

Move to UC Data and Insights Pack

Sponsor: Angus Gray

Author: [REDACTED]

Board/Authority/Group: UC Programme Board

Date: 16 April 2024

For Discussion

UCPB160424 – Paper No. 3

OFFICIAL SENSITIVE

Main objective

This paper provides a quarterly update of Move to UC Analysis.

The paper provides an overview of

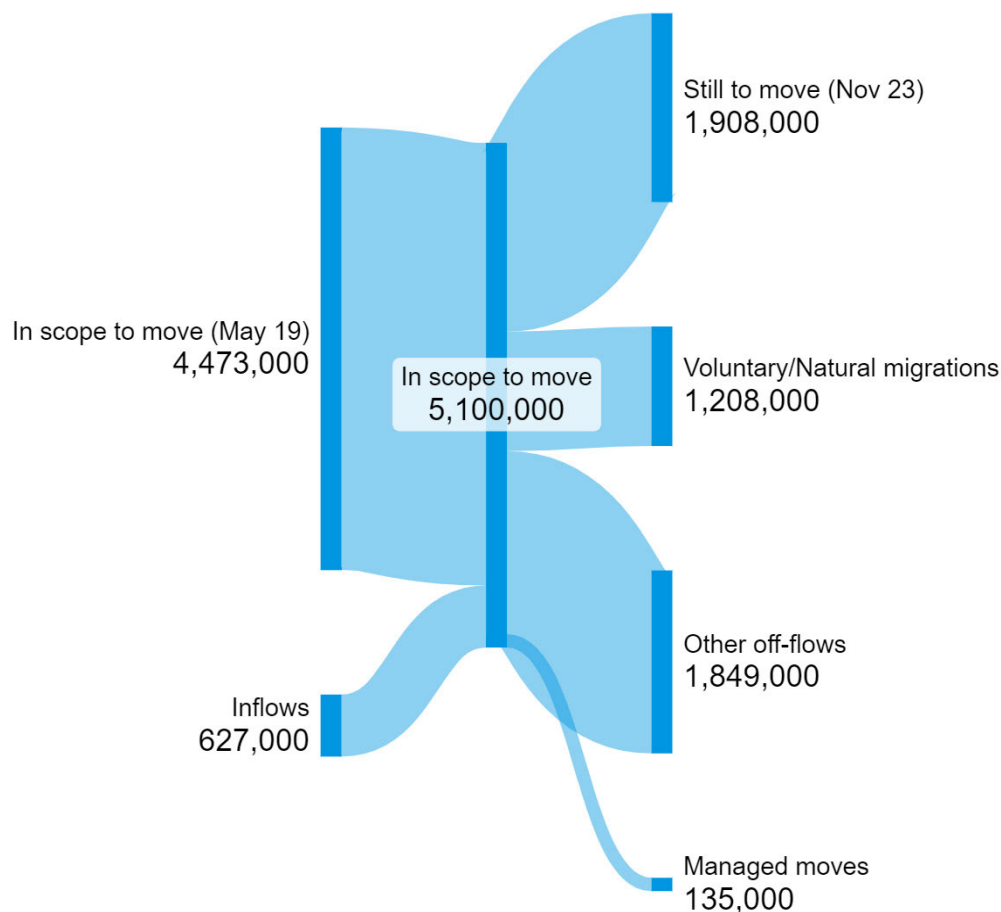
1. The in-flows and off-flows to the Move to UC in scope population.
2. A summary of key statistical data, Migration Notices issued, claim termination rates, proportion of claims with Transitional Protection payments, conditionality groups of managed migrated claimants.
3. An outline of current and future research plans.

This paper is for Information only, no response is required.

High Level Management Summary

a. Problem context and statement: Below the line paper presenting an overview of analysis we have on the Move to UC process, combining quantitative analysis with research.	h. Communications implications: n/a
b. Has a previous decision been made? Why do you want to change it?: n/a	i. Delivery partner/employer implications: n/a
c. Potential solution options: n/a	j. Performance metric/MI implications: This paper builds on the Managed Move Weekly MI to add more context about the wider Move to UC process.
d. Design considerations: including impact on the Operating Model, Cost Model, Change Impacting, etc n/a	k. Assumptions to validate: n/a
e. Financial and commercial issues: n/a	l. Transformative/people/behavioural implications: n/a
f. Legal issues: n/a	m. Consultation with other relevant Stakeholders: n/a
g. Policy impact: n/a	n. Proposed next steps: n/a – for information

Since May 2019 the legacy caseload (in-scope of Move to UC) has fallen from around 4.5m to 1.9m in November 2023



