

# UNIVERSAL CREDIT SCOTLAND BULLETIN – OCTOBER 2021

## Introduction

This bulletin summarises the most recent official statistics on people claiming, receiving, and starting on Universal Credit in Scotland, taken directly from the Department of Work and Pension's (DWP) collection of [Universal Credit Statistics](#). It also summarises recent statistics on unemployment benefit claims and households affected by the Benefit cap. This bulletin is updated with the latest available statistics on the last Friday of every month.

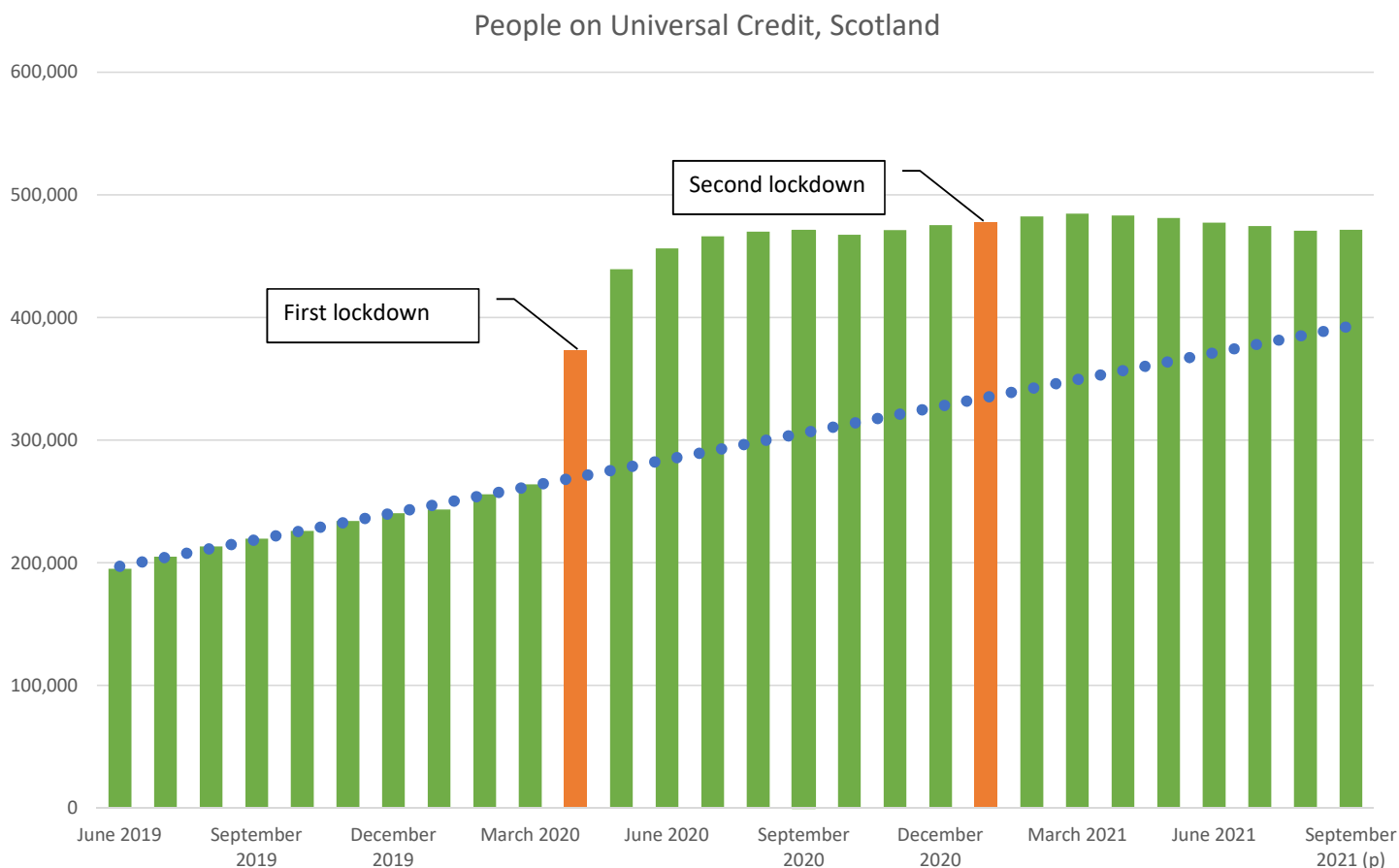
In the statistics presented here, each month covers claims made between the second Friday of the previous month and the second Thursday of the current month. The latest month of data is provisional and subject to revision within a 2% margin in the next release.

