

INFORMATION ITEM

REPORT OF	MEETING	DATE	ITEM NO
SHARED SERVICE	FINANCE AND DEMOCRACY COMMITTEE	25 JUNE 2018	10
UNIVERSAL CREDIT FULL SERVICE ROLLOUT UPDATE			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY OF INFORMATION

The purpose of this report is to provide an overview of the Department for Work and Pensions (DWP) Universal Credit full service rollout.

SOURCE OF INFORMATION

Information received from the Department for Work and Pensions (DWP) in relation to full service rollout.

LINK TO INFORMATION

Briefing note attached. Further information can be accessed below:

To make a claim:

www.gov.uk/apply-universal-credit

DWP UC Helpline: 0800 328 9344

For more information on UC

www.gov.uk/universal-credit

www.citizensadvice.org.uk/benefits/universal-credit

For a series of short videos on UC Full Service, visit the DWP YouTube site:

www.youtube.com/playlist?list=PLDBaQKqY6OHYk6rn_FINwm6XXNkzeC6-7

WHY IS THIS INFORMATION BEING GIVEN TO THE COMMITTEE?

To provide an overview of the planned full service rollout of Universal Credit by the DWP and support mechanisms in place for residents.

FURTHER INFORMATION

Contact: Louise Jones, Head of Benefits

Tel: 01253 478885 Email: louise.jones@blackpool.gov.uk



INFORMATION NOTE

UNIVERSAL CREDIT FULL SERVICE ROLLOUT UPDATE

1 BACKGROUND

Universal Credit (UC) is the government's flagship welfare scheme which aims to simplify the benefits system for working age people by bringing together out of work and in work benefits, improve the transition to employment, and make work pay by removing disincentives to work.

Universal Credit is a digital service replacing six means tested benefits and tax credits, known as legacy benefits, which include:

- Income-based Jobseekers Allowance (JSAI)
- Income-related Employment and Support Allowance (ESAI)
- Income Support (IS)
- Child Tax Credit (CTC)
- Working Tax Credit (WTC)
- Housing Benefit (some groups are currently exempt from UC and more information on these is included later in the report)

UC is claimed by those on low to moderate income, whether in work or out of work, because they are seeking work, caring, or too ill to work. UC consists of a core 'personal allowance' plus additional payments depending on the claimant's situation e.g. housing cost allowance, extra allowance for children, or disability allowance. Where there is household income from employment monthly UC payments are automatically adjusted using 'real time' income information taken from HMRC.

The default approach to UC is:

- The claim will be made online
- The claimant will receive one payment each month into their nominated bank, building society or credit union account and will be expected to manage this amount themselves, including rent payments to their landlord
- Partner claims will be paid as one payment to a single nominated account for the household
- From Feb 2018, the period between the initial new UC claim and first benefit payment is around 5 weeks (some claimants currently have an additional waiting period of one week but this is being abolished)
- Council Tax Reduction is not included and must be claimed through the Council in the normal way.

Depending on the personal circumstances of the claimant they will be placed into a 'conditionality group' which will influence whether they are required to undertake work related activity and, if so, to what level. Claimants who are required to undertake work related activity will sign a claimant commitment, and failure to keep to their claimant commitment could mean losing some of their UC (a sanction) although this is only generally considered after other interventions by the Jobcentre Work Coach. This claimant commitment can extend to people who are in work but earning below the 'conditionality earnings threshold'.

2 FULL SERVICE ROLLOUT SCHEDULE

'Live Service' for UC was first rolled out in Fylde in December 2014, to single people and couples initially and then to families with children. A 'gateway' was applied which meant that only certain claimants were eligible to make a claim for UC (mainly newly unemployed people who are fit for work). New claims to UC live service were stopped on 31st December 2017 following the changes announced to UC in the 2017 Autumn Statement.

'Full Service' for UC is the roll out of the full digital service to all new claimants. The claim is made online, the ongoing management of their claim is via their digital journal and claimants are required to have a moderate level of digital skills. They will require a bank/ credit union/ building society account, email address and photo ID (or verification of their identity via the government's 'Verify' online service, or via an interview with their Jobcentre Plus Work Coach) to complete their claim. They will also need information and evidence of their rent, tenancy and landlord, other sources of income and savings, and any other benefits received. It is important that the claimant has the required information and evidence to avoid any delays in the application and payment process.

With UC Full Service, if a claimant moves into full time employment and no longer receives any UC payments, they remain a UC "claimant" for six months. However if their employment income falls again during this period they need to report a change of circumstances. Their UC claim does not automatically start paying again.

The current UC Live Service claimants in Fylde will all be required to make a new UC Full Service claim so that their claim is moved to the digital service. DWP have advised that the timescales for this are not known at the moment as this activity has been paused. DWP will be notifying all claimants affected to request that they make a new online claim and invite them to meet with a Work Coach when the time comes.

A few groups remain exempt from UC and will continue to claim the legacy benefits until further notice. People living in specified accommodation (supported housing) and temporary housing will not get the housing element of UC and must claim Housing Benefit for help with their rent. Single people under 21 will be unable to get help with rent through UC and will be unable to claim Housing Benefit. However, regulations changing this are expected by November 2018 and there are a lot of exemptions to the under 21 restriction. Families with three or more children must also continue to claim the legacy benefits until further notice as must pensioners.

