



Universal credit: parents' experiences

A briefing from CPAG's Early Warning System

September 2024

Introduction

CPAG has published [Universal credit: A three-step plan](#), which sets out our policy recommendations for improving universal credit (UC) across three key areas: adequacy, the design and function of UC, and UC's relationship to work.

To support the report, [CPAG's Early Warning System](#) interviewed 13 parents about their experiences claiming UC. This briefing summarises their testimonies, which collectively make a strong case for the urgent reform of UC.

We spoke to families faced with unreliable and low-paid work, unexpected or life-long health problems, debt, domestic abuse and homelessness. We heard what families are doing to get by, from cutting back on essentials to over-occupying housing that is too small for their families. This briefing highlights the limits of the support offered by the UC system as it stands, and reinforces our policy recommendations.

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1. Adequacy

'The most fundamental issue affecting UC is that the social security system, as a whole, is inadequate. Benefit levels are too low and have been eroded over time. The UK government now spends £50 billion a year less on social security than it would have spent if cuts, freezes and other changes since 2010 had not happened.¹ These cuts have pushed hundreds of thousands of children and families into poverty.' [Universal credit: A three-step plan](#)

The two-child limit

In June 2024, we interviewed a parent with three school-age children who had been made redundant from a reasonably well-paid job. He and his wife are affected by the two-child limit, despite their children having been born long before they needed to claim UC. The interviewee felt the rules were unfair but was resigned to living with them until he found a new job.

The interviewee explained that his children's school things often need replacing – for example, broken bags and worn-out shoes.

'You're not expecting it. I have a budget each month, but I never met my budget, I always overpay. If you try to say [what your costs that month will be], you fail...'

'Going anywhere has become impossible. [We say] we should go, think of the kids, it's the holidays – but it's not possible. We can't afford that. We've stopped buying anything new at the moment because we cannot afford that, basically. I believe this is a temporary time but I cannot tell how long it is going to be, which makes me afraid. It could be a year, it could be more, I don't know to be honest.'

'I am grateful this system exists because for people like me – suddenly they lost their job, it's something else. [If UC] did not exist, I don't know how can I survive. But [they need to] tweak their system, they need to understand people's circumstances.'

In May we spoke to another claimant affected by the two-child limit, a working mother of three who is claiming UC with her husband after he lost his job. Like the family above, their third child was born before they needed to make a UC claim and they were unaware of the two-child limit when planning their family. This claimant explained that since claiming UC she had borrowed from family to make ends meet and is currently in hundreds of pounds worth of arrears with her energy and water bills.

A third interviewee, a working father of three affected by the two-child limit, told us:

'I feel that it's not fair, you know. Just because as a parent, children are equal, no matter their ages, no matter the years they were born... It's quite hard for a parent to incorporate the child who is not incorporated.'

¹ CPAG's calculations from the Policy Measures Database, March 2024. The sum of all policies in the 'Social security benefits', 'Tax credits', 'Welfare inside cap' and 'Welfare outside cap' categories for 2022/23, except 'Devolving disability benefits to the Scottish government.' These cover all policies announced from the 2010 Budget to the 2024 Spring Statement.

'I can't really say it [UC] is enough. I think I'm failing to provide enough essentials for my family... Sometimes I'm late on my rent and sometimes I buy quantity over quality, you get me? I shop poor quality things so I can get a huge quantity of them because of finances. Also sometimes I take a loan here and there from friends to support my family.'

We spoke to another parent who lives with her husband and four children and is losing out on £575.84 a month because of the two-child limit. She told us:

'I have to budget to get enough food for all the children and both adults. I have a journal where I write down all my monthly bills – amounts, what they're for. I try and forget about myself and just make sure everyone else is fed, and then I just eat whatever I can afterwards.'

'We struggle a lot, it is a struggle, you do have to literally write everything out or we would be a lot worse than what we are now. We prioritise the kids – well, I do anyway. I prioritise my kids and my husband.'

'We're always talking about things we'd like to do for the kids that would cost money, we're always constantly thinking about it. I always think that we could make the kids' lives a bit better.'

