

Cabinet Meeting

13 January 2016

Report title	Universal Credit Delivery Partnership	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor John Reynolds City Economy	
Key decision	No	
In forward plan	No	
Wards affected	All	
Accountable director	Keren Jones, City Economy	
Originating service	City Economy	
Accountable employee(s)	Heather Clark Tel 01902 555614 Email Heather.Clark2@wolverhampton.gov.uk	Service Development Manager
Report to be/has been considered by	Strategic Executive Board	21 July 2015

Recommendation(s) for action or decision:

The Cabinet is recommended to:

1. Enter into the Universal Credit Delivery Partnership with the Department of Work and Pensions (DWP) to deliver Universal Support – delivered locally.
2. Approve a budget of £59,000 funded through DWP grant to deliver universal support services
3. Delegate authority to the Cabinet Member for City Economy, in consultation with the Service Director City Economy to commission Universal Support – delivered locally.
4. Delegate authority to the Cabinet Member for City Economy, in consultation with the Service Director City Economy for ongoing negotiations should demand for Universal Support – delivered locally exceed that anticipated by the DWP.

1.0 Purpose

- 1.1 To provide an overview of the Universal Credit Delivery Partnership with the Department for Work and Pensions (DWP) to deliver Universal Support – delivered locally in preparation for the rollout of Universal Credit.

2.0 Background

- 2.1 Universal Credit, will replace both out of work and in work benefits and started in Dudley in the Black Country April 2015. Wolverhampton is in the fourth tranche where the rollout will start for single claimants on 8 February 2016. Universal Credit will require claimants to apply for and manage their account online, receive their payments monthly in arrears and pay their rent direct to their landlord. The DWP are entering into Delivery Partnerships with local authorities with the aim of delivering a joined up and coherent journey between services for claimants.
- 2.2 Some residents in Wolverhampton will face challenges in the transition to Universal Credit. For example, claimants will need to apply for and manage their account online. However, currently 36% of Wolverhampton residents do not have access to the internet at home and 20% lack the skills and expertise to use a computer independently. In addition, claimants will receive their benefit monthly in arrears and need to pay their rent direct to the landlord. Wolverhampton currently has the 9th highest indebtedness in England and Wales and Wolverhampton's Welfare Reform Impact Assessment (January 2013) highlighted debt as a significant issue in Wolverhampton thus the importance of personal budgeting support. The transition to monthly payments will be difficult for some with some people having to wait four weeks between their last normal payment and new consolidated payment leaving people short of money and there is a risk should there be other demands on their income, rent may not be paid. The potential impact of getting this wrong for residents – debt, homelessness, mental health issues – is significant, however is could also lead to a significant increase in demand for public services.

3.0 Universal Support Delivery Partnership

- 3.1 The Delivery Partnership between DWP and the City of Wolverhampton Council outlines our respective roles to deliver services required by claimants of Universal Credit as part of “Universal Support – delivered locally” with the aim of delivering a joined up and coherent journey between services for the claimant. This will include:
- Getting online to make a claim (digital inclusion)
 - Receiving budgeting support to prepare and support claimants for the financial changes Universal Credit brings – single household payment, monthly payment and housing costs paid directly to the claimant.
- 3.2 Partnership working should be based on and leveraged against infrastructure and services that are already in place, building on existing successful partnerships and learning from successful models. In recognition of the importance of wider partnership working, Wolverhampton Inclusion Board is maintaining an oversight of preparations for the rollout and a task and finish group, including City Direct, Housing Benefits, Welfare Rights and Wolverhampton Citizens Advice (personal budgeting support), libraries and community venues (digital inclusion) to drive forward preparations.

- 3.3 Outlined below are the requirements for the Council under the Delivery Partnership, together with existing progress to deliver these requirements:
1. **Ensure agreed local service provision is available from 8 February 2016** – the task and finish group has developed a series of actions that will ensure that enhanced local service provision is in place before the rollout of Universal Credit;
 2. **Deliver relevant learning and development products to support delivery of Universal Credit within the Council** – Welfare Benefits team are already delivering Universal Credit awareness sessions across the Council and key partners. We are also exploring the potential for e-learning;
 3. **Monitor the impact and take appropriate actions to mitigate the impact on current business** relating to administering the housing benefit provision as a result of the introduction of Universal Credit – City Direct and Housing Benefits are key members of the task and finish group. In recognition of the importance of this agenda and potential adverse consequences on council budgets, a dedicated project manager has been appointed to ensure all systems are in place in advance of the rollout.
 4. **Inform the Department of any potential barriers to the delivery of local service provision** – we have already raised our concern that given the needs of Wolverhampton residents, the estimated five percent of new claimants in need of additional support will be insufficient to meet the needs of our residents.

