

Universal Credit / Welfare Reform Update

19 July 2018

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Introduction

Universal Credit (UC) replaces legacy benefits for all claimants of working age (Below 61yrs).

Key Features

- an online means-tested benefit,
- designed to be “like work”
- designed to “maximise claimants’ responsibility and self-sufficiency” by paying claimants monthly in arrears
- all elements are paid direct to the claimant, including housing costs

Time Table

Feb 2015 : First went live in Stevenage

Feb 2018: New full service rollout schedule published

3 Oct 2018 : Stevenage full service rollout

(new applicants and change of circumstances)

Mar 2023: Revised managed migration completion date as announced 7 June 2018

The impact of UC on claimants

Based on areas where Full Service has been rolled DWP Survey results published in June 18 and most recent date

- Arrears to increase by average 50- 70%
- 4 out of 10 were experiencing financial difficulties
- 1 out of 5 do not receive their full payment on time.
- 60 % applied for and receive a UC advance to help them manage as they wait for their first payment paid back over 12 months

Issues claimants are experiencing:

- hardship due to not having savings to last the initial wait for payments
- problems with monthly budgeting due to fluctuating Universal Credit payments
- difficulties making and managing a claim online, due to a lack of digital access and skills.

SBC position so far(As at end of Mar 18)

- Total arrears £328, 607
- 1238 tenants were in arrears
- 4057 tenants on Housing benefit (52%): just under 1/2 of this group are of working age (below 61 yrs.)
- Movement of HB claimants on to UC in Sep 16 – Jul 17 was an average of 13 cases per month

- 68 (0.84%) tenants on UC (number changes depending on employment transition)
- 35 cases were in arrears: Total arrears of £18,292
- 23 had arrears of 4 Wks./ A month: Total arrears of £16,767
- 10 were subject to Alternative Payment Arrangements (APA)

***Some working age claimants will continue on Housing benefit if they occupy hostel/refuge type accommodation*

General Impact on LA /RPS arrears

- An increase in rent arrears since UC taking up to a year to recover.
- Increase in some arrears starts to accelerate before Universal Credit claim, due delay before they make their claim.
- Arrears increase before first payment is made.
- Starts to plateau 10 to 12 weeks following a claim, arrears repayments start
- Claimants already on HB continue to receive their award for the first 2wks of their UC claim :Housing costs are now paid twice in that period,

Forecast Impact of UC on SBC

- Real impact of UC is expected at the end of **3rd – 4th Qtrs /Dec 18- March 19**
- Expected UC Claimants Oct- Dec 18 **is approx. 700** (Based on other LA who are now in Full Service) **8.6%**
- **Approx. 51 %** of this group will have arrears from application point .
- **Approx. 34 %** of this group will have arrears of **over 4 Wks. - A month**
- Assumption is **8.60%** will be in arrears due to UC a minimum increase of **approx. £28,260 in a Qtr.**

Vulnerable Claimants

It is recognised that some claimants would struggle.

1.) Personal Vulnerabilities

- DWP is to provide extra support to ‘vulnerable’ claimants
- There are many definitions of vulnerability, or ‘complex needs’, including
 - mental and physical health issues
 - life events

2.) Policy and process Vulnerabilities

- These are additional vulnerabilities because of the policy or process design of Universal Credit such as
 - Claimants with limited online access or skills,
 - Claimants who struggle to budget.

DWP Support

Provision	Description
Universal Support delivered locally (USDL) to be provided by Local Authorities	Assisted Digital Support
	Personal Budgeting Support
Alternative payment arrangements (APAs)	Managed Payment to Landlord
	Split Payment
	More Frequent Payment
Work coach	Tailoring of claimant commitments

SBC Work & Support during UC Full service roll out

1.) Communication

- Correspondence / Mail Outs/ DTI/UC Leaflets
- Rent Statements
- Lettings Pack
- Locata
- Link Magazine
- Poster and Leaflets in *CSC, Children's Centres, Libraries and Leisure Centre, doctors surgeries, local shops, community centres, churches, Credit Unions*
- forthcoming Annual Resident Report
- articles in the Chronicle and internal staff briefings and newsletters

SBC Work & Support during UC Full service roll out

2.) Training of frontline services (Stevenage and East Herts)

- ❖ run by DWP

- ❖ Scheduled on 3, 6 & 19 September

SBC Work & Support during UC Full service roll out

3.) Resources

Income team

- ✓ managing accounts
- ✓ verifying housing costs
- ✓ resolve Housing Costs issues

CSC

- ✓ sign posting
- ✓ digital support

Tenancy Support

- ✓ Personal Budgeting
- ✓ Money Management
- ✓ Other support

Welfare Reform Income Advisor

- ✓ Communication work /targeted information
- ✓ Deliver actions within the Welfare Reform action plan
- ✓ tenants' events , surgery outreach sessions and roadshows
- ✓ Champion the Welfare Support Service internally and externally
- ✓ Develop literature for information publication
- ✓ Organise tenant's training

SBC Work & Support during UC Full service roll out

4.) Employment Initiatives

4.1) Job fair July - Stevenage /DWP / NHC

North Hertfordshire College

Tuesday 10th July 2018 10am – 3pm

30+ Employers with current vacancies

4.2) Stevenage Works Project and Building futures programme -Joint employment initiative

(SBC/MRC contractors/Echelon Consultancy/ DWP / HART &North NHC)

- ❑ Currently In process of completing master plan
- ❑ Over all the contract term each
 - Confirmed as 12 trade apprentices
 - one Business administration apprentice
 - JDs have now been developed and agreed for the BA
 - trade apprenticeship JDs will be issued shortly to all parties
 - Work on core training programmes relevant for Mulalley/Wates to support as part of their refined offer.

SBC Work & Support during UC Full service roll out

5.) Internal systems and process

- Policy (HIP & Corporate Debt)
- Procedure and process reviews(Arrears recovery and support referrals)
- Housing system health check
- Implementation of Task Manager
- Procured the Housing Partners System ^{MP1} which also helps to identify residents affected by welfare reform changes

Slide 14

MP1

suggest you spell these out in full

Matthew Partridge, 16/09/14

SBC Work & Support during UC Full service roll out

6.) Multi-agency co-ordinated approach in Stevenage to prevent hardships and Homelessness

- Close working with the DWP/East Herts Housing Benefit Partnership
- Delivery Partnership Agreement with the DWP to support all UC claimants. Referrals are made by the DWP
- CAB SLA to support Stevenage residents and a court desk
- Welfare Reform Steering Group which is made up of internal and external partners
- HCC/ Families first Initiative launched on 2/7/18
 - *An initiative that started in HCC to be rolled out nationally*
 - *Offering information, advice , guidance on services for families*
 - *Child care option*
 - *Accessing appropriate services*
 - *Resource for day to day work with families*
 - *Work force development and practice to enhance work with families*

What are we doing?

Housing (cont'd)

- Financial Inclusion strategy
- Service Level Agreement with the Citizens Advice Bureau
- Voluntary Sector Support
- Discussions with local GP's
- Website information
- Resident association meetings
- ASB tools and powers
- Care Act impact
- Food Bank
- EQIA's



Thank
you