Making Universal Credit increase permanent

The basic rate of Universal Credit is not enough to live off, even with the temporary £20 per week increase the government introduced for the Covid crisis, so the case for making it permanent is overwhelming.

• “Today – even after the recent increase of £20 a week – the basic rate of Universal Credit is worth just a sixth of average weekly pay at £94 a week.” (TUC, 6th April 2020)
• If Universal Credit was linked to the real living wage and paid at 80% of that, then this would be £260 per week as opposed to £94 per week. (TUC, 6th April 2020)
• “Unemployment support in the UK compares poorly with other European countries, where benefits are paid as a proportion of previous earnings, ranging from 60% in Germany to 90% in Denmark.” (TUC, 6th April 2020)
• Drawing on data from over 400 foodbanks, the Trussell Trust found that foodbank use increased by a third in areas where Universal Credit had operated for a year and there was a 40% or more increase in areas where it had operated for longer. (Guardian, 19th September 2019)

End the five-week wait for Universal Credit

Unite is calling for an end to the five-week wait for people who claim Universal Credit because it causes real hardship. It has come as a shock to many of those applying for it in the wake of the coronavirus pandemic. The wait should be accompanied by a one-off non-repayable grant, which many campaigners and some MPs are calling for.

• A recent survey by Citizens Advice of over 500 claimants found that “14% who applied for universal credit since the lockdown were unable to afford food and heating while waiting for a first payment, while one in five (19%) borrowed from family and friends.” (Guardian, 11th June, 2020)
• The Citizens Advice also survey found that “More than half of people claiming universal credit for the first time during the coronavirus lockdown experienced hardship while waiting for a first payment, with many “too scared” to take out a government loan to tide them over” (Guardian, 11th June, 2020)
• Those waiting for five weeks face destitution, according to the Trussell Trust, and were unable to eat properly, pay bills and fell into rent arrears. (Guardian, 19th September 2019)

Applying £20 Universal Credit increase to people on other benefits

Not to apply the Universal Credit £20 increase to people on other benefits is groundless, unjust and unsustainable.

• The Disability Benefits Consortium, which consists of 100 disability organisations, supports the case for this in relation to ESA. (Guardian, 30th March 2020)
• The Government’s own Social Security Advisory Committee has urged the Government to pay the increase to those on legacy benefits in the interests of equity and that it should be backdated to 6th April 2020:
  “We are of the strong view that it is increasingly untenable for this group of claimants to be excluded and to continue to have a lower level of income than those in receipt of Universal Credit and Working Tax Credit” (Letter to Secretary of State, 1st June 2020)