

# Overview and Scrutiny Committee



Forest Heath  
District Council

<b>Title of Report:</b>	<b>Introduction of Universal Credit Full Service in the Forest Heath Area</b>	
<b>Report No:</b>	<b>OAS/FH/18/030</b>	
<b>Report to and date:</b>	<b>Overview and Scrutiny Committee</b>	8 November 2018
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<b>Purpose of report:</b>	To update and inform members of the council's preparation for the implementation of Universal Credit Full Service in the Forest Heath area.	
<b>Recommendation:</b>	<p><b>Overview and Scrutiny Committee:</b></p> <p><b>It is <u>RECOMMENDED</u> that:</b></p> <p>(1) <b>Members <u>note</u> the contents of the report, in particular the learning from the St Edmundsbury roll out; and</b></p> <p>(2) <b><u>Notes</u> the support and advice available to residents and councillors.</b></p>	
<p><b>Key Decision:</b></p> <p><i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i></p>	<p><i>Is this a Key Decision and, if so, under which definition?</i></p> <p>Yes, it is a Key Decision - <input type="checkbox"/></p> <p>No, it is not a Key Decision - <input checked="" type="checkbox"/></p>	

<b>Consultation:</b>	<ul style="list-style-type: none"> <li>National consultation conducted previously on welfare system reform carried out by the Department of Work and Pensions. Locally the council has liaised with voluntary and statutory partners in West Suffolk to ensure a co-ordinated approach.</li> </ul>
<b>Alternative option(s):</b>	<ul style="list-style-type: none"> <li>Universal Credit is a national government programme and will be the replacement for a number of existing legacy benefit systems.</li> </ul>
<b>Implications:</b>	
<p>Are there any <b>financial</b> implications? If yes, please give details</p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <ul style="list-style-type: none"> <li>There are resource implications for the partners responsible for the support and provision of this service. The council has been awarded funding from Government based on predicted demand for the area. This financial arrangement is in place until March 2019. After this date the council will need to monitor the impact of Universal Credit and identify any additional cost it incurs. This will be particularly important when all claimants are migrated to Universal Credit.</li> </ul>
<p>Are there any <b>staffing</b> implications? If yes, please give details</p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <ul style="list-style-type: none"> <li>Customer Service and Housing staff for the council have been required to undertake training in order to support potential claimants. Currently there are no additional staff required to support this initiative, any demand will be absorbed within the current staffing provision. However, this situation will be monitored and representations made to the Department for Work and Pensions if migration to Universal Credit places additional demands on the council.</li> </ul>

<p>Are there any <b>ICT</b> implications? If yes, please give details</p>		<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <ul style="list-style-type: none"> <li>There is a requirement to provide public access PC's for claimants to use in the reception areas of all council offices. This provision is already in place across the four office sites in West Suffolk and there is a plan to trial the use of a static tablet device in West Suffolk House which, if successful, will be replicated at the Mildenhall office. The cost of the tablet is met from funding made available by Government for this purpose.</li> </ul>	
<p>Are there any <b>legal and/or policy</b> implications? If yes, please give details</p>		<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <ul style="list-style-type: none"> <li>Legal – GDPR rules and regulations apply to the way in which partners share information about the UC customer group</li> </ul>	
<p>Are there any <b>equality</b> implications? If yes, please give details</p>		<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <ul style="list-style-type: none"> <li>Nationally there has been a concern about the online-only application process and the effect this might have on the digitally disadvantaged. Experience in the St Edmundsbury area has not shown this to be an issue to date, with support from Job Centre Plus Work Coaches and the CAB proving sufficient for the very few customers who might have additional needs under this heading.</li> </ul>	
<p><b>Risk/opportunity assessment:</b></p>		<p><i>(potential hazards or opportunities affecting corporate, service or project objectives)</i></p>	
Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
Funding agreement for councils are further changed	Medium	Established partnership sand working practices mitigate the impact for the customer group by continuing to seek ways to work together. Customer demand data to be collated and monitored.	Low for initial roll out Medium for managed migration in future years