Made at SankeyMATIC.com

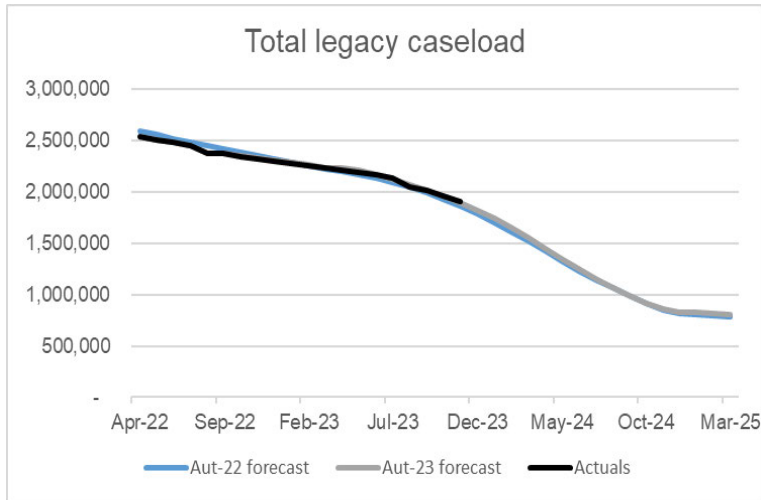
- In May-19 the legacy caseload in scope of Move to UC was around 4.5m. By Aug-23 it was around 1.9m. It has fallen from:

- Voluntary/natural migrations – 1.2m
- Managed migrations – 140k
- Other off-flows (e.g. reached SPa or increased earnings) – 1.8m
- Around 630k flowed into the “in-scope of Move to UC” group (e.g. moved from out of payment on tax credits to in payment or moved from supported/temporary accommodation to rented accommodation on HB).

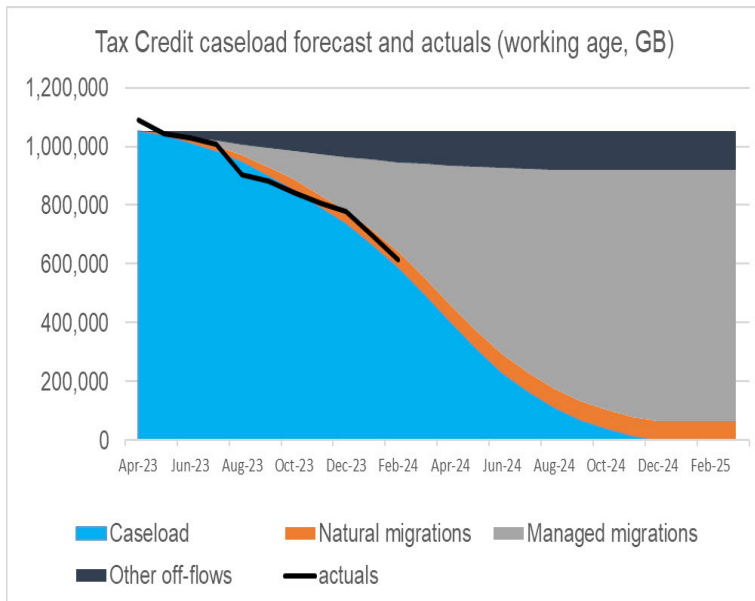
Note

- this includes around 1m ESA claimants not planned to be moved to UC until 2028.
- The managed migration definition here differs slightly to other measures.

The legacy caseload and TC caseload are broadly falling in line with forecasts.