## Contents

Page	Topic	Description	Breakdowns	Updated	Latest month	Data next updated
2-3	People on Universal Credit – summary statistics	Key indicators for UC uptake	Caseload, On-flows, Legacy Benefits	Yes	September 2021	November 2021
4	Alternative claimant count, Legacy benefits	People on unemployment related benefits and a comparison to legacy benefit caseload	N/A	Yes	May 2021	January 2022
5-6	People on Universal Credit – characteristics	Further detail on the composition of the UC caseload	Gender, age, conditionality	Yes	September 2021	November 2021
7-8	People on Universal Credit – geography	Comparisons between Local Authorities and between England, Wales and Scotland	LA/Nation/Region	Yes	September 2021	November 2021
9	Households on Universal Credit	Further detail on the composition of the UC caseload	Family type	No	May 2021	November 2021
10	Benefit Cap	Number of households with benefits reduced by the benefit cap	Family type	No	May 2021	December 2021

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## People on Universal Credit



As of September 2021 there were around 470,000 people on Universal Credit (UC). This compares to same number of people receiving UC in September 2020, meaning that the caseload increased by only 0.1% over the past year.

The main increase in caseload came at the onset of the first lockdown in the spring of 2020. The subsequent lockdown period over the winter did not cause another large spike in the caseload.

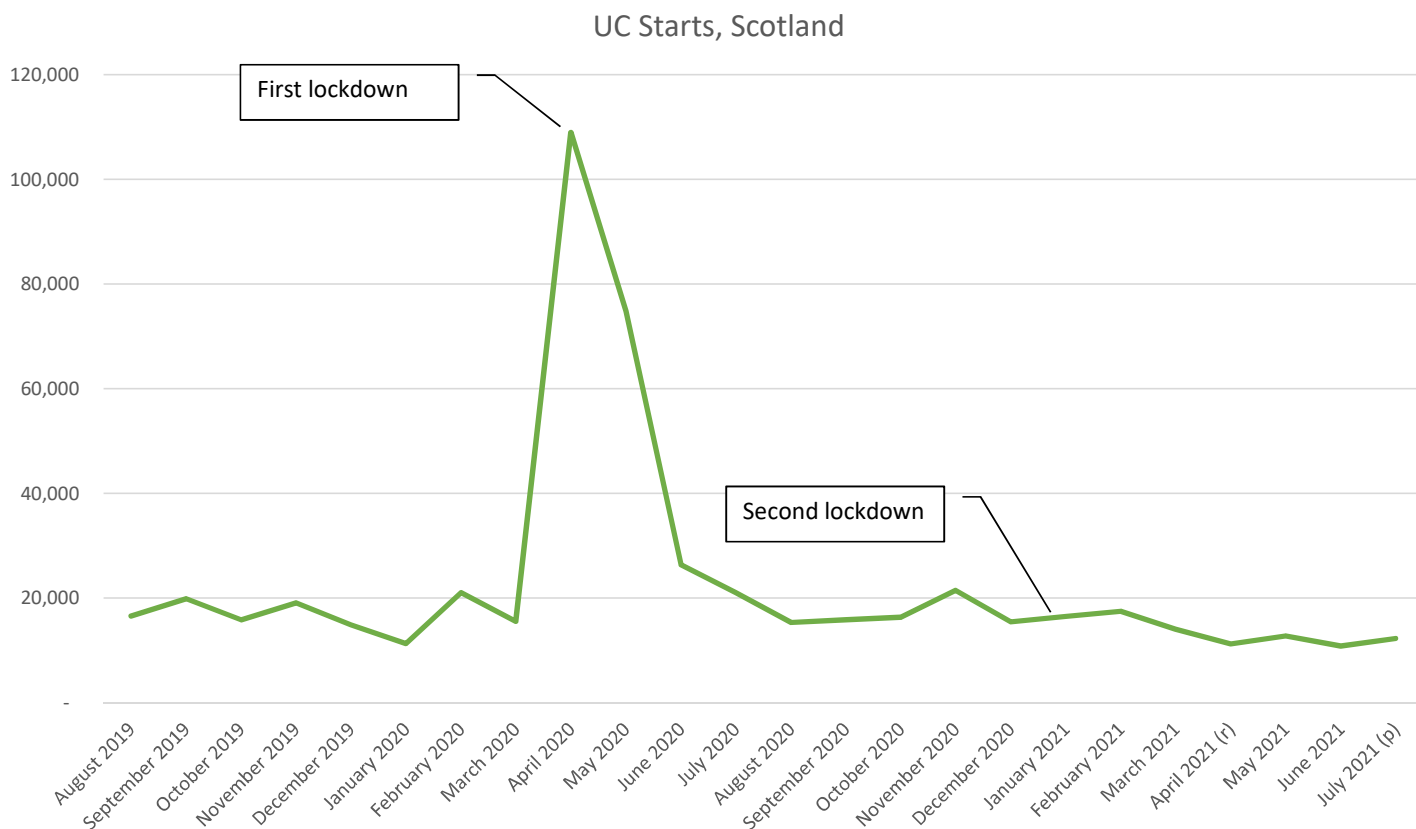
There is an ongoing transition from legacy benefits to Universal Credit which was already generating a gradual increase in the UC caseload before the pandemic of around 7,500 people a month, represented here by the blue trend line. The gap between this line and the current caseload has closed in recent months from a high of 170,000 in July 2020 to around 70,000 in September 2021.