The benefit cap

Three of the 13 claimants we spoke to were affected by the benefit cap. One is a lone parent with three children aged nine, 11 and 13. She has to find £80 a week towards her rent because of the cap, despite not being required to work. Struggling to make up this shortfall, she has fallen into rent arrears and is under threat of eviction.

'They want me to pay my rent out of [children's benefits]. I tried to say to them "my kids' money is my kids' money. That's for them." ... If it ever gets to court I'll give them my side of the story, I'll explain that I can't afford my rent because we've not been given enough to live on.'

She talked about the difficulty of affording things like cooked dinners or occasional takeaways that her three children want because their friends have them. She explained:

'I haven't got the money – but – why should my kids suffer when it's their money? Because you don't give us enough... If you could live off [this] for three kids and live every day, then good, but you need to tell me some different scenarios, because I'm struggling daily.'

Another interviewee is missing out on £209 per month because of the cap. She and her husband and four children live on £1,835 a month, from UC and child benefit. They have fixed outgoings of £1,709, including rent, energy bills, council tax and food shopping. This leaves about £29 a week for everything else, like furniture, clothes and school trips.

Paying rent, overcrowding and debt

Specific policies like the benefit cap, as well as broader benefit inadequacy, can leave families struggling to afford their rent. We interviewed one working claimant who has three children and is living in a one-bedroom council flat. The family is waiting for a larger property but has been on the council's waiting list for four years. The parents could not afford a larger property on the private rental market.

Another working parent, with four children, has been living in a two-bedroom private rented home since 2016. He explained that he and his partner simply cannot afford to pay private rent on a bigger home. They could not afford this even when one of them was working full time.

'We tried social housing, but the queue is ridiculous. We've been waiting two years now. We bid but haven't been offered any houses yet. We [have been in] band A the whole two years so we are at the top of the list but this shows you how long the top of the list is.'

Other parents told us about their difficulties finding suitable, affordable properties. A lone parent with two children told us about her recent experiences:

'The first property I lived in in this area was... draughty, not insulated properly, but I was desperate, so I just took it. After six months I moved to a two-bed flat that was properly insulated and heated, nice, but the landlady wanted the house back after a short time so I needed to move again... Who is going to give you a house? They want a guarantor, they want six months' rent in advance, how [am] I supposed to do that?'

For those who manage to pay their rent, there is often little left to cover other essentials. One of our interviewees, a lone parent with a three-year-old, has a total income of £750 per month after rent, including UC, child benefit and healthy start credit. Most of this is taken up on paying her council tax, electricity, heating and water bills, bus fares, grocery shopping and other essentials, and keeping up with payment plans for priority debts. The claimant budgets very carefully using a banking app which allows you to set up 'pots' of money. She told us: *'I get really worried that if I don't pay all the bills the bailiffs will come.'*

CPAG's three-step plan: Summary of recommendations on benefit adequacy

- Scrap the two-child limit
- Remove the benefit cap
- Increase the child element of UC by £20 a week
- Remove the lower rate of the UC standard allowance for under 25s.
- Reduce the monthly cap on deductions
- Launch an immediate review of benefit adequacy
- Legally enshrine that all benefits (and associated thresholds) rise as a minimum by the higher of inflation and earnings growth each year

2. Work-related requirements and barriers to work

'The conditionality regime is currently set up to get as many people as possible into any type of work, regardless of the suitability for the claimant, while placing financial penalties (the benefit cap and sanctions) on those who are unable to find work. The support given to claimants is one size fits all and the onus is generally on the claimant to find work with limited guidance from work coaches.' [Universal credit: A three-step plan](#)

Support into work

Several of the families we spoke to described minimal support into work under UC. One of our interviewees is a lone parent with a three-year-old, living in refuge accommodation. She is a domestic abuse survivor and is getting treatment for depression. She worked full time before becoming a parent and wants to find work now. She

is required to attend fortnightly job centre appointments and has recently enrolled on Restart, but she told us that she has found the support available very limited. She feels she has been pushed towards entry-level or inflexible roles instead of being supported to find decently-paid jobs at her previous level. She has made several applications for 'good jobs' on her own initiative although she has not been successful yet.