- 3.4 The Council will undertake the following services and activities:
- **Provide support to Universal Credit Service Centre staff around housing cost issues that may arise.**
 - **Support for claimants to make a Universal Credit claim on-line** – a mapping exercise of digital access points including libraries and community venues has been completed as part of Wolverhampton's Digital Inclusion Strategy. In recognition that there is unlikely to be sufficient staff time to give some residents the one-to-one support they will require to complete the form online, we are working with a voluntary community sector partner to submit a bid to rollout the libraries digital mentor scheme training up volunteers to give one-to-one support.
 - **Manual processing for Local Council Tax Relief Scheme (LCTRS).**
 - **Support for claimants who require personal budgeting support to manage their UC payments.** We are working very closely with Citizen's Advice Wolverhampton and the wider Local Advice Wolverhampton (LAW) partnership to ensure personal budgeting support is available. Public Health Replacement funding has been secured to run a pilot for personal budgeting support in advance of the rollout.
 - **Work with DWP locally in preparing landlords:** Housing Strategy and Wolverhampton Homes are members of the task and finish group to ensure messages meet both private sector and social landlords. Activities to date have included promoting a regional event to raise awareness of Universal Credit to private sector landlords.

4.0 Financial implications

- 4.1 DWP Funding will be available for online supported access (digital), personal budgeting support, LCTRS manual process, support for Universal Credit service centre and management costs as set out below. Initial funding announced by DWP is £59,000 and is based on five percent of those claiming Universal Credit requiring support based on figures provided by DWP.

DP Costs	Cost/Volume Assumptions to March 2017	Payment Basis	Maximum cost to 31 March 2017
On-Line supported access (Digital)	Average 17 per month	volumes	£6,000
Personal Budgeting Support	Average 17 per month	volumes	£13,000
LCTRS Manual processes	Average volumes for Feb/March 2016 = 131 (automated process thereafter)	volumes	£3,000
Support for Universal Credit Service Centre	Feb-Mar 2016 Apr 2016 – March 2017	Volumes 131 1272	£3,000 £9,000
Management Costs	Over 14 months	Reimburse agreed cost on a monthly basis	£20,000
One off costs if applicable; Specify details of the agreed expenditure	Details:	Agreed costs which are reasonable and proportionate, not capital, novel or contentious nor paid in advance	£5,000
Total	To be confirmed		£59,000

- 4.2 Should the actual numbers of claimants requiring these services exceed the stated volumes, the Department and the Council will enter into discussions to re-negotiate and agree any increased funding to reflect the revised volume. DWP will pay the Council on presentation of a valid invoice outlining costs incurred by the Council in providing those services and activities in accordance with the Delivery Partnership.
- 4.3 Given the needs of Wolverhampton residents, there is a risk that funding from DWP will be insufficient to meet demand. The Partnership is proactively looking for funding to supplement DWP funding including working with the Voluntary Community Sector to attract resources.
- 4.4 Without the provision of support to claimants there is a risk of additional demands on a variety of public services.
[MF/21122015/L]

5.0 Legal implications

- 5.1 Various specific powers contained in statute and general powers to act for the good of the area enable the Council to support the delivery of UC including funding arrangements, management information required by DWP, data sharing and governance arrangements..
- 5.2 Legal Services, has reviewed the Delivery Partnership and will finalise and complete the appropriate agreement.
[RB/16112015/Q]

6.0 Equalities implications

- 6.1 Universal Support – delivered locally will have positive equalities implications since we anticipated that some of the most vulnerable residents will require the support offered in relation to digital inclusion and personal budgeting support, in particular young people. Initial screening has been undertaken and the project will have positive equalities implications. Systems will be put in place as part of the delivery to monitor equalities implications.

7.0 Environmental implications

- 7.1 There are no environmental implications to this report.

8.0 Human resources implications

- 8.1 A 12 month fixed term project manager has been employed to project manage and co-ordinate preparations.

9.0 Corporate landlord implications

- 9.1 There are no corporate landlord implications.

