applications granted; and those refused. It therefore impossible to know how effectively split payments are resolving concerns on financial abuse and providing a robust solution for survivors.

We welcome the Scottish Government's statements that they will consider routinely splitting UC payments between a household, rather than paying it to a single account,⁵ and call on the UK Government to follow suit.

Payment schedule & waiting times

We welcome the Government's decision to reduce UC waiting times from six to five weeks, to ensure entitlement to UC starts on the day of the claim, and provide greater support with advances.⁶ The seven waiting days that have been applied to call new UC claims are not applicable if you have experienced domestic abuse in the last six months, and the Chancellor made a welcome commitment in the Autumn 2017 budget to scrap the seven day period of non-payment for all applicants. These reforms, however, do not resolve structural problems of UC monthly assessment for survivors:

- Long waiting times for payments increase the risk of poverty and hardship, particularly for those forced to flee an abusive relationship.
- The delays and administrative problems reportedly common with UC - and cuts to the UC work allowance, freezes on child benefit, and the local housing allowance, among others - further exacerbate these risks.
- From January 2018 claimants can apply for benefit advances for up to a full month of their Universal Credit payment upfront, although amounts given will vary depending on individual circumstances. This has to be repaid over a 12 month period. For many survivors this will have a huge impact on their available resources and may push them into poverty. For women who have fled domestic abuse it is essential they are not penalised by making a new UC claim, and should be exempted from being required to repay a benefit advance.

⁴ Howard, M and Skipp, A, Unequal, trapped and controlled, Women's Aid and TUC, 2015

⁵ <http://www.gov.scot/Publications/2017/06/8512/1>

⁶ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/661480/autumn_budget_2017_Feb.pdf

Work-related requirements

Women's Aid's research with the TUC shows that survivors of financial abuse often experience a poor response from benefits and social security advisors, housing authorities and other statutory services. DWP exempt victims of domestic abuse from work-related requirements for 13 weeks, providing that the abuse 'occurred within the previous six months', the victim has not claimed the 13 week exemption within the past year, and that they can 'provide evidence' of the abuse to a work coach at Jobcentre Plus. We are concerned by this very narrow exemption for a number of reasons:

- Putting a six month time limit on evidence of domestic abuse is highly problematic, many survivors may have experienced domestic abuse in the last six months but they may not have evidence within that time period. The requirement not to have claimed the exemption within the past year also penalises those who may have left, and then returned, to an abusive relationship.
- Even if a survivor could provide 'recent' evidence, recovery from abuse and trauma, the ability to regain the confidence and independence to work may take significantly longer than 13 weeks. Survivors who cannot access or sustain work after this short-time frame would then face sanctions.⁷
- It is critical that the evidence required by Jobcentre Plus is not only criminal justice focused, but based on the lived experiences of survivors, the forms of evidence that they can access, and the professionals they disclose to, as has been the move in other areas of Government policy, such as Legal Aid.
- In order to access this exemption, DWP require victims to do not be living at the same address as the abuser, which demonstrates a fundamental lack of undertaking about the nature of domestic abuse. Data from the Femicide Census revealed that 77.4% of women killed by their ex-partner or ex-spouse in 2016 were killed within the first year that followed that separation.⁸

Recommendations

The impact of UC on financial abuse must be urgently reviewed, and reforms made to ensure the design of this benefit protects survivors. Specifically, we recommend that the DWP:

- Monitor and assess the number of requests made for split payments, who they have been made by, and how many have been granted.
- Accept split payment applications in cases of domestic abuse by default, and establish a standard, generic process for notifying claimants separately about the decision - with language that doesn't refer to the domestic or financial abuse.
- Work alongside the Scottish Government to ensure that split payments can be made through UC as standard, so survivors are no longer at risk from requesting them.
- Routinely enable direct payments to landlords in cases of domestic abuse, to ensure that UC housing costs cannot be exploited by a perpetrator.
- Remove the requirement for women fleeing domestic abuse to a refuge to have to repay a benefit advance through UC.
- Remove the time restrictions on evidence of domestic abuse for survivors seeking the 13 week exemption from work-related requirements.
- Ensure that DWP, all related agencies (such as Jobcentre Plus) and local authority teams administering UC are trained in understanding, identifying and combating domestic abuse, coercive control and financial abuse – particularly in delivering safe routine inquiry, access to split payments, and appropriate signposting to specialist services.

⁷ Having part of their Universal Credit payment reduced temporarily.

⁸ Women's Aid, [The Femicide Census: 2016 Findings](#), 2017.

2. Universal Credit in Refuges

Refuges, alongside other forms of “specified accommodation”, were exempt from UC in 2014. If women and children require financial assistance to stay in refuge, their housing costs are therefore currently met through housing benefit.⁹ The exemption has worked effectively to date. However, we are now seeing that full roll-out of UC is causing complexity within local authorities, who are administering the exemption for refuges. Our member services are reporting that:

- Local authorities are refusing to accept that refuges are exempt from UC, and member services being forced to show them the 2014 Regulations as proof.
- Housing benefit claims for women who come into refuge on UC, and only stay for a short period of time, are causing problems due to the time taken to process the exemption.

Data from Women’s Aid’s Annual Survey in 2016 demonstrates that around one fifth of women (19.6%) stay in refuge for less than a month.¹⁰

Refuges have a number of requirements in respect of rent, which are being complicated by the roll-out of UC. Due to the crisis and often short-term nature of provision, refuges:

- Require rent payments to start on the first night and end on her last;
- Require rent payment paid directly to them as the landlord;
- Need to be able to communicate with the source of the rent payments (currently this is housing benefit departments in local authorities) to resolve any issues;
- Need to ensure that a woman is financially secure and able to afford rental payments when she ‘moves on’.

Case Study - Women’s Aid Integrated Services (WAIS) Refuge

WAIS supported a 23 year old woman within their refuge. She had fled an abusive partner to a homeless hostel - but he had continued to threaten her there. She had been due to start work a few weeks before, but she had to flee far away from home and the job. She had received a £100 advance until her Universal Credit claim was processed - but this only covered food, and the full payment was still a month away. WAIS supported her to apply for Housing Benefit whilst staying in this refuge, but she then relocated closer to her support network. The claim was not processed and the refuge received no funding for her stay.

The delays and administrative problems associated with UC are causing further resource and funding issues for life-saving refuge services, who are already facing severe financial uncertainty and resource constraints. We anticipate that, as the roll-out continues, a woman’s transition to UC whilst she is staying in a refuge will also create further complexities in she can ‘move-on’ to safe new home.

Recommendations

Existing payment schedules and waiting times for UC are inappropriate for refuges. Flexibility is therefore required to ensure that these services can continue providing effective support to women and children escaping abuse and rebuilding their lives. We recommend:

- Ensuring all local authorities are fully aware of refuge’s exemption from UC, and are set-up to process it quickly and efficiently.
- Consider establishing a dedicated, named, contact person within local authorities to handle domestic abuse cases and oversee the implementation of UC within refuges.
- Provide guidance on how UC advance payments can be used to support women moving-on from refuges, to ensure they can move-on to a safe and secure new home.

If you have any questions, or would like any more information, please contact Women’s Aid Campaigns and Public Affairs Officer:

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⁹ [The Housing Benefit and Universal Credit \(Supported Accommodation\) \(Amendment\) Regulations 2014](#) exclude the housing costs of those living in “specified accommodation” (including those living in refuge) so that those costs are met by way of Housing Benefit.

¹⁰ Women’s Aid Annual Survey, 2016