'I would like to work in administration or data entry in future. Some jobs aren't compatible with a small child... In one job interview I was asked to be on call all the time and I said I couldn't do it. Another job wanted me to spend two days in [another city] a week and this wouldn't be covered by the wage.'

'I haven't been threatened with sanctions yet but I have been told I must look for jobs outside my field of experience. It upset me... I have the practical and the academic experience for a decent job.'

A father of three who had claimed UC after being made redundant told us about the similar approach he had experienced in the job centre:

'They're hoping that I find a job, but [they have made it clear that] it's my job to find a job. They haven't given me any requirements yet: "just go and have a chat with the person over there, fill in the form on the screen".'

'The trouble is when you have expertise in something, I have expertise in [a specific field], it's very narrow to find a job, those jobs do not exist everywhere... or I need to change or tweaking my experience, I don't know. But I don't want to just look for any job.'

Another interviewee, a lone parent with an eight-year-old daughter, spoke to us about going from zero-hours contracts to a stable 22.5-hour job in a school. Although she was required to attend weekly job centre appointments, she explains that these were brief and superficial: *'I basically just tell them I'm still looking for work.'* These appointments also meant that she had to put herself down as unavailable for agency work, losing out on earned income.

Under her own initiative, she found a midday supervisor role at her daughter's school, and she later spotted a job advert for a care assistant in the school's nursery, for which she successfully applied. This job fits around her family responsibilities, unlike the 'any job' prospects that had been occasionally suggested at the job centre.

Health

One parent, who has two teenage children, told us about the work-related requirements and sanctions she has faced over four years of claiming UC. She has a 30-year work history but has a pattern of needing time off due to depression and anxiety.

'The story of my life is a vicious circle. I'll get better, go to work, get ill, get better, go to work, get ill. That's the cycle I'm in... I'm on benefits, the doctor puts me on new medication, I wait for that to kick in...'

She told us that in the periods when she had needed to claim UC, job centre staff seemed determined not to take her illness into account:

'All they're bothered about is for you to get a job and get off benefits. And that's all they push – that's how I feel. When I walk in there and see my work coach sat there and they go "Hello [Name] how are you?" And I go "yeah, still depressed" and they say "oh, OK, have you done your CV then? Have you ever thought about being self-employed? Your sicknote is coming to an end next month so have you thought about what you're going to do when that finishes?" This was the meeting I had just a couple of days ago. Hang on a minute, I've just told him I'm sick, I'm ill. You're just like a number to them, that's all, and they don't care. They really don't care at all.'

She describes being sanctioned several times in 2022 and 2023 for failing to attend appointments at the job centre. Work coaches were always aware of her illness, she explains, but after a couple of missed appointments would move straight to sanction her. She explains that she was once sanctioned for failing to attend a 2.30pm appointment where she only got a message notifying her of the appointment that morning. *'They said "you can appeal," but the thing is... how can you appeal when you are ill? You can't.'*

Low benefit rates and sanctions put her under huge financial pressure.

'I had got to a point where I wouldn't answer the phone - I just left my phone off because it would just be people phoning me up for money. Letters that came through the door, I used to just pick them up and chuck them straight in the bin, I didn't even open them because I knew what they were, it was bills, they wanted more money, basically. Never answered the door to anyone, always kept the blind shut, I felt like I was isolated, very depressed, and nobody wanted to know. It's sort of like, it knocks you down. [crying] But the luckiest thing was that I didn't lose my home, so that was one main thing. But thinking back it was really hard, it was, and in the end I couldn't see no light at the end of the tunnel. You get like that. They say money's everything but in the end it's your health.'

This parent explained to us that medical treatment is what makes her able to return to work – not conditionality or sanctions.

'I've never used [information or help from the job centre] to get a job. I've always – when I feel better, and I'm out of the gutter kind of thing, I get up one day, and I feel a lot better in myself because the medicines have started to work, and the doctor says "if you feel better you can go out to work if you want", and then I can get a job, and I just get a job like [clicks] that.'