Looking forward, we might expect the caseload to decrease as restrictions ease, though this depends on economic conditions and might be countered by the withdrawal of other financial support such as the furlough scheme and the ongoing migration from legacy benefits.

Source: [StatXplore](#).

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## Universal Credit – number of starts



This graph shows that the number of starts to Universal Credit was stable in the months running up to the start of the pandemic, even though the overall UC caseload was increasing due to gradual replacement of legacy benefits.

The onset of the first lockdown period led to a sharp increase in the number of starts to UC. However, since then, the number of starts has reverted to pre-pandemic levels, suggesting that the UC caseload, though much larger, has become more stable in subsequent months, with relatively fewer people coming on (and off) UC.

**Context:** Individuals starting on UC have completed the UC claim process and accepted their claimant commitment. They may have experienced the so-called “Five-week-wait” for a first payment and other disruptive elements of starting to claim for UC.

Source: [StatXplore](#).

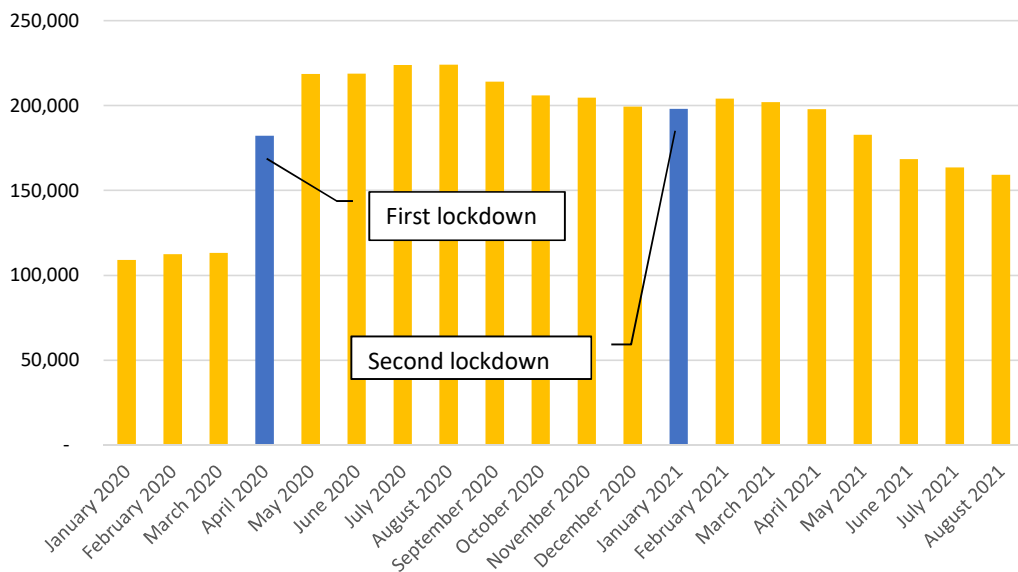
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## Alternative Claimant Count

The Alternative Claimant Count (ACC) is classified as Experimental Official Statistics. By controlling for differences between the rules of the legacy benefits system and the new UC system which is replacing it, the ACC provides a consistent measurement of the number of people on unemployment related benefits over time.

At the onset of COVID-19 there was a near doubling of the ACC caseload. After peaking in August 2020, the number of people claiming unemployment related benefits gradually fell until February 2021, when there was a small increase as Scotland went through a period of lockdown over the winter period. The caseload continued to decrease over the summer of 2021.

Alternative Claimant Count, Scotland



Source: [StatXplore](#)

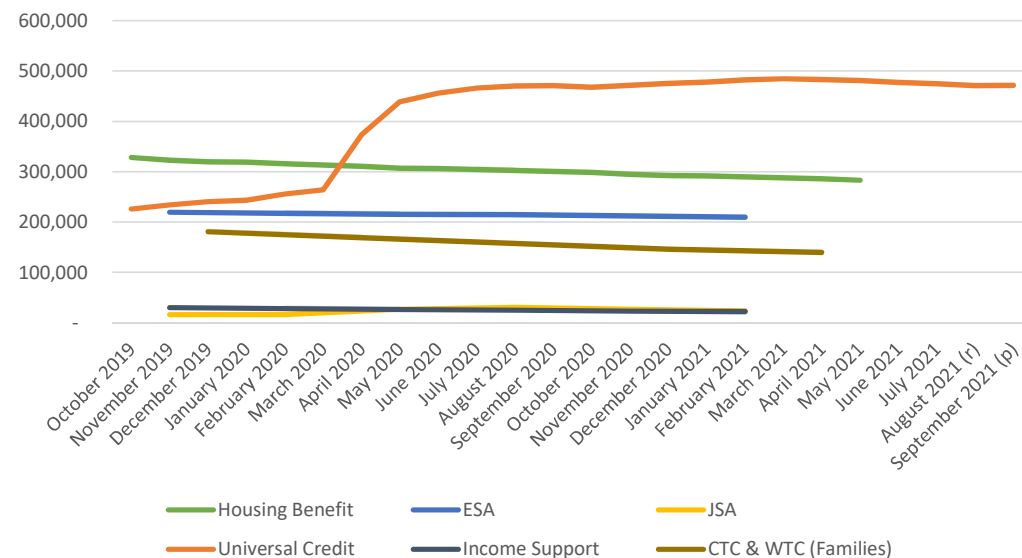
More details on the Alternative Claimant Count and how it is derived are available [here](#).