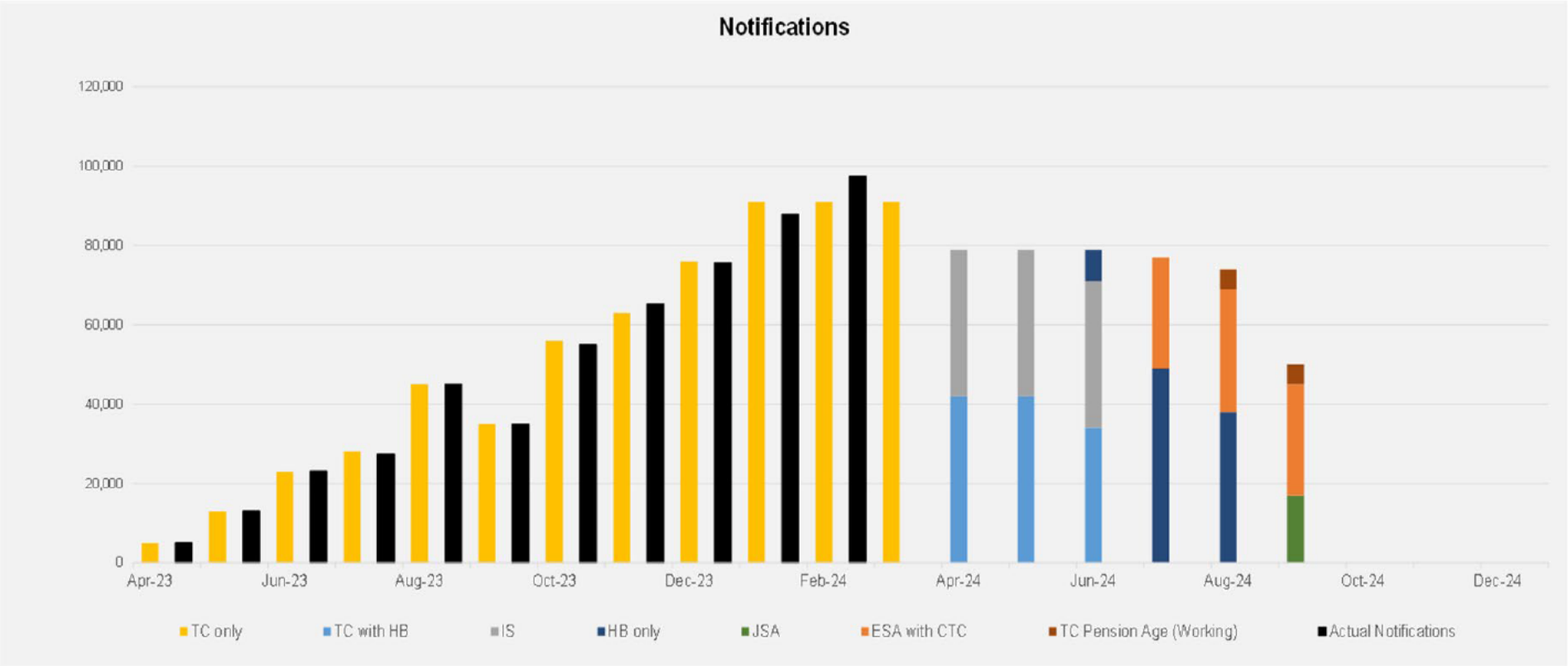
Previous Autumn-22 legacy benefit forecast is still broadly in line with actuals, as is the latest Autumn-23 forecast.



Coloured areas show Autumn-23 forecasts. Comparing the light blue caseload area to the black actuals line suggests the caseload is falling broadly in line with forecasts (end Feb-23 actuals of 615k compared to forecast of 587k).

Note - This is based on the in-payment Tax Credit caseload in GB not including pension age households. The "other off-flows" category includes off flows to non-UC destinations and is net of inflows to the group (e.g. flows from tax credit out of payment to in-payment).

The TC caseload is falling in line with forecasts because number of TC managed migration notifications sent are close to forecast profile.



	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24
Profile	5,000	13,000	23,000	28,000	45,000	35,000	56,000	63,000	76,000	91,000	91,000	91,000	79,000	79,000	79,000	77,000	74,000	50,000
Actual	5,095	13,099	23,231	27,464	45,024	35,000	54,976	65,219	75,746	87,952	97,475							

Forecasts and actuals are based on number of households (so only one member of a couple is counted).



Key Move to UC Metrics.

Migration Notices Sent (to households)

346,550

Official Statistics (data to end Dec 23)

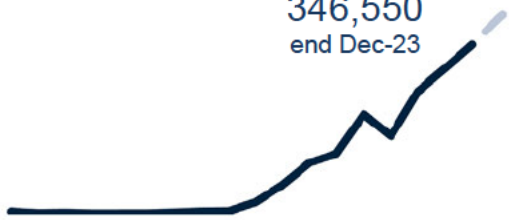
531,820

Management Information (data to end Feb 24)

Single households:
252,340
Couple households:
279,280

531,820
end Feb-24

346,550
end Dec-23



Claims to UC (as part of M2UC process)

Claimed UC 71% ~~73%~~

* Based on cohort of people sent a migration notice between Nov-22 and end Aug-23 for Official Stats, and between Nov-22 and Oct-23 for MI

117,200

Official Statistics (data to end Dec 23)

220,840

Management Information (data to end Feb 24)

Unpublished analysis of Management information from the Legacy Benefit Discovery phase indicates a household claim rate of **92%**.