The roll out schedule by Jobcentre Plus office is:

- 18th July 2018 – Preston Job Centre: Fylde residents with a PR3 or PR4 postcode will be affected by full service rollout from this date. The number of customers on legacy benefits (IS, JSAI, ESAI, WTC, CTC) is not known by the shared service but the numbers currently claiming Housing Benefit, who may have a full service UC claim triggered by having a relevant change in circumstances, is around 56.
- 5th December 2018 – St Anne's Job Centre: All remaining customers on the legacy benefits with FY postcodes will start to convert to full service UC when they have a relevant change in circumstances. Based on current caseload, a further 1790 Housing Benefit customers could convert to UC starting in December 2018. Other residents who are not claiming Housing Benefit e.g. those who live at home with parents will be affected but numbers are unable to be quantified.

A definitive list of change in circumstances that trigger a move to UC has not yet been provided by the DWP but could include the following:

- Change of Address
- Household becomes responsible for a child for the first time
- Move from out of work to in work or vice versa
- Move from out of work to sick or vice versa

- Move from in work to sick or vice versa
- Income Support lone parent - child under 5 reaches age 5 or permanently leaves household
- HB claimant moves from a UC Live Service LA into a UC Full Service LA

It will be up to the Local Authority to ensure a claimant is not allowed to claim Housing Benefit and is directed to the DWP once the full service rollout date arrives. At some stage the DWP will announce a managed migration for those customers who have not had a natural migration onto UC when they have had a change in circumstance but this date is yet to be announced.

3 SUPPORT FOR CUSTOMERS

DWP have provided Local Authorities with funding to commission Personal Budgeting Support (PBS) and Assisted Digital Support (ADS) for UC claimants. PBS supports customers to learn how to manage their monthly payment of UC, how to prioritise bills, identify where expenditure savings could be made and check they are receiving all the benefits they are entitled to. DWP work coaches can refer UC customers for PBS support or the Council can self-refer a customer who they believe would benefit from the service.

ADS provides support with new online claims for UC and ensures that the claimant has the digital skills to maintain their claim on the digital portal.

Fylde One Stop Shop are already delivering both PBS and ADS for Fylde Council but numbers received remain low. It is vital that any person needing to claim UC, or already claiming and needing extra support, can access these services.

4 COUNCIL TAX REDUCTION AND UNIVERSAL CREDIT

Council Tax Reduction (CTR) sits outside of UC and it is important that anyone claiming UC who expects to receive CTR makes a separate claim with the Council. There are currently 212 customers in receipt of CTR who are on UC. The Council is asking any partner organisations who are working with new UC claimants to ensure that they are aware of this and make their claim for CTR immediately. Flyers and posters have been provided to Job Centre Plus for distribution and One Stop Shop are aware that customers should be advised to claim separately.

The online CTR claim form can be accessed on the Benefits page on the Council's website.

5 RESIDENTS IN VULNERABLE CIRCUMSTANCES

For any new claimants who need financial assistance during the period between their claim and their first payment, advance payments (loans) are available of up to 100% of the value of the first month's claim, via the Jobcentre Plus Work Coach. This is repayable over a period of up to 12 months. It is important that anyone needing to make a UC claim, who is identified as being in a complex or vulnerable situation, discuss this with their Jobcentre Work Coach, who will take a personalised approach to supporting them. The individual can bring a friend, family member or support worker to act as an advocate in any meetings.

The DWP has discretion to alter the payment arrangements for claimants who are deemed to be in a vulnerable situation, for example those suffering from domestic violence and abuse (see DWP guide for Domestic Violence and Abuse Victims for more information) or those who have alcohol or drug dependency. The claimant (or their advocate where appropriate) is encouraged to discuss this with the Jobcentre Plus Work Coach handling their claim, or with the DWP UC Service Centre.

Registered Social landlords and private landlords have the right to request alternative payment arrangements for their tenants, for example those with substantial rent arrears or those considered in a vulnerable situation.

For those claimants who are considered never to be able to manage their claim digitally, the claimant or a representative needs to contact the UC Service Centre or visit a Jobcentre Plus office, who will make alternative arrangements.

Discretionary Housing Payments and Council Tax Reduction discretionary awards are available for UC claimants who have housing costs included in their UC payment. Claims may be considered where a UC claimant is struggling to pay their rent or Council Tax and requires temporary assistance.

6 RISK TO HOUSING TENANCIES

Any residents who are at risk of losing their home due to UC payment problems should be referred to Housing Services at Fylde Council as soon as possible.

Any social housing tenants having problems paying their rent should be signposted to their landlord in the first instance. It is important that they discuss their options with their landlord at the earliest opportunity as there may be ways in which they may be able to help. Alternatively tenants can seek help from Citizens Advice, Shelter, Housing Services at Fylde Council or any other independent housing advice and debt services.

7 COMMUNICATIONS

The Council's UC web page is regularly updated but further activity and promotion of services including digital access points available to residents, information on what a customer needs before they make a claim etc. will be undertaken as full service rollout commences. Additional promotional material will be provided to stakeholders who engage with residents.

Direct communications activity will take place with internal Council staff who may be affected themselves by UC, who would otherwise have claimed tax credits.

The local DWP Partnership Manager is leading on engagement with social landlords and private landlord briefings are also being held.

DWP have delivered a briefing session to the Shared Service managers and the One Stop Shop Manager. Further briefing notes / sessions are intended in June/July for Council frontline services who are likely to be engaging with residents affected. All Council employees will be informed about UC by means of broadcasts and newsletters as full service rollout commences properly in December and additional stakeholder communication will be produced to support residents over the coming months.