

## **Update on Universal Credit**

### **Purpose of report**

For decision and direction.

### **Summary**

This paper briefly updates Members on the overall progress of the Universal Credit Programme and the local authority face-to-face pilots. Sir Merrick Cockell, LGA Chairman, met with Lord Freud, Welfare Reform Minister, on 2 May to further discuss the role local government will have in helping support the delivery of Universal Credit.

### **Recommendations**

That the Finance Panel:

1. note the update on overall progress of the Universal Credit programme and the local authority face-to-face pilots; and
2. give a further steer on actions following feedback from the LGA Chairman's meeting with Lord Freud.

### **Action**

Officers to take forward, as directed by Members.

**Contact officer:** Sonika Sidhu  
**Position:** Senior Adviser  
**Phone no:** 020 664 3076  
**E-mail:** [sonika.sidhu@local.gov.uk](mailto:sonika.sidhu@local.gov.uk)

## **Update on Universal Credit**

### **Background**

1. The statutory framework for Universal Credit (UC) will progressively remove local government's role in benefits processing for working-age claimants. LGA Members have always considered benefit claimants will still be people to whom councils have a range of inescapable legal and moral duties.
2. As a result of much work by the LGA family and partners over the past 18 months, the Department for Work and Pensions (DWP) has begun to recognise that there will be a potential role for local government in the delivery of frontline support for UC. This has resulted in the establishment of the face-to-face pilots programme and the Local Support Services Task Force.

### **UC Pathfinders**

3. On 29 April the first UC pathfinder went live in Ashton-under-Lyne Jobcentre (Tameside) for new claimants. Tameside Council has provided a range of support as part of the pathfinder including access to free PC's via a self-service Hub, co-locating Citizens Advice (CAB) in the main council offices, and commissioning CAB and registered social landlords to provide personal budgeting support. Tameside is also working with local training providers to promote on-line access to UC and provide IT skills to support job searches. For further information about the Tameside Pathfinder please see **Appendix A**.
4. DWP has informed us that the majority of claims from the UC claimants in Ashton-under-Lyne have been made online. The three other pathfinders i.e. Wigan, Warrington and Oldham are all trailing the Claimant Commitment and will take claims for UC from July. Feedback from Oldham, Warrington and Wigan Jobcentres on the claimant commitment remains positive with claimants saying they are aware that UC is paid monthly.
5. DWP has indicated that the first round of UC monthly payments have been paid successfully. A micro management approach is being taken which is helping DWP to manage the full claimant journey. The DWP have already seen people move back into work within the claimant group. Real Time information is feeding through earnings information and the UC IT system is working as DWP expected and has been consistently available since go live.
6. DWP service centres in Bolton and Glasgow have been dealing with claimant enquiries, new claim action and change of circumstances. There is a high rate of access to the UC service via the UC website. DWP recognises that claimants are making use of the internet services provided by the Local Authorities. The DWP will be undertaking extensive evaluation over the summer using a wide range of stakeholders. Official statistics on pathfinder areas will be published in Autumn 2013.

7. The Commencement Order that enables the expansion of the UC Pathfinder was made on 20 June. The Order extends the Pathfinder to claims dealt with by Wigan Jobcentre from 1 July and to claims dealt with by Warrington and Oldham Jobcentres from 29 July.

#### **Local Support Services Framework**

8. Sir Merrick Cockell and Lord Freud, Minister for Welfare Reform met on 2 May. This meeting provided an opportunity for further discussion about the Local Support Services Framework (LSSF). The Minister indicated that he wanted the DWP to work closely with the LGA in taking the LSSF forward. In particular, it was agreed to explore how local councils could help to lead local partnerships which would commission the specific services needed in a locality to support the delivery of UC. It was also agreed to test out how such an arrangement might work and how the funding might be deployed, in effect a community budget model. It was agreed that the Minister and the Chairman should meet again soon and that this should become a regular piece of liaison.
9. LGA and DWP officers have met to follow up these ideas through a meeting with the face to face pilot authorities, pathfinder authorities and community budget experts. Initial feedback from the councils present was that they welcomed the idea of locally developed partnerships as outlined in the LSSF. They also highlighted that different authorities are at varying points of development in terms of how far they have looked at the community budget style approach to partnership working. Authorities such as Lewisham have a very developed model where they are looking to deliver their welfare related support in conjunction with their neighbouring authorities and other partners. Other local authorities indicated that they would be more comfortable with a partnership initially focussed around the council and the local DWP, but would want scope to be able to develop the partnership as and when they felt able.
10. Discussion also took place around the funding of partnerships. It was recognised that initially funding would come directly from the DWP, although there may be scope for bidding for additional ESF funding. Councils indicated that they would be comfortable with the money coming direct from DWP to the partnership. The council and local DWP would then have joint decision making powers as to how the money would be spent. Councils would not be comfortable with local DWP officers having any sort of veto over how UC funding should be spent at a local level. **Members are asked to provide a steer around the discussions which have taken place so far and how they would like matters progressed.**
11. The DWP Universal Credit programme has a new Director General – Howard Shiplee. Howard has been very keen to hear from local government about how we can help to support our residents who may need to claim UC. He has reinstated local governments place on the UC Programme Board and is reviewing the current programme. Over the next few months, he will clarify key issues such as rollout timetable. LGA officers continue to meet with Howard on a regular basis.

### **Local authority-led face-to-face pilots**

12. The establishment of the local authority-led face-to-face pilots recognised our shared understanding with DWP that many of those who are affected by the changes will continue to look to councils and the voluntary sector as their principal source of advice and support. The pilots are helping to identify the significant challenges that councils and partners will face when implementing UC, and most importantly, developing practical solutions that other councils can learn from – including innovative tools to help claimants manage their finances and supporting claimants to develop digital skills.
13. The pilots continue their good work. They were due to end in September, however the Chief Executive of the LGA and the Chief Executives of the pilots have collectively written to Lord Freud asking for the pilots to be extended so that they can test out elements of the LSSF. This would build upon the expertise which has developed during the course of the pilots. It would also provide valuable feedback for the sector and DWP around key LSSF implementation issues.
14. A publication was launched at the LGA Annual Conference which share the early findings from the pilots (see **Appendix A**). This document has been developed in partnership with the DWP and Lord Freud has provided some supporting words to accompany Sir Merrick's introduction.
15. From September there will also be a series of open days which the LGA will help pilots to host. The aim of these is to provide all local government colleagues a chance to see first-hand, what the pilots have been doing. It will also be an opportunity to share learning at a regional level and to help councils form networks which will support them in the delivery of welfare reform. Members and officers can sign up for the free open days at [www.local.gov.uk/events](http://www.local.gov.uk/events). The dates for the open days are:
  - 15.1. North Dorset – 6 September.
  - 15.2. Melton BC – 10 September.
  - 15.3. LB Lewisham – 23 September.
  - 15.4. Oxford City Council – 1 October.
  - 15.5. Rushcliffe BC – 14 October.
  - 15.6. Bath and North East Somerset Council – 24 October (provisional date).
  - 15.7. Birmingham City Council - 12 November.
  - 15.8. West Lindsey – 27 November.

### **Financial Implications**

16. This is core LGA work and there are no additional financial implications.