## Legacy Benefits

A significant number of people in Scotland still claim Legacy Benefits, though this caseload has gradually decreased as a result of the migration to UC. The number of people claiming Job Seekers Allowance increased slightly over the last year, though the majority of people newly claiming for unemployment related benefits continue to do so through Universal Credit.

**Note:** All data are quarterly except for UC and Housing Benefit which are monthly. The data for Tax Credits are for families and are therefore not directly comparable to data for other benefits.

People on Legacy Benefits and UC, Scotland



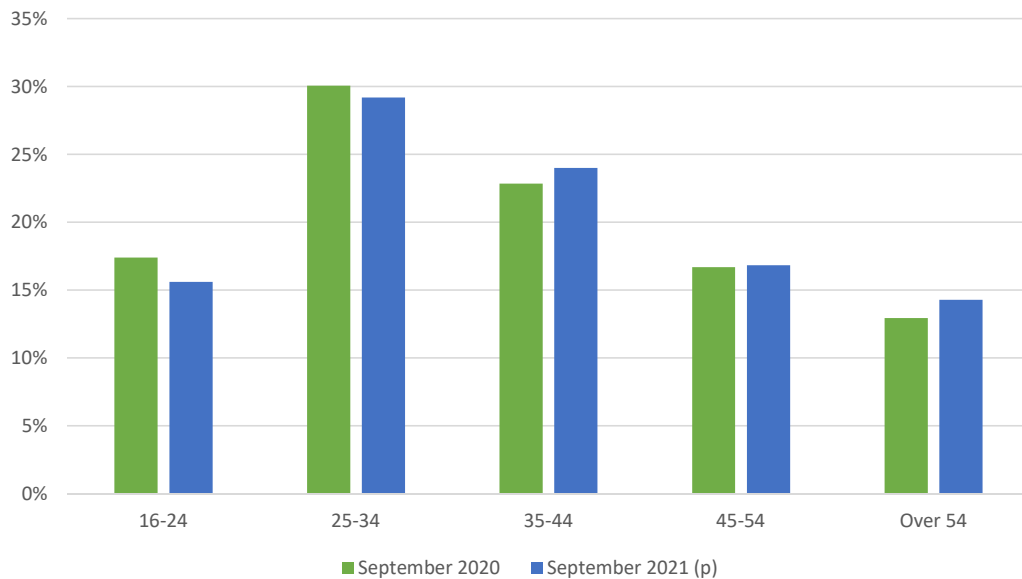
Source: [StatXplore](#), [Child and Working Tax Credits statistics: provisional awards geographical analyses - GOV.UK \(www.gov.uk\)](#)

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## People on Universal Credit by age

As shown in the chart below, the UC caseload is older than it was at this point last year. The 35-44 and over 54 age groups saw absolute increases of 5,600 and 6,400 people, respectively, while the number of people in the 16-24 bracket dropped by 8,300. The over 54 age group saw an increase of 11% while the 16-24 age group decreased by 10%. Note that these changes came after the initial surge in caseload in March and April 2020.

