

Report to: **Overview & Scrutiny Panel**
Date: **8 February 2018**
Title: **Universal Credit Roll-Out Update**
Portfolio Area: **Customer First**
Wards Affected: **All**
Urgent Decision: **N** Approval and clearance obtained: **Y**

Author: **Isabel Blake** Role: **COP lead Housing, Revenues & Benefits**

Contact: isabelblake@swdevon.gov.uk

RECOMMENDATION

That the Panel acknowledges the impact to date of Universal Credit and requests receipt of a further update report for consideration at its November 2018 meeting.

1. Executive summary

- 1.1 Full Service for Universal Credit went live in the South Hams in certain postcodes on the 17th January 2018. This report outlines the impact to date, future key dates and changes agreed to the system in November 2017

2. Background

- 2.1 On 17 January 2018 full service for universal credit went live in the PL postcodes that are served by Plymouth Job Centres. For South Hams this centred on Ivybridge and surrounding areas.
- 2.2 The definition of full service is that when a postcode, associated with a particular job centre is transferred to Universal Credit if the claimant is a working age customer (including families and couples) claiming Job Seekers Allowance (income based), Employment support allowance (income based, income support, child tax credit, working tax credit or housing benefit your new claim will be for Universal Credit and not for one of the legacy benefits named above Families with 3 or more children will remain housing benefit claimants.

- 2.3 SHDC is responsible for one of these legacy benefits – Housing Benefit. In December 2017 it was identified that we had 326 customers living in the affected postcodes who were of working age and claiming housing benefit. Gradually over time, this number will reduce as new claimants, make Universal Credit applications and existing claimants receive a fundamental change to their circumstance. SHDC has an important role in ensuring customers who make a new claim for Housing Benefit are identified quickly and contacted to ensuring they make a claim for Universal Credit. Any delay in claiming correctly will have a negative impact on the claim start date. This is a particular challenge for SHDC, as it is only part of the District in full service. We have contacted the DWP to highlight our particular situation as the rest of the District will not now go live until September 2018 (subject to change) and therefore a daily manual intervention is now in place so that those claiming the wrong benefit are informed of the changes.
- 2.4 In line with the anticipated reduction in caseload, the 2018 Housing Benefit Administration Grant was reduced from £225,607 to £207,343. The reduction in grant was budgeted for and Members were made aware of this in the recent budget papers. Anecdotally Officers from other Authorities who have already transitioned in their entirety report that although their working age caseload has reduced, the amount of work generated has increased, These Councils report an additional 500 changes in circumstances per month. This would be a 50% increase in current change in circumstance workload.
- 2.5 For households who the Council owes a duty to provide temporary accommodation under the Housing Act 1996 (as amended) there were some amendments announced in November that ensured the housing component of the universal credit payment stayed under housing benefit. If not addressed this posed a big financial risk to the Authority in that it would be more difficult to recover the cost of for example Bed and Breakfast accommodation, because of the transient nature of the accommodation provision and in some cases the chaotic lifestyles of people who could be accommodated. This amendment is welcomed.

Currently there is a consultation on the future funding of Supported Accommodation, it is hoped there is some clarity around this quickly as the confusion has led to many providers reviewing their provision of supported housing, with some leaving the sector altogether.

- 2.6 To assist applicants with online support and budgeting advice, we are working with the DWP to ensure this provision is made available. There is some limited funding available for this, although the final figure for this has not been published at the time of writing this report.

3. Outcomes/outputs

3.1 The DWP informed us they have received 6 universal credit claims for the postcodes affected as at 29 January 2017. None of these have raised any concerns, however we will continue to have dialogue with the DWP to ensure residents are supported wherever possible.

4. Proposed Way Forward

4.1 The need to monitor closely the impact of Universal Credit is recognised and it is recommended that the Panel receive a further update report in November 2018 (i.e. two months after the anticipated September 2018 roll-out for the rest of the South Hams district).

5. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	
Financial	Y	Reduction in Housing Benefit grant will be monitored. Households with Universal Credit claims in temporary accommodation will require additional support to ensure until April the housing costs of Universal Credit remain with the local authority to continue funding placements. New Burdens support for Universal Credit transition has not yet been released for 2018/19. Whilst the Authority wishes to support claimants, this will need to be cost neutral to SHDC
Risk		
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	Not relevant to this report, however the DWP continues to assess impact.
Safeguarding	N	
Community Safety, Crime and Disorder	N	
Health, Safety and Wellbeing	N	
Other implications	N	

Supporting Information

Appendices:

None

Background Papers:

None