Key members of the partnership are unavailable to support the roll out	Medium	The partnership has over 35 named individuals from across the representing organisations, alongside consistency through the same chair (governance arrangements which are led by the council).	Low
Customers are disadvantaged by the changes being made in their areas	Medium	The partnership will oversee a replica of the project implementation plan that was put in place for the St Edmundsbury area roll out.	Low
<b>Ward(s) affected:</b>		All Forest Heath wards	
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>			
<b>Documents attached:</b>		<b>Appendix A</b> – About Universal Credit	

## **1. Key issues and reasons for recommendation(s)**

### **1.1 Introduction**

- 1.1.1 The Department of Works and Pensions (DWP) initiated the roll out of Universal Credit (UC) full service in St Edmundsbury on **18 October 2017** with plans in place to do the same in Forest Heath on **12 December 2018**.
- 1.1.2 UC full service rollout brings an end to working age customers claiming legacy benefits (housing benefits, child tax credit, Working Tax Credit, Job Seekers Allowance, Employment and Support Allowance (income related) and Income Support) unless they fall into an exempt category which would prompt a review. Currently customers with three or more children are unable to claim UC and will need to claim legacy benefits. Customers living in temporary and supported accommodation are unable to claim UC for help with housing costs and will need to claim Housing benefit but claim UC for help with personal costs. The eventual aim is to migrate all claimants away from their legacy benefits and onto UC in a planned approach, although some exemptions such as those listed above may remain. The government will implement a programme of 'managed migration' over the next few years but no timetable has been published.
- 1.1.3 UC applications are an online-only process, which means that there is now a very different expectation of the customer. The DWP have worked hard to change their support model in order to help claimants navigate their way through the process, and there is a reliance on the Local Authority to provide satellite support (known as Universal Support) to the customer group. The recommendations in this report are based on ensuring the smoothest possible introduction of full service UC for customers, partners and staff.

### **1.2 Forest Heath Overview**

- 1.2.1 Forest Heath will go live with UC Full Service on 12 December 2018. With the learning from the St Edmundsbury roll out, the plan is to replicate the arrangements in place with the wider partners (through the existing monthly forum) and to accept the support on offer via the DWP's own 26-week pre-launch programme (through liaison with the DWP Relationship Manager).
- 1.2.2 Government has very recently announced that funding arrangements for the provision of support for customers is changing from April 2019. The St Edmundsbury area implementation saw a collaboration with Suffolk West Citizens Advice Bureau (CAB) who have provided the Personal Budgeting Support (PBS) element of the application process since Full Service was introduced in October 2018. Currently the Council pays a proportion of the funding award received from Government to the CAB in order to resource and facilitate this provision. From April 2019, the CAB will be awarded these funds directly, which potentially has an impact on the existing partnership arrangements. All funding is awarded based on predictions of demand for these support services from customers. It is

not clear how much the local CAB's will be allocated as part of the government's new arrangements.

## **2. Learning from St Edmundsbury Implementation**

- 2.1 From a partnership perspective, the introduction of UC in St Edmundsbury has been very successful, recognised nationally as such at recent DWP conferences for local authority partners.
- 2.2 Prior to the roll out in October, the DWP, Council, registered provider landlords, Anglia Revenues Partnership and the CAB met as an operational board to discuss arrangements and practicalities associated with the introduction of UC. This forum has continued to meet on a monthly basis since and excellent professional relationships have been established as a direct result, which often benefits the customer group.
- 2.3 The partners are able to cover a wide range of operational and process issues associated with individual cases (which are discussed in terms of how to support and resolve queries), through to information cascades from central government and improvements to customer access.
- 2.4 In addition to this forum, the partners meet quarterly with additional stakeholders from the Registered Providers, including Havebury Housing, Flagship and Suffolk Housing. The meeting provides an opportunity to focus on strategic issues and any nationally significant changes to policy or process of which partners need to be aware.
- 2.5 With regard to the impact of UC on benefits claimants, there is a clear trend emerging which is being seen by all partner organisations, whereby the number of actual claimants is far less than the support provided to those customers wishing for advice but who don't, for whatever reason, go on to make a full claim. The scheme began in St Edmundsbury in October 2017, and during the period to the end of September 2018, the council has reported to the DWP that a total of 148 individuals have received either Personal Budgeting Support (PBS) or Assisted Digital Support (ADS) which has resulted in a full UC claim being made by the customer. There are, however, a considerable number of potential claimants who have received advice and support, but who do not make a full claim with either the Council or Citizens Advice. As an indication, records kept by both organisations show that Citizens Advice have provided UC support and advice to 949 individuals during the same reporting period and the Council has offered general housing benefit advice to just over 2,000 customers.
- 2.6 Clearly, there is an important role in assisting customers to navigate their way through the benefits system that the Council and partner organisations fulfil, even if it doesn't necessarily result in a claim being made. Interestingly local DWP colleagues have themselves reported that they are now seeing fewer claims being made at their office, claimants seemingly preferring to apply online at a location and time of their convenience.