Proportion of people claiming UC, by age, Scotland

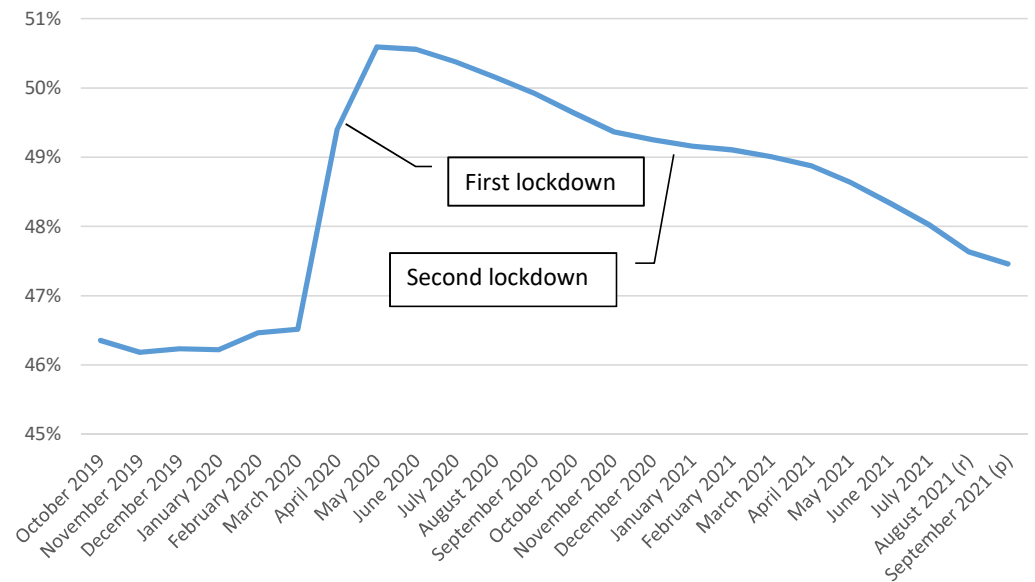


Source: [StatXplore](#).

## People on Universal Credit by gender

In September 2020 there were 236,000 women on UC, compared with 235,000 men – a difference of 770. By September 2021 there were 24,000 more women than men on UC as the split between the genders began to revert back to the pre-lockdown distribution, as shown in the chart below.

Male proportion of UC caseload, Scotland

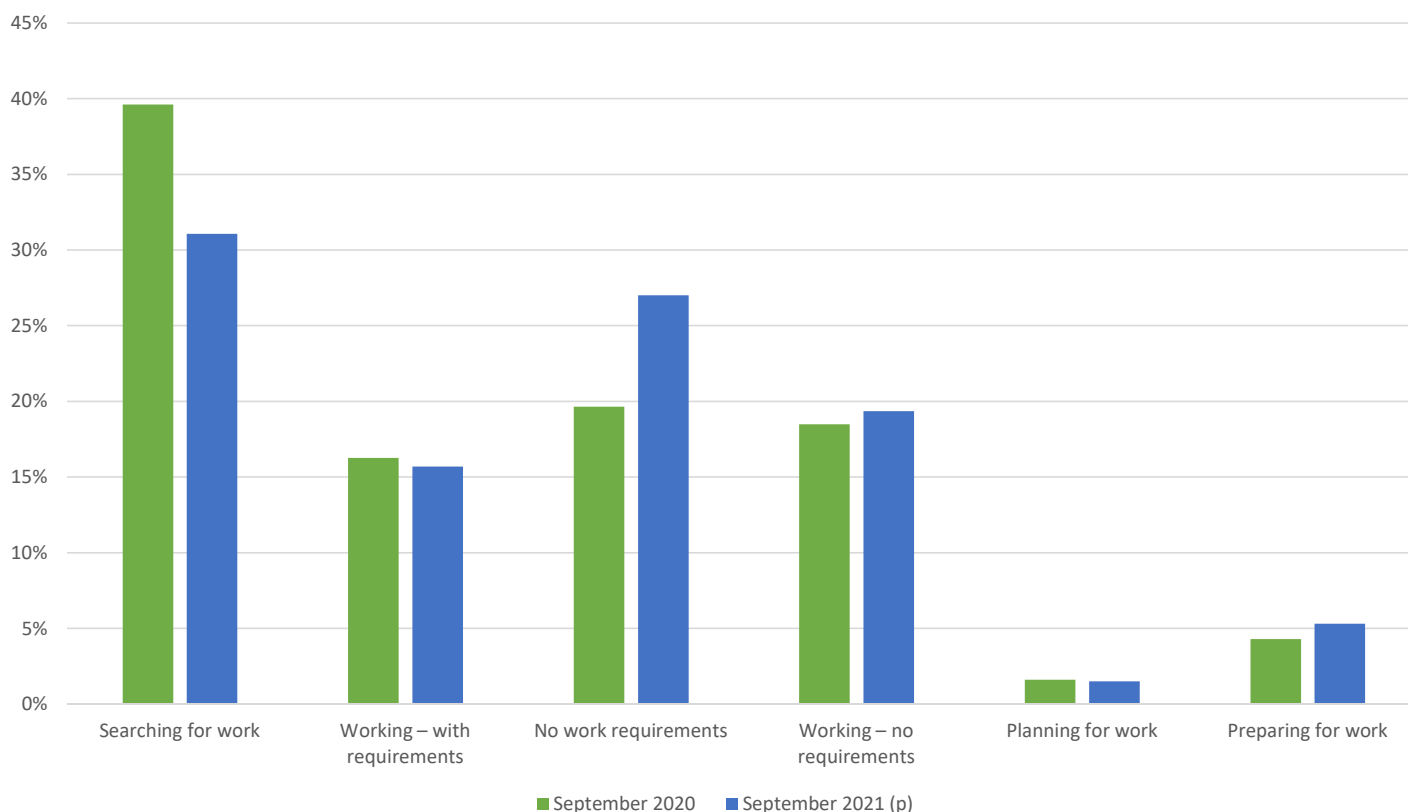


Source: [StatXplore](#).