1,325 households on DWP only benefits were sent MNs between September and November 2023 inclusive and there were 1,214 UC claims

Transitional Protection

85,150

82%

Official Statistics (data to end Dec 23)

135,120

Management Information (data to end Feb 24)

Note: Transitional Protection is an additional element amount included in an eligible claimant's Universal Credit award calculation if they received a Migration Notice, their circumstances remain unchanged, and their UC entitlement is less than their legacy benefit entitlement at the point of making a claim. Eligibility for TP, and the amount awarded, may change over the course of the UC claim if claimants' circumstances change.

Non-Claimants and reported reasons for not claiming UC.

The proportion of households making a claim to Universal Credit amongst those sent a Migration Notice between July 2022 and end August 2023 (the majority of this cohort have completed the Move to UC process) stood at 74%, the majority of which were tax credit only claimants.

This indicates a no claim rate of 26% for this cohort

Did not want to claim UC:

- Some respondents assumed the amount they would receive on UC would be small and therefore the perceived burden of making and maintaining a UC claim was not worthwhile (both calculated and un-calculated assumptions were reported).
- Maintaining a UC claim was perceived to be particularly complicated for self-employed claimants.
- Some respondents didn't feel they needed UC as their earned income was sufficient.
- Some respondents suggested there was a stigma associated with claiming UC as it combines both in work and out of work benefits.

Early qualitative research findings suggest the following reasons for not claiming UC

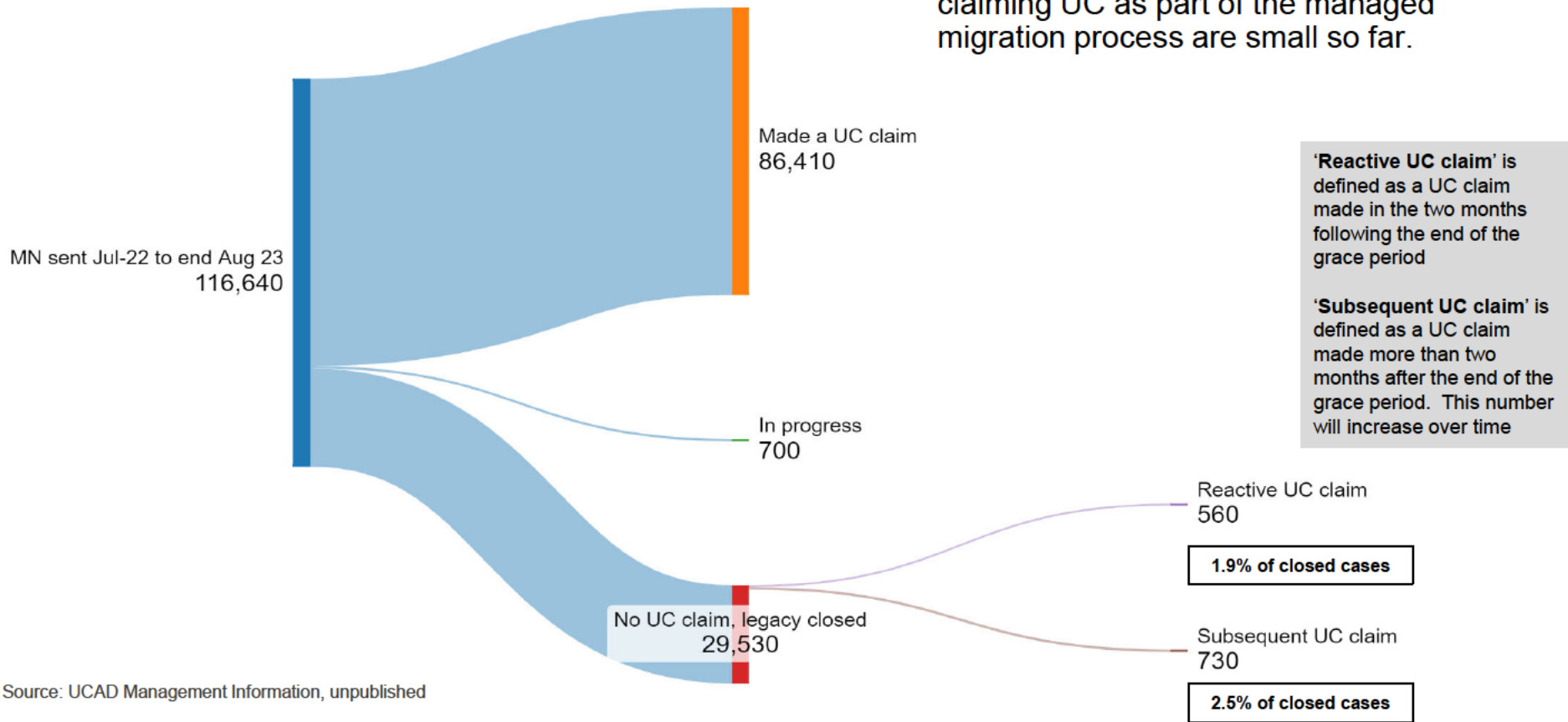
Believe they are not eligible for UC:

- Some claimants didn't believe they would be eligible for UC as their circumstances had recently changed and their tax credits had already stopped.
- Some claimants had savings higher than the £16,000 threshold and so did not think they would be eligible for Universal Credit or that it would be worthwhile to claim.