## 2.7 Observations from The Anglia Revenues Partnership (ARP):

- ARP have managed the processing of customers naturally migrating from Housing Benefit to Universal Credit and subsequent communication with the DWP. Using the UC Data share (UCDS) system the team cancel Housing Benefit on receipt of a UC stop notice, and, if appropriate award a two week transitional payment to the appropriate recipient. ARP has extensive knowledge and experience of UC systems and processes where UC has been implemented for other partner Councils, including St Edmundsbury.
- Customers in St Edmundsbury and Forest Heath are able to contact ARP via telephone with Housing Benefit and Council Tax Reduction queries and staff have received training to ensure that they are able to advise customers about when they have hit a 'trigger' which will naturally migrate them from legacy benefits to UC.
- The ARP website and claim form are regularly updated to ensure that the most up to date UC rollout information is included and customers are provided with the correct signposting.
- In April 2018 enhancements were made to the existing Council Tax Reduction Scheme (CTRS) whereby we access customer supplied UC claim data on the DWP secure system to treat as an application for CTRS, therefore removing the requirement for a separate claim form and simplifying the claiming process for the customer. The customer indicates as part of the UC claim process that they would like to claim and the new claim file is automatically issued via UCDS. This change eliminates the risk of a delayed claim and potential arrears of Council Tax.
- ARP have responsibility for managing the Discretionary Housing Payment budget for St Edmundsbury and Forest Heath, this applies to customers in receipt of Housing Benefit and customers who are in receipt of the Housing Element of Universal Credit. ARP is working closely with the Housing Options team to provide assistance to customers to prevent or avoid homelessness. A poster/leaflet has been developed for use in all customer service areas which advertises the availability of this assistance, as well as ongoing promotion via liaison opportunities and 'take up' campaigns.
- ARP have been at the forefront of preparation for the UC rollout as well as the ongoing partnership meetings between key stakeholder organisations involved in UC. UC champions have been identified across the Partnership and are the in house UC experts, complex cases are triaged by these individuals and, if necessary are escalated to the applicable DWP specialist via the complex needs email address or via the DWP Partnership Manager. This approach has yielded excellent results for particularly vulnerable customers and/or cases which require intervention to ensure that a quick resolution is reached in order to avoid distress.

- ARP communication with social landlords and stakeholder organisations via the quarterly liaison meetings has continued, these meetings have allowed a wider audience of social landlords and support organisations to network, learn from the experiences of others and have direct contact with a DWP Partnership Manager. UC is a standing agenda item at the meetings and provides a valuable opportunity for understanding and learning about specific topics for those in close contact with potentially vulnerable customer groups. Private landlord engagement in the West Suffolk area has commenced in collaboration with the Housing Options team and forums are held quarterly.
- ARP attends the DWP LA engagement events to ensure that we are up to date with the latest Universal Credit information and have the opportunity to learn from, share our own experiences (and that of partner organisations) to other Local Authorities as well as raise any concerns directly with the DWP, and the ARP Strategic Manager (Benefits) represents Councils on the LGA Welfare Steering Group where improvements to UC are discussed.

