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MP briefing: measures to ensure homeless people and those at risk move onto Universal Credit successfully through the Universal Credit (Managed Migration) Regulations 2018

The Government is set to lay regulations outlining the process by which people on the current benefits system will be moved on to Universal Credit. As six leading homelessness and housing charities, **we call on the Government to delay the decision on these regulations to allow for further scrutiny.** This has also been recommended by the Work and Pensions Committee. This will ensure that people are not put at risk of homelessness or prevented from moving on from homelessness.

Homelessness and Universal Credit

People lose their homes when the rising pressure from high rents and low incomes becomes too much. Without government support, a sudden increase in pressure, like the loss of income, can quickly force people into homelessness. The introduction of Universal Credit creates an opportunity to ensure that the welfare system operates as an effective tool to support the Government's commitment to eradicate rough sleeping by 2027, and prevent homelessness as set out in the Homelessness Reduction Act (2017).

For Universal Credit to operate in this way, the managed migration process must ensure no one is put at risk of homelessness. While **we welcome the changes to the draft regulations so far**, as six leading housing and homelessness charities, we believe further change is needed to minimise the risk of homelessness and for the Government to deliver on its manifesto commitment on rough sleeping. With a new Secretary of State at the helm, it is right to look again at these regulations to ensure a safe and measured approach. **We welcome the Secretary of State's recent commitment to review Universal Credit.**

The Government should not ask the House to vote on the Universal Credit (Managed Migration) Regulations until sufficient time has been given to scrutinise and report on the revised regulations. **The regulations should not be voted on until the following changes are made:**

- 1.** There should be no termination of benefits for people who have not made a Universal Credit claim ahead of the deadline.
- 2.** The move to Universal Credit does not result in a gap in claimant's benefit payments.
- 3.** Transitional protection should ensure that migrating onto Universal Credit does not put people at risk of homelessness or prevent them moving on from homelessness.



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1. Termination of benefits

Currently, the draft regulations are designed so that everyone moving onto Universal Credit must make a new claim within a deadline, or their benefits will be stopped. **We welcome the DWP's extension of the time to make a claim from just one month to a minimum of three months.** This will give some people enough time to understand what is required, gather evidence and, if necessary, ask for an extension.

However, we are concerned that it remains the case that someone's benefits will be stopped if they fail to claim within a deadline. As providers of homelessness services, we are aware of the difficulties of guaranteeing that all claimants are made fully aware of the need to make a new claim for Universal Credit and supported appropriately. This is particularly the case for people who face additional difficulty, such as people who are sofa surfing or rough sleeping.

We believe it is ultimately not possible to ensure everyone will be reached, notified, and supported in time, and so people will inevitably fall through the gaps. This increases the risk of homelessness as people will be left with no income for significant periods of time. Many simply will not cope with this loss of income.

Homeless people, and people at risk of homelessness, will face additional challenges around notification and support for making a Universal Credit claim:

- People without a fixed address or stable housing situation may have lost ID since initially claiming benefits, and there is a real risk that having to apply for ID and verify a claim will mean that vulnerable claimants will miss the deadline day.
- They may not receive the notification because it has been sent to the wrong address, or been sent to a shared address. For example, a family accommodated under the homelessness legislation may be moved between emergency accommodation and longer-term temporary housing once a decision on their application has been reached. A homeless claimant could then miss their chance to reveal their vulnerability and gain an extension.
- Living in insecure and temporary accommodation can make it difficult to access the internet or telephone. In an investigation in which Shelter interviewed 23 parents living in emergency accommodation, three quarters of families had no internet access in the accommodation. If homeless people have to use expensive mobile data, or travel frequently to reach a Jobcentre, it has a major impact on their finances.



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- People who are homeless, or at risk, may have complex needs and require substantial support to complete an accurate Universal Credit claim within a set deadline. However, this support may not be available. It is not yet clear how Universal Support, which currently provides digital and budgeting support, will be adapted for managed migration. The Government has also not yet indicated whether existing support services will have access to additional resources as managed migration begins, and the number of people moving across to Universal Credit increases.

People's **current benefits should not be stopped** through the managed migration process if they have been unable to make a successful claim for Universal Credit in time.

The Government should use existing data held by the DWP and HMRC to pre-populate a digital claim as fully as possible and claimants should not have to verify their identity where possible. The DWP should be as proactive and flexible as possible in reaching out to claimants during the period, including by working with homelessness organisations to support people and prepopulate claims.

Tailored support should be made available to everyone who is homeless or at risk of homelessness while moving on to Universal Credit through managed migration, including those with multiple and complex needs. **This should include funding Housing and Homelessness Specialists in Jobcentres** as part of Universal Support. This will help reduce the burden on people who are already facing unstable housing, or a complete lack of housing, and support a smoother transition onto Universal Credit.

2. Gaps in income between benefit payments

Currently, when claimants are moved on to Universal Credit, the expected gap before receiving their first payment is five weeks. **We welcome the announcement for plans for a further two-week run-on of some benefits.** However, this still leaves claimants with a three-week gap between payments, putting them at risk of falling into debt and rent arrears.

The vast majority of migrated claimants will not have savings to cover any gap in income. Advance payments are available, but these are paid back through future deductions to a claimant's monthly award – pushing them immediately into unsustainable debt. This is especially the case where people have other debts and repayments to manage. For people on low incomes these added pressures on household budgets can significantly increase the risk of falling into homelessness.



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Claimants being migrated to Universal Credit should receive a five-week run-on of their current benefits, to ensure that they can continue to cover essential housing and living costs during the migration process. Any gap in payment, particularly for housing costs, can put claimants at risk of eviction action and the loss of accommodation.

3. Transitional protection and homelessness risk

A key feature of Universal Credit managed migration is transitional protection. This means that in some circumstances people who move onto Universal Credit from the current system do not see a sudden drop in income. We welcome the changes in the regulations that mean homeless people in supported accommodation and temporary accommodation will receive transitional protection. **We also welcome the extra month's grace period, whereby if a claimant misses their three-month managed migration deadline but applies within the following month they will not lose their entitlement to transitional protection.**

Under the proposed regulations, however, claimants who fail to claim by their deadline day, plus an extra month's grace period, will still lose their entitlement to transitional protection. This is an extremely punitive measure that leaves open the possibility that claimants will be thousands of pounds worse off if they make a mistake in their application, miss a letter or cannot get an advice agency appointment in time. The threat of having transitional protection being withdrawn will add to the pressure and anxiety caused by managed migration and increase the risk of homelessness.

Failing to make a Universal Credit claim ahead of a deadline should not result in claimants losing their entitlement to transitional protection.

For more information please contact:

Victoria Nevin, Public Affairs Officer, Centrepoint

v.nevin@centrepoint.org

Jasmine Basran, Senior Policy Officer, Crisis

jasmine.basran@crisis.org.uk

Daniel Dumoulin, Policy and Public Affairs Manager, Depaul UK

daniel.dumoulin@depaulcharity.org.uk

Chris Brill, Policy Manager, Homeless Link

chris.brill@homelesslink.org.uk

Stephanie Kleynhans, Policy Officer, Shelter

stephanie_kleynhans@shelter.org.uk

Robyn Casey, Senior Policy and Public Affairs Officer, St Mungo's

Robyn.Casey@mungos.org