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## People on Universal Credit by conditionality group

Proportion of people claiming UC, by conditionality group, Scotland



People on UC are assigned to a ‘conditionality group’ depending on whether they are in work or whether they are obligated to search for work while receiving the benefit.

The largest increases over the past year, subsequent to the initial surge in caseload in March 2020, were in the ‘No work requirements’ group, which comprises people who cannot do paid work due to health conditions or caring responsibilities. This group increased by around 34,000 (38%). Consequently, as shown in the chart, this group represented 27% of the total UC caseload in September 2021, compared with 20% in September 2020.

The ‘Working - no requirements’ group (comprising people with higher household earnings) also saw an increase of 4,000 (5%), while the number searching for work decreased by 40,000 (-21%).

As a result, UC claimants are less likely to be searching for work than they were in September 2020, though this remains the largest conditionality group for UC claimants. As shown in the chart, this group represented 31% of the total UC caseload in September 2021, compared with 40% in September 2020.

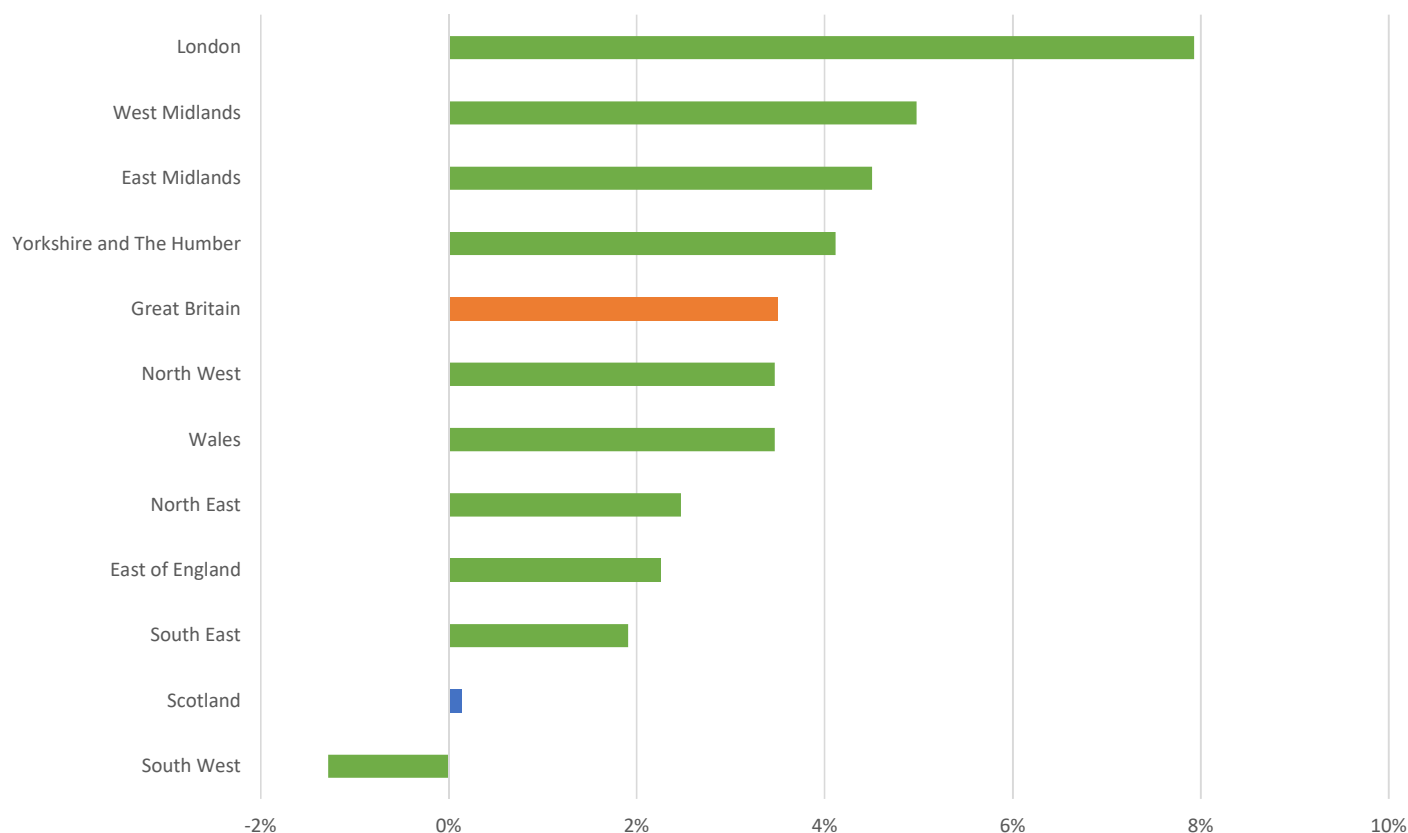
Source: [StatXplore](#). More information on the definitions of UC conditionality groups is available from [Universal Credit statistics: background information and methodology](#).



