

# Design flaws in Universal Credit for couples revealed as claims soar

June 22 2020, by Andy Dunne

---

Researchers behind the report—'Uncharted Territory: Universal Credit, Couples and Money' [released Monday 22 June]—say the way Universal Credit is designed and delivered does not fit the way modern couples and families live their lives.

Based on interviews with nearly 100 participants in more than 50 claimant households across England and Scotland, the research finds that, for some, the transition to Universal Credit has proved relatively easy. But, for many others, it has exacerbated financial strains and created additional difficulties with which they must grapple on a daily basis.

The staged rollout of Universal Credit, which replaces most means-tested benefits and tax credits for people on low incomes both in and out of work, meant that single people without children moved on to it first. This is the first independent research to focus on couples claiming Universal Credit and was carried out by researchers from the Universities of Bath and Oxford, funded by the ESRC.

Whilst previous studies often focused on the poorest and most vulnerable groups, participants in this research were a much broader cross-section of claimants, making their experiences more relevant to the current crisis.

In their report, the researchers highlight how someone claiming Universal Credit in a couple might not realise that how much benefit

they receive, or whether they receive any at all, depends on both partners' income and needs.

Some claimants found as well that they had inherited debts from their partner, sometimes from a period long before the couple had even met. Repayments were automatically deducted from the couple's Universal Credit.

The study found that couples often struggled with the unpredictability of the Universal Credit payment, which could vary significantly from month to month, especially for dual-earner couples with two wages paid at different times. The automated nature of the calculation and payment process transfers the risk and onus on to claimants—and in particular women, who mainly dealt with the risk and uncertainty and the resulting administrative burden, described by some as a 'nightmare'.

The fact that Universal Credit is a single payment between the partners in a couple was a design feature that some couples found difficult. Women in particular were not keen on joint accounts and the amalgamation of different benefits into one could upset the delicate balance of both partners having some income of their own. Some women had suffered from financial coercion and control in previous relationships, which had been one reason for them breaking up.

But the payment of the whole monthly lump sum to the woman was not a solution either. The research found that the woman was already more likely to take on the burden of managing the entire household budget, as well as the Universal Credit claim itself.

Dr. Rita Griffiths, lead author of the report, from the IPR at the University of Bath, said: "Having to decide who should get the Universal Credit and how the money should be distributed and managed was particularly hard for couples who had no other source of income. It

sometimes obliged one partner to go 'cap in hand' to the other to ask for a share of the money. It could also allow one partner to take control of the household's entire monthly income.

"Because most of the couples we interviewed were in committed relationships and trusted each other, this generally didn't happen. However, many felt that a single payment harked back to a bygone era of male breadwinners, and was out of step with modern relationships in which both partners go out to work, manage their own money and contribute to the household finances."

Co-author Fran Bennett, from the Department of Social Policy and Intervention at the University of Oxford, added: "With an unprecedented number of additional Universal Credit claims brought about by the Covid-19 pandemic, [policy makers](#) need urgently to learn from these findings so others do not find themselves in the same boat as our participants.

"We are calling on the Government to give more priority to reconsidering how couples are treated in the Universal Credit system. In the first instance, giving access to some income for both partners would be safer and fairer. The government needs to create more security for claimants by tackling the reimbursement of childcare costs in arrears, and the unpredictability of Universal Credit payments, which can affect two-earner families the most. Policy changes more widely should ensure some financial independence for both partners as the best basis for modern relationships and how families live their lives today."

The report will be officially launched at an online event taking place at 2.30pm on Monday 22 June

<https://www.eventbrite.co.uk/e/uncharted-territory-universal-credit-couples-and-money-tickets-107675038940> .

**More information:** The report will be officially launched at an [online event](#) taking place at 2.30pm on Monday 22 June 2020.

For the full report and technical appendix see [10.5281/zenodo.3898265](https://doi.org/10.5281/zenodo.3898265).

Provided by University of Bath

Citation: Design flaws in Universal Credit for couples revealed as claims soar (2020, June 22)  
retrieved 8 May 2024 from

<https://phys.org/news/2020-06-flaws-universal-credit-couples-revealed.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.