## 2.8 Observations from the Housing Options Team:

- **Rent in advance**  
As the housing element of UC is usually paid direct to the customer, Registered Providers have become noticeably more commercial in the way they collect rent and have started requiring advance payments when signing customers up for new tenancies. This is to mitigate the increased risk of a reduction in their income should the tenant not pay. For example, if rent is charged monthly, some registered providers will ask for a month in advance before signing up. Finding lump sums of money can be a problem for customers who are receiving benefits or on a low income.
- **Legal action/arrears**  
When a customer applies for UC for the first time and is eligible for the housing element, rent arrears can accrue. Most claims are processed within six weeks. Hopefully any potential legal action being taken by the landlord can be avoided so long as the tenant maintains regular contact with their landlord and keeps them updated regarding the progression of their claim.

If the landlord makes an application to the court for possession due to arrears, Judges will often adjourn the case if a UC claim is being processed or the date for first UC payment is known, but unfortunately the tenant will be liable for the court costs.

- **Online applications**  
When applying for UC claimants must have an email address and bank account before submitting a claim. A few vulnerable customers have experienced delays in receiving their first UC payment. Usually this is because they do not have access to a computer and do not have an email address or bank account.



- **Advanced Payments**

Customers can now apply online for an advanced payment, the DWP has stated that there will be personal budgeting support available during the initial assessment period, but there is some concern that customers may ask for an advance that they cannot repay over 12 months.

2.9 Observations from Havebury Housing are as follows:

- Headline figures are that 671 tenants are receiving UC at the time of writing. The average arrears for UC tenancies is £370. There are 108 tenancies being paid directly via an Alternative Payment Arrangement (APA). Their average arrear amount is £817. By way of a comparison, the average arrears for a non UC tenancy is £100.
- Liaison within the UC partnership has worked well, with direct access to the Job Centre Plus for individual cases.
- The arrangements for the vulnerable persons Single Point of Contact (SPOC) within the JCP has worked particularly well in terms of reducing stress for customers and securing speedy resolution as and when issues arise.
- There are some difficulties still being experienced in terms of the Direct Payment system for landlords and how that arrangement works.

2.10 Observations from Citizens Advice are as follows:

- Between 1 October 2017 and 31 July 2018 Citizens Advice helped 949 clients with Universal Credit issues across Suffolk West. Since October there have been 107 referrals from Job Centre Plus in Bury St Edmunds and 70 from Job Centre Plus in Haverhill (these are mostly for Personal Budgeting Support). Citizens Advice has worked closely with the Job Centre Plus Work Coaches to ensure they are able to encourage take up of help with money matters, promoting it as useful for any household. Through being located within the Job Centre Plus, Citizens Advice has provided initial advice from our public information site and referred clients back to the bureau for other areas of advice.

The challenges CAB clients face includes:

- Help with the initial claim (34%) – the CAB has adapted its services to ensure that in Bury St Edmunds when a client presents needing to put in a claim same day support is provided (to avoid delays in the start of the claim); in Haverhill Job Centre Plus have had a work experience volunteer providing this support, supplemented by assistance from the JCP work coaches.
- Universal support (23%) – as UC is 'digital by default' the CAB deal predominantly with vulnerable clients who struggle with this requirement and will help them to look at their journal and see the progress of the claim. Sometimes this is straightforward, other times

the CAB is equally perplexed and use the monthly operational meetings to raise issues and gain clarity. Processes have been developed to allow the CAB to place temporary authorisation on client journals to enable our Money Mentor in the Job Centre Plus to follow up on cases.

- Poverty through UC claiming process – as there is a five week delay before the first payment clients are now able to apply for an Advanced Payment. However this has to cover all their living expenses, including rent and has to be paid back over 12 months, which means they are on a reduced income for the first 12 months. The essential need for early intervention to discuss how they will use their advanced payment, includes an understanding of their liability for their rent (as some perceive they have “never paid rent” through legacy Housing Benefit claim); how they will budget through the initial period on that fixed amount of money to cover food, utilities, transport etc. (often with clients who have never worked out a budget); an understanding of what their UC claim may be and how this will be less for 12 months; addressing any opportunity to reduce their essential expenditure (like switching to cheaper utilities); as well as looking at any debts, priority and non-priority. The CAB routinely hand out food vouchers to support clients when they have insufficient money to manage.
- There are occasions when clients have accidentally claimed UC, as a result of a change of circumstances, and they would have been better off staying on legacy benefits. However, once claimed there is a very small window for work coaches to revert the customer back to their legacy benefit, and often the CAB finds out when it is too late. CAB is being given a copy of the UC script so that advisors can check for ‘danger’ areas, since it is providing digital support to claim without first checking that UC is the correct benefit for the individual concerned.