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## People on Universal Credit- Great Britain

Percentage change in people on Universal Credit, September 2020 to September 2021



The UC caseload increased in most parts of Great Britain over the last year. The largest increase was observed in London where the caseload grew by 73,000. This represented an increase of 8%, as shown in the chart.

Scotland's caseload increased by 0.1%, below the British average of 4%.

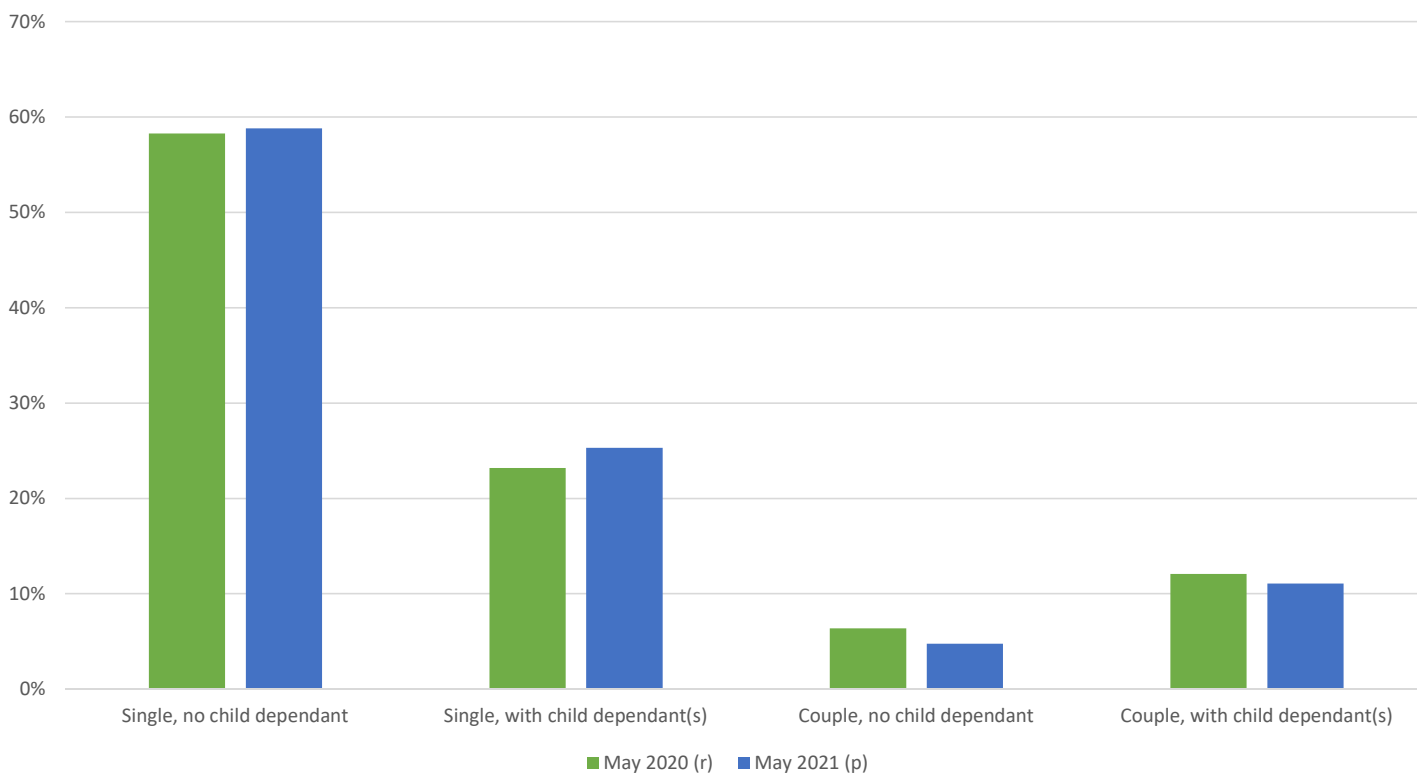
Note that these increases came after the initial surge in the caseload in March 2020. Compared with January 2020, the Great Britain caseload has increased by 210%, while in Scotland it has only increased by 194%. London has been worst hit by the pandemic (249%) while the North East of England has seen a smaller increase (176%).



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## Households on Universal Credit

Households on Universal Credit, by family type, proportion



All household types except for couples with no children have seen increases over the past year, with over half of the total increase attributable to single people with no children, who in May 2020 already made up more than half of the caseload. This group increased by around 31,000 between May 2020 and May 2021, amounting to a 14% increase. On the other hand, single people with dependent children have seen a larger percentage increase of 24% (20,000 households)

Consequently, as shown in the chart, households on UC are now more likely to include child dependants or to be single than they were previously. However, the overall distribution of family types on UC remains broadly unchanged.

