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Moving life forward, not backwards - the Impact of the Universal Credit Uplift

Introduction

In March 2020, because of the COVID-19 pandemic, the UK Government announced that they would be increasing the standard allowance for all new and existing Universal Credit and Working Tax Credit claimants by £20 a week, for a period of one year. This increase is referred to as 'the uplift'.

Despite the recent announcement during the budget 2021, in which it was stated that the uplift will be extended for a further six months, it is still only a temporary measure; in August 2021, Universal Credit will be reduced by £80 a month. Citizens Advice have been running a research campaign called 'Keep the Uplift', with the aim of ensuring that the £20 weekly increase is not reversed. The removal of the uplift will have a serious impact on some of our most vulnerable clients and is a significant cause for concern. We therefore made the decision to challenge the upcoming removal of the uplift and, with the help of teams from both Citizens Advice Darlington and Citizens Advice Swansea Neath Port Talbot, we began our campaign to 'keep the uplift'.

Our campaign

In order to effectively highlight the impact of the uplift, and the potential consequences of it being removed, we decided it would be necessary to speak to people directly about their experiences. This would help to provide a clearer and realistic picture of the lived experiences of life before and after the uplift; this will help inform how vulnerable people will be affected if the uplift is removed.

We carried out a number of in-depth telephone interviews with people who were claiming Universal Credit in order to acquire this information. An initial questionnaire was distributed online which enabled us to reach a wider audience of Universal Credit claimants, and helped us to gain some insight and look into the different experiences people faced.

We have spoken directly with those who consented to participate in a follow up interview. So far, we have spoken to a small number of people whose experiences have been invaluable in illustrating the daily struggles and anxieties faced when



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living without adequate financial stability and facing the potential of further financial loss which could make them even more vulnerable.

Findings so far

Participants were found to be affected in a number of ways and there were two key themes that emerged:

1. Financial insecurity
2. Mental health conditions exacerbated by the constant stress of trying to manage on little financial support from Universal Credit.

One participant stated that prior to the uplift she was having to *"scrimp and save just to survive"* and that the uplift had made a *"massive difference"* to her and that she would have been *"in trouble without it"*. Before the uplift she was contemplating having to sell her house and move into something smaller. She proceeded to say that if the uplift is removed, she may still have to downgrade, emphasising that, *"£20 a week is nothing to some people, but it has made a real difference to me"*.

Another participant highlighted regularly throughout the interview how much the stress of the system worsens mental health conditions, stating *"the system made that happen"*. She asserted that prior to the uplift she had struggled to meet her basic needs, so much so that she couldn't afford sanitary products and sometimes had to ask her friend to help out; *"as a woman it takes everything away from you"*, she said.

The impact of the uplift was that she was *"finally able to buy fresh fruit and veg"* as opposed to tinned and dry food from foodbank packages and was now able to save £5 a month. However, she did express considerable concern that if the uplift gets taken away, she won't be able to meet her basic needs again and it will affect her mental health, stating *"I want to continue moving forwards with my life and not backwards"*.

Participants all expressed extreme apprehension at the thought of the uplift being removed. One participant claimed that the uplift had allowed her to start the process to finally become independent from a very toxic household. She noted that she has severe depression, having tried to end her life multiple times, and asserted that, *"having the hope taken from me with zero control seriously scares me about the future,*

the price of living should not be making people so scared, anxious and depressed that they try and end their lives as they can't see a way out".

The following quotes also highlight the difficulties which lie ahead for participants if the uplift were removed:

"The £20 is an awful lot of money when your on any benefits. The increase has eased the financial pressure with regards to heating my home".

"I was taken off furlough and [placed] on SSP due to anxiety. I continued to receive UC but not having enough money coming in, I found it impossible to pay my bills and be able to feed my family. This contributed to the anxiety and depression I was feeling [...] it just truly doesn't cover basic needs and it doesn't motivate people to return to work it just demoralises them. If they cut the £20 a week for UC this will destroy people's lives".

"I know for sure that when that [uplift] finishes, I will struggle to manage. I'm not looking forward to it one bit. It has made a huge difference to my life".

"I have seen myself eating less nowadays to save as much money as I can. I dread to think how I'll be living if there is a decrease to the UC payments every month".

It is evident that prior and during the uplift, many people had to make huge sacrifices in order to meet their basic needs. For some participants, not only has the uplift allowed them to meet their basic needs, but it has provided that, enabling some to make debt repayments which they were otherwise unable to pay; for others it was the luxury of being able to buy fresh fruit and vegetables instead of relying on tinned food from foodbanks. For most, it meant having the financial pressure reduced, knowing they have that little bit extra coming in every month.

Removing the uplift could potentially be the breaking point where someone may become susceptible to enforcement action and eviction, lose their independence, have to sacrifice eating just to heat their home, or even regrettably taking their own lives; this is why the uplift has been referred to as a lifeline.

Keeping the uplift is crucial if we are to prevent people falling further into poverty and vulnerability.



Next steps

We will continue our campaign to 'keep the uplift' and keep the lifeline these vulnerable clients need, whilst conducting further interviews to allow people to raise their concerns and talk about their experiences.

Citizens Advice prides itself on giving a voice to those who would otherwise not have the opportunity to be heard. A full report will be available in August in preparation for the next government announcement about the uplift.

#keepthelifeline

Jane Wardle, Citizens Advice Darlington

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