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Welfare Reform: A role for councils in Universal Credit

Purpose of report

Update and to seek a steer.

Summary

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.

As a result of sustained challenge to the Department for Work and Pensions (DWP) officials' initial views, a joint "task force" has now produced a draft Local Support Services Framework which will describe the sort of support services for UC claimants which councils might either provide or commission, and how those services might be paid for and managed.

To ensure decisions are taken well, it is now important that as many individual councils as possible will now put their own views forward in response to the document. We suggest it will then be the LGA's role to make sure those responses are taken on board by DWP.

Recommendations

That the Executive:

1. mandate the Finance Panel to aggregate councils' responses to the joint Local Support Service Framework and set out a collective sector view towards the end of the consultation period; and
2. give an initial reaction to the proposal in the document.

Action

Finance Panel and officers to proceed as directed.

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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 this would not in fact abolish councils' role in supporting benefit claimants, who will still be people to whom councils have a range of inescapable legal and moral duties. Nor will it stop benefit claimants looking to their councils for help.
2. Officials at the Department for Work and Pensions (DWP) initially took the view that councils would not have a role in supporting UC claimants. As a result of sustained challenge to that view, not only from the LGA family – including much work by the District Councils' Network championed by Cllr Fleming – DWP's position has evolved significantly. Following discussions between the Chairman and the Minister for Welfare Reform, in late 2011, pilots have been established to explore how councils might bring together frontline services to benefit claimants after the introduction of UC.

Local support services framework

3. The opportunity arose late last year to take this progress a stage further, and following exploratory conversations at official level, the Leadership Board and Finance Panel asked officers to form a joint "task force" with CoSLA, WLGA and DWP officials to produce a proposition about how DWP and councils might work together after the introduction of UC. The "task force" has been supported by a reference group of council officers chaired by Allen Graham, the chief executive of Rushcliffe, and has reported to Ministers and to the LGA's Group Leaders and Finance Panel.
4. The result – described as a Local Support Services Framework – will:
 - 4.1. set out much more clearly than before the planned pace and scale of the roll-out of UC, allowing councils to plan in their turn;
 - 4.2. describe the sort of support services for UC claimants which councils might either provide or commission, should they wish, and the kind of partnership with DWP that might involve; and
 - 4.3. set out how those services might be paid for and managed.
5. It will invite comments from councils and others over the next few weeks.
6. The Framework will have been finalised and published by the date of the Executive's meeting and copies, with a brief summary, will be circulated to Executive members as soon as possible.
7. This document has been prepared in partnership between the DWP and councils. As in all partnerships, there has been give and take in producing it, and it is the start, not the end, of a conversation between central and local government about how we will work

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together in future. To ensure decisions are taken well, it is important that as many individual councils as possible will now put their own views forward in response to the document. We suggest it will then be the LGA's role to make sure those responses are taken on board by DWP.

UC programme governance

8. To help with this, we have also secured agreement that local government will have an enhanced role in the governance of the UC programme, with a new group bringing council chief executives and the LGA together with the most senior DWP officials involved, with a remit to consider all proposals made by the UC programme which might affect councils.

TUPE

9. We are continuing official-level discussions with DWP on TUPE issues relating to UC. It has been agreed that progress on this issue in part depends on our having a better understanding of how rapidly the transition to UC will take, and what roles at local level there may be during and after the transition. The publication of the Local Support Services Framework will be helpful in clarifying that. But there nevertheless continue to be a number of issues of law and principle which lead the LGA to disagree with DWP's – admittedly still provisional - view that the introduction of UC would not trigger any staff transfer from councils into the new UC structure.

Financial implications

10. This is core work provided for within the LGA's policy and workforce team budgets.