Parenthood

Another parent, whose children are now eight and two, told us about inappropriate work-related requirements she faced in 2021 while she was pregnant:

'When I was five months pregnant, the work coach was making me come to the job centre every week, making me apply for jobs. The employers would call me up and I would tell them about my pregnancy. Obviously they didn't offer me jobs! [The DWP] even made me have an interview with [a fast-food chain] in the job centre. My belly was already big, the interviewer commented on it: "What are you doing here?" "Well they tell me I have to come here." We looked like two idiots to be honest. It was so embarrassing – you could see my belly – did they want me to hide it or something?'

'They should see the situations. I agree that people have to work, because I've always been working, and I've always paid taxes... But there is situations. If I am five months pregnant or you have a person who is not [retirement age] but they are [six months under retirement age] but they force them to go the appointment, I see this [in the job centre], they push them to go and to look for work, they don't even know how to use a computer or anything. It's crazy.'

Childcare costs

The same parent told us that she couldn't see how she could meet her UC work availability requirement of 16 hours within the 15-hour childcare allowance for working parents of two-year-olds:

'I don't know [how] you're supposed to do that. If the child goes to nursery for 15 hours per week, more or less three hours a day. If I have to leave the house, get to nursery, leave my child and get to work it is already 10. Before 12 I have to pick my child up already. Can you tell me where people can find a job like this? Who is going to employ you like that?'

While additional childcare costs help is available for many working parents on UC, this is capped at 85 per cent of childcare costs, is paid in arrears, and can be administratively difficult to claim. We heard from a second parent about her difficulties claiming help towards her daughter's breakfast club place:

'She goes to breakfast club so I can start work at 8.15am. The breakfast club is £2 a day. I asked for a receipt from the school to claim help from UC with childcare. But then UC contacted me on my journal asking for more evidence, more paperwork. Basically the school couldn't provide what DWP was demanding and I nearly gave up. But this month I don't have enough to pay the breakfast club. I paid water, I paid energy. I had to call the breakfast club and ask them to hold on a couple of weeks because I couldn't afford the repayment. They were understanding. So it is very urgent that I get the help from UC. I have recently got another letter from school and put it [on the UC journal]. I haven't heard anything yet.'

Only one of the parents we spoke to had successfully claimed the UC childcare costs element, which reimburses 85 per cent of her nursery costs for her two-year-old. Nursery fees are often paid in advance and the childcare costs element of UC is paid in arrears. Our interviewee needed to take out a UC budgeting advance at the start of January 2024 to pay that month's childcare bill because it was much higher than December's. She is still having £50 monthly UC deductions to pay back the budgeting advance.

Meanwhile, for non-working parents, childcare costs help in UC doesn't exist – and even those with funded childcare places can be hit with additional costs. One job-seeking lone parent with a three-year-old explained to us that although her son's 15-hour nursery place is fully funded, she needs to pay the nursery £30-£50 pounds per month in 'fees' for lunches, snacks and craft materials – money that is difficult to find until she has a job.

CPAG's three-step plan: Summary of recommendations on UC's relationship to work

- Conduct a review of conditionality in UC
- Automatically passport people who receive disability benefits into a non-stringent work conditionality group
- Make a work capability assessment mandatory for new claimants if the claimant queries their ability to work
- Substantially reduce the use of sanctions

- Provide voluntary tailored employment support to everyone on UC capable of work
- Introduce a second earner work allowance
- Cover 100 per cent of childcare costs in UC
- Extend childcare to parents preparing for work or training
- Review monthly assessment periods
- Abolish the minimum income floor and surplus earnings rules

About CPAG

Child Poverty Action Group works on behalf of the more than one in four children in the UK growing up in poverty. It doesn't have to be like this. We use our understanding of what causes poverty and the impact it has on children's lives to campaign for policies that will prevent and solve poverty – for good. We provide training, advice and information to make sure hard-up families get the financial support they need. We also carry out high profile legal work to establish and protect families' rights.

About the Early Warning System

Our Early Warning System collects case studies from frontline advisers and claimants to help us get a better understanding of how changes to the social security system are affecting the lives of children and families. The information we gather informs much of our policy, research and campaigning work, and also feeds into our advice services.

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