**Note:** Data on Households on UC are classified as Experimental Official Statistics. They lag behind the People on UC data and are not directly comparable. For example, if an individual has not provided all the information needed to work out their entitlement, or their entitlement is still in the process of being calculated, they may appear in the People measure but not in the Households measure. These data are also subject to a greater degree of revision in future releases as the methodology continues to be updated.

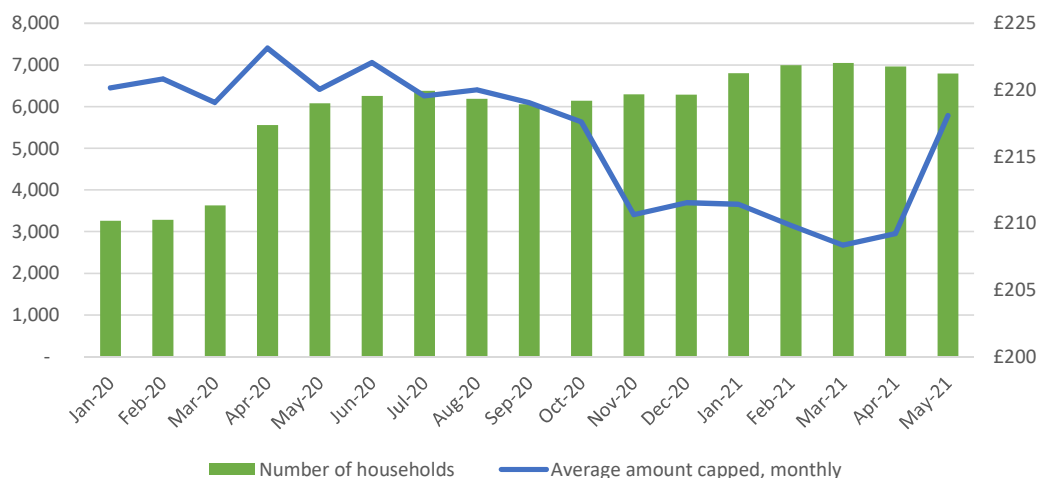
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## The Benefit Cap

The Benefit Cap is a UK Government policy which limits the total amount a household can receive in benefits to £20,000 per year for lone parents and couples (with or without children), and £13,400 per year for single adults, unless they meet the exemption criteria. The Scottish Government mitigates the effects of the Benefit Cap to an extent through Discretionary Housing Payments.

The number of households affected by the benefit cap has increased by 12% over the past year, from around 6,100 in May 2020 to around 6,800 in May 2021. During this time the average amount lost due to the Benefit Cap has decreased slightly from around £220 per month to £218.

Benefit Cap, Scotland



Source: [StatXplore](#). Figures include households capped through both Housing Benefit and Universal Credit. More details on the benefit cap and its exemption criteria are available [here](#), while details on how the statistics are compiled are available [here](#).

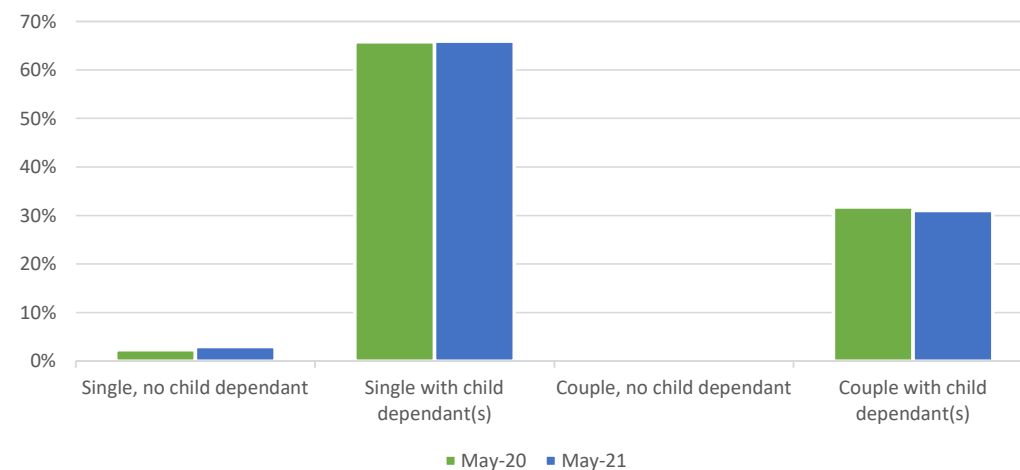
## The family structure of Benefit Capped households

Households with children naturally have larger benefit entitlements and are therefore much more likely to be affected by the Benefit Cap than households without children. Couples may have larger earnings and thus receive smaller benefit payments.

As of May 2021, around 97% of Benefit Capped households contained children. 66% were lone parent families and 31% were couples with children. The remainder were single people without children; there were no couples without children who were affected by the Benefit Cap.

As shown in the graph, these proportions are largely the same as in May 2020.

Proportion of Households affected by the Benefit Cap by family type, Scotland



Source: [StatXplore](#)