Early evidence from the TC couples research - Suggests non claimant respondents were impacted by the loss of income from tax credit payments. Some participants needed to spend less on food or non-essentials, or to dip into their savings or pensions to make up for the shortfall.

Subsequent claims to UC after award termination (unpublished analysis)

The levels of subsequent claims to Universal Credit amongst those who have had their legacy claim closed without claiming UC as part of the managed migration process are small so far.



Note: data includes only individuals sent a MN up to end of Aug-23 to allow for six months of subsequent data to be taken into account when matching to subsequent UC claims. This ensures the number and percentage of 'reactive' claims will be very close to final figures for this particular cohort

Of those sent a migration notice up to end Jan-24, 236,360 UC claims were made (up to end of Jan-24), with 213,850 confirmed reaching the UC Caseload

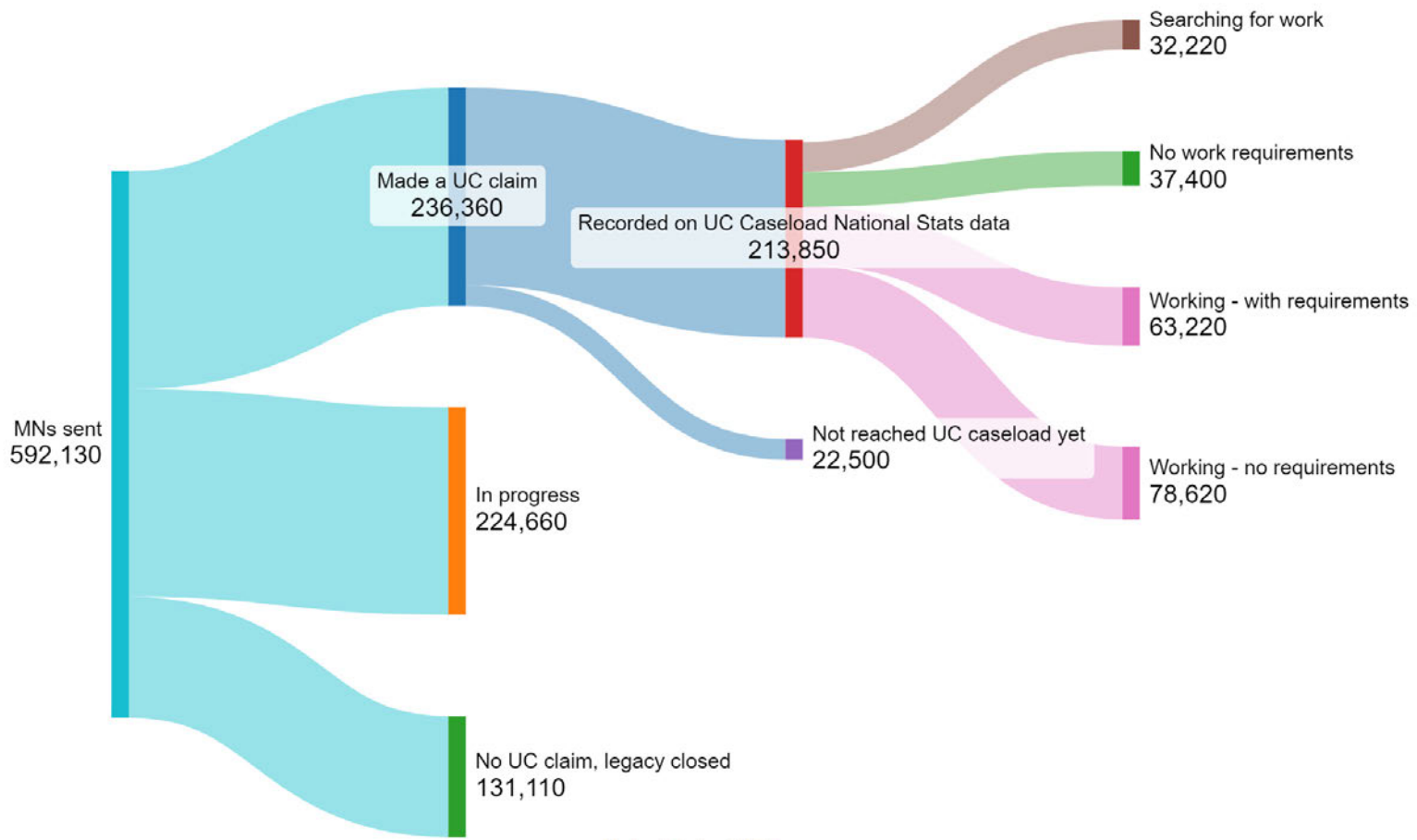


Chart shows flows to initial conditionality group upon making a UC claim

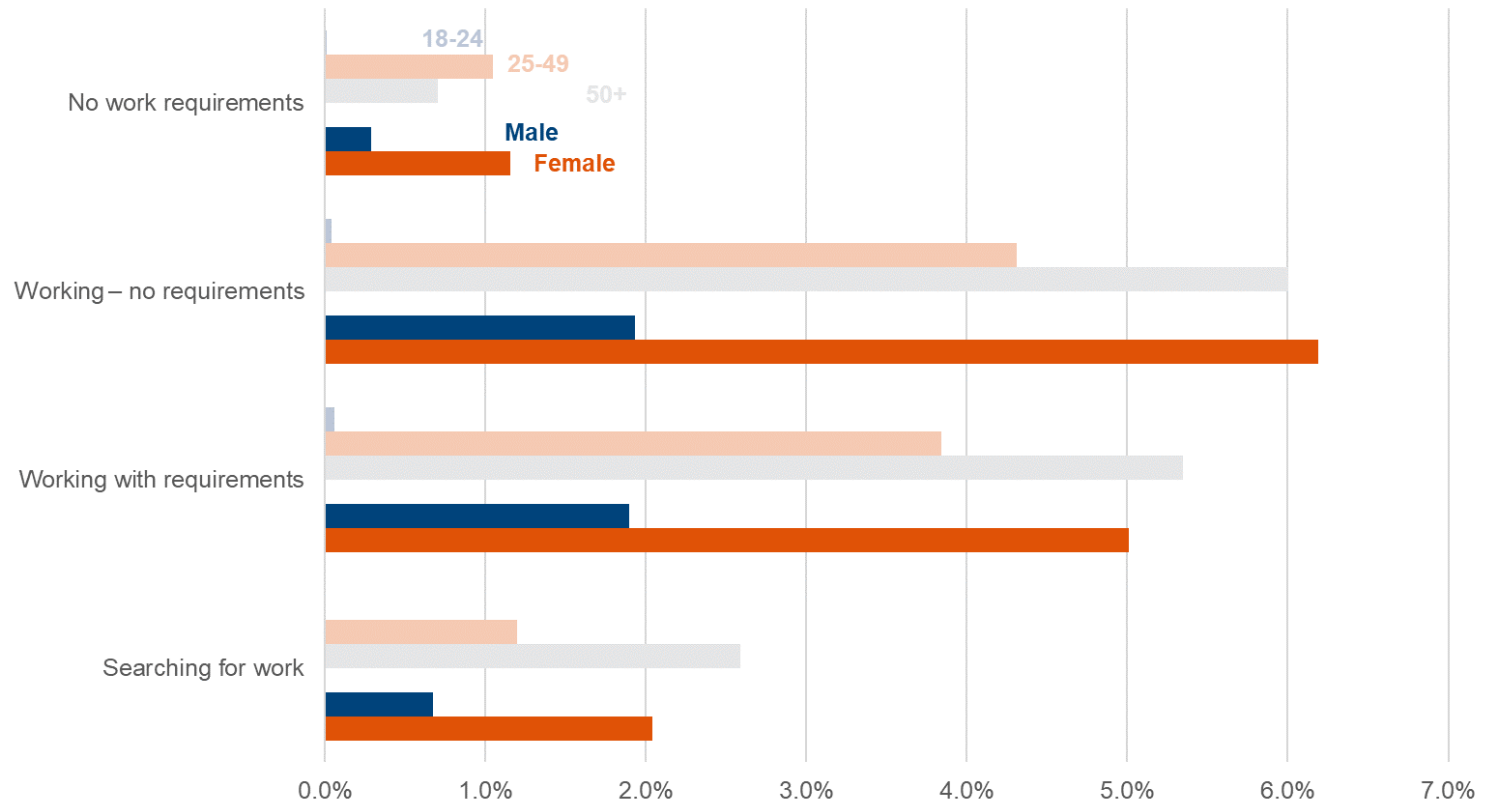
15% of UC claims were initially allocated to 'Searching for Work'

37% of UC claims were initially allocated to 'Working - no requirements'