As far as the council is aware, no information is published by the DWP as to the claimants’ experience of UC.

### **3. Considerations and Plans for Forest Heath Roll Out**

- 3.1 West Suffolk Council has a particular responsibility in terms of Universal Support to put in place a system to provide Assisted Digital Support (ADS). ADS is the help provided to customers wishing to make an online application, or maintain their claim once approved. The council also manages the arrangements for Personal Budgeting Support (PBS) and have chosen to do this via a paid partnership with Suffolk West CAB. The way this has been managed to date it to appoint two part-time, dedicated advisors who work out of the Job Centres in Haverhill and Bury St Edmunds. This arrangement has worked very well in St Edmundsbury and the Forest Heath Portfolio Holder for Families and Communities has indicated that he would like to fund similar arrangements in Forest Heath. The Council is in discussion with the CAB as to the detailed arrangements for the Mildenhall and Newmarket Jobcentres. It is worth noting that the Mildenhall office is already co-located with the Jobcentre,

CAB and council which provides a 'one-stop shop' approach for customers. Any arrangements will be made until the end of March 2019 only. The recent government announcement whereby funding is going to be given direct to the CAB from April 2019 means that the council will no longer have money to provide or commission the support services.

From April 2019 the council will continue to monitor the support it provides to UC claimants and potential claimants. If demand for these services increase, the council will make representation to the DWP to request funding be reinstated to local authorities. Our priority is to ensure that residents are supported, however, this needs to be balanced by the fact that the council will receive no funding to provide UC advice services.

3.2 Forest Heath will go live with UC Full Service on 12 December 2018. With the learning from the St Edmundsbury roll out, the plan is to replicate the arrangements in place with the wider partners (through the existing monthly forum) and to accept the support on offer via the DWP's own 26-week pre-launch programme (through liaison with the DWP Relationship Manager).

3.3 What we've done so far to prepare:

- The councils have approached Suffolk West CAB and Citizens Advice Newmarket to seek confirmation that they would both be willing to participate in an arrangement to increase staff they have available to provide personal budgeting support to claimants. Funding has been sourced to date from a DWP grant given to the councils and will be subject to the Portfolio Holder's approval. The expectation is that these additional resources would be based within the Job Centre in Newmarket and the Council Office at Mildenhall. The numbers of potential customers for the service are anticipated as less than in the St Edmundsbury area and the funding award will reflect this.
- With the new funding announcements, the practicalities of how to continue these working practices will now need to be reviewed, but there is a strong sense from the partnership that local connections ought to be protected as far as possible, within the terms and conditions of any new funding agreement.
- The council already benefits from sharing our Mildenhall reception with the CAB and DWP. There are already public access PCs in our receptions to support people to be able to claim online.
- We will arrange job shadowing between staff of different organisations so that there is an understanding of how the UC system operates. This worked really well for St Edmundsbury area teams.
- Access to the digital map of West Suffolk to highlight where customers can access computers to check their UC journal.

- Invited colleagues from Forest Heath partner agencies to join to the existing operations meetings from July onwards (Manager from the Newmarket Job Centre Plus, Team Leader for West Suffolk's Customer Services and a representative from Flagship Housing). This ensures that there is clear communication between all agencies and operational issues can be addressed.
- We will publish flyers and leaflets with local information and sources of support.
- We will arrange two member development sessions to provide an overview of UC. More can be arranged in the future.

3.4 From our experience of the St Edmundsbury roll out, we do not anticipate any significant issues, either for the staff delivering the new service, or for those customers accessing support for the service. It is in this knowledge that the plan is to replicate as much as we can from the St Edmundsbury roll out in the planning and management of the Forest Heath implementation.