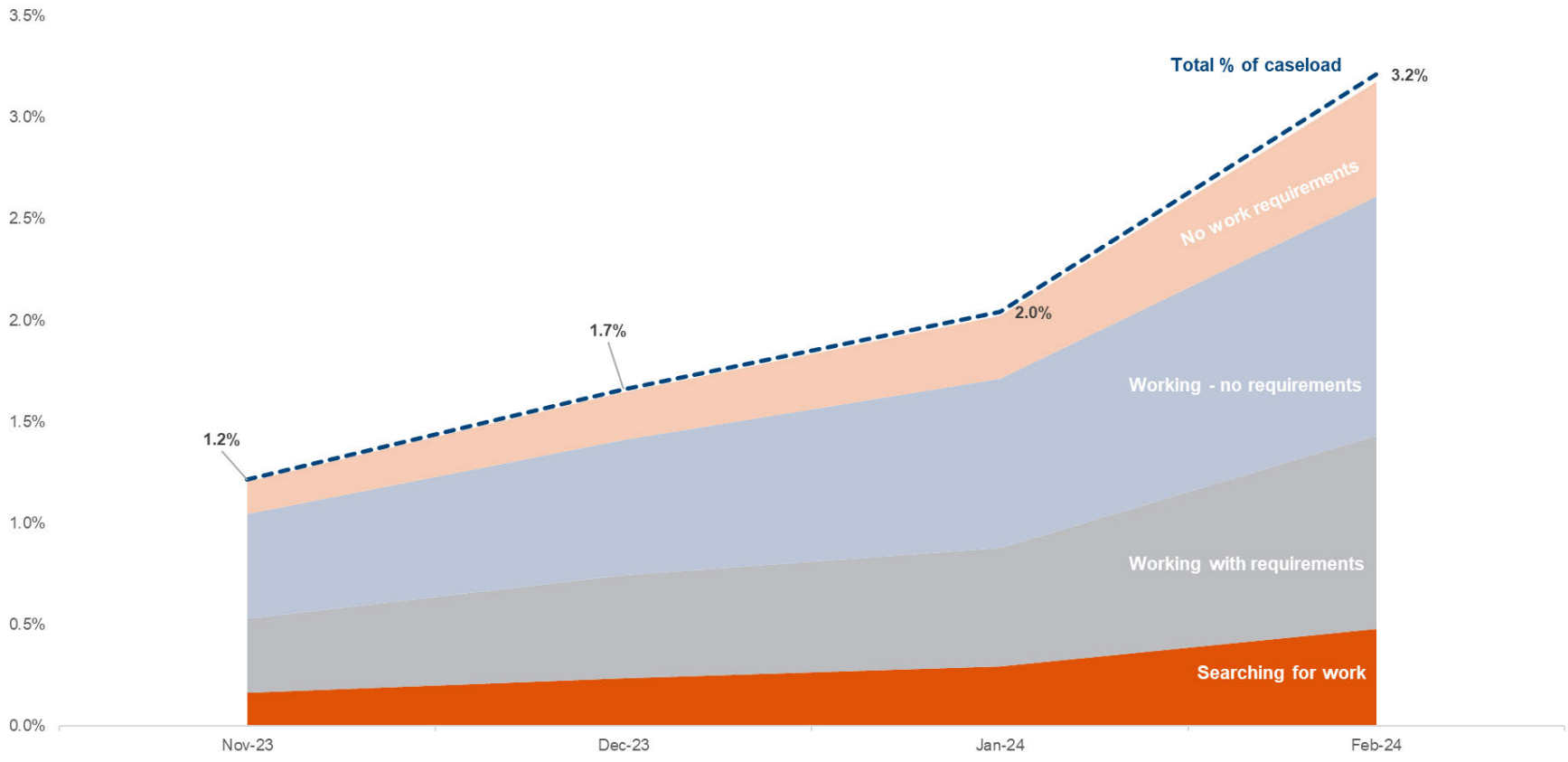
Made at SankeyMATIC.com



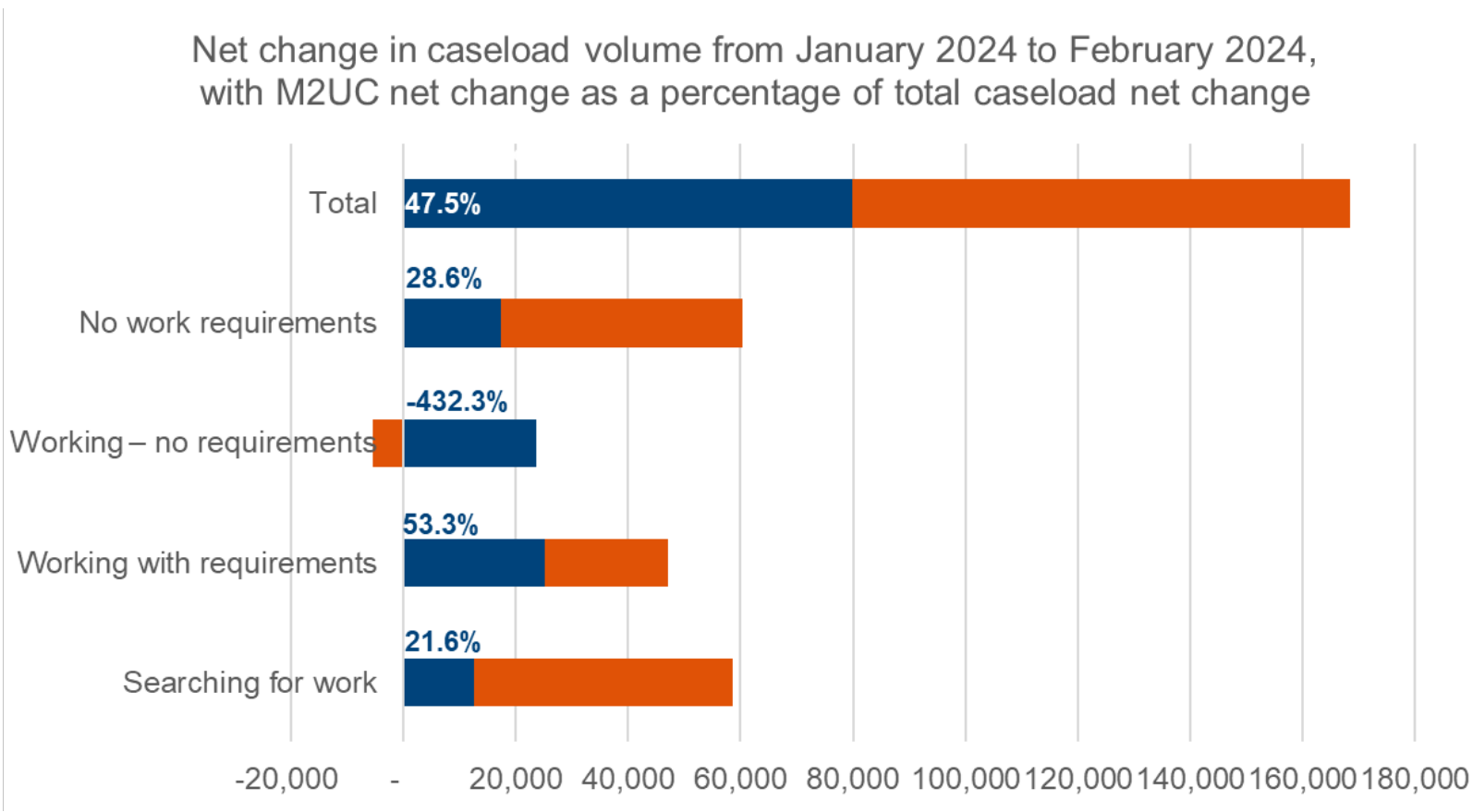
Of the overall UC caseload in February 2024, 3.2% were M2UC claimants. So far M2UC has had more impact on the caseload for women and claimants aged 50+



The proportion of the Feb-24 UC caseload made up by M2UC claimants has slowly been increasing over recent months, driven by small increases in all conditionality groups



M2UC claimants accounted for nearly half of the net change in the caseload between January 2024 and February 2024



Research and Analysis- Forward Look.

- 1. Continuation of qualitative insight work with non-respondents** – to determine their reasons for not making a claim to UC.
- 2. Quantitative survey of Move to UC non-respondents and late claimers** – The survey will attempt to obtain a sizable response rate and quantify the key reasons why legacy claimants have either failed or chosen not to make a claim for Universal Credit. Results available April 2024.
- 3. Further analysis using a Regression Model-** Additional data variables will be added to our Regression Model to determine if there are key claimant characteristics that suggest a propensity not to claim.
- 4. Continued monitoring of claim data** - to determine the rate of terminated claims who subsequently go onto make a UC claim.
- 5. Analysis of in-bound and outbound call to the Move to UC helpline** – to determine key issues and themes emerging from this interaction with claimants.

Summary

- This paper has been brought to this meeting because:

Please indicate whether

You require a decision to be made

You need to generate a discussion about a particular issue, with options/recommendations

You are providing information only

or as a below the line paper

Decision	Approved
For information only	