Appendix 1: Roles and Responsibilities

The DWP will:

- provide support to the Council in the development and implementation of local service provision, following Universal Support – delivered locally (previously Local Support Services Framework) principles;
- provide timely and relevant guidance and products to inform delivery of local service provision;
- provide data to support the Local Council Tax Reduction Scheme (LCTRS);
- carry out an initial process that will highlight claimants needing budgeting support and/or an alternative payment arrangement;
- For those who are unable to self-serve, refer to the Council for provision of budgeting support;
- Ensure claimants consent is obtained to share information with the Council;
- Provide the Council with the following information:
 - Name
 - National Insurance Number
 - Date of birth
 - Address
 - Telephone contact details
 - Whether an alternative payment arrangement is in place and if so;
 - The review date.

The Council will:

- ensure agreed local service provision is available from 8th February 2016;
- deliver relevant learning and development products to support delivery of UC within the Council;
- monitor the impact and take appropriate actions to mitigate the impact on current business relating to administering the housing benefit provision as a result of the introduction of UC;
- inform the Department of any potential barriers to the delivery of local service provision;
- Participate in discussions with the DWP, pursuant to the Partnering Principles, that will further support the ambitions of the wider Department and Local Authorities in the delivery of Universal Support. Where deemed appropriate, and as a result of those discussions, any resultant changes to this DP will be subject to agreement in accordance with the Change Control procedures contained in this DP; see section 5;
- Complete the Business Readiness Certificate before the go live date, see Schedule 4.

The Council will undertake the following services and activities:

Provide support to UC Service Centre staff around housing cost issues that may arise. This will be achieved through:

- Identifying named points of contact for Universal Credit Service Centre staff.
- Providing expertise for complex housing cost issues.
- Responding to requests for information on UC claimant's current housing benefit claim status within 2 working days.

Complete and return the Migration Gather Proforma (MGP1) (LA) within five working days of receipt of the request. A reminder will be issued after this time has lapsed but the non-return of the completed form may result in an incorrect Universal Credit award.

Support for claimants to make a UC claim on-line. This will be achieved through:

- Identifying PC/public internet sites across Wolverhampton
- Identifying which of these locations will have trained staff present to provide 'supported access'.
- Publicising these services to residents of Wolverhampton;
- Providing the Management Information to support number of claimants assisted.

Manual processing for LCTRS. This will be achieved through:

- Providing the necessary resource to undertake this activity;
- Manually inputting agreed data into the Council's systems;
- Responding to the Department's queries around Local Council Tax Reduction Scheme;
- Providing the Management Information; see section 3;

Support for claimants who require personal budgeting support to manage their UC payments. This will be achieved through:

- Processing personal budgeting support referrals from the Department including those claimants who have alternative payment arrangements;
- Identifying the appropriate channel, frequency and provider to deliver personal budgeting support (may not be the Council) and referring the claimant to the right place within the set time frame – set at 2 weeks;
- Providing (or arranging provision of) telephone or face to face personal budgeting support and follow up action as appropriate;
- Reporting the outcomes of personal budgeting support provision against the agreed outcome measures by timely completion of LA Outcome Template and Knowledge Check Template to DWP. Details of this process and the associated forms can be found in the L&D pack.
- Providing the Management Information relating to personal budgeting support including the number of claimants assisted; see section 3;
- Referring claimants to the Department who need personal budgeting support (but have been missed in the core process);
- Referring claimants to the Department who may need an alternative payment arrangement e.g. because of rent arrears or vulnerability.

Work with DWP locally in preparing landlords. This will be achieved through:

- Working with landlords to help get claimants on-line;
- Signposting landlord queries to the Department for resolution;
- Promoting the appropriate use of on-line channels within the Registered Social Landlords (RSL) community in Wolverhampton.

SCHEDULE 2

FUNDING ARRANGEMENTS

The total UC cost under this Delivery Partnership shall not exceed £xxxk for services delivered to 31 March 2017.

This arrangement is designed to support initial roll out only from (insert date).

Funding is linked to the delivery of the agreed services and activities as set out below (as more particularised in Part 2 of Schedule 1).

The full breakdown of the agreed total cost of UC Live Service roll out in Wolverhampton Council is shown in the table below. The volume of claimants using services will be reviewed at the regular partnership meetings. If the actual numbers of claimants requiring these services exceed the stated volumes, the Department and the Council will enter into discussions to re-negotiate and agree any increased funding to reflect the revised volumes and any increased funding will be based on the figures shown on the table.

DP Costs	Cost/Volume Assumptions to March 2017	Payment Basis	Maximum cost to 31 March 2017
On-Line supported access (Digital)	Average 17 per month	volumes	£6,021
Personal Budgeting Support	Average 17 per month	volumes	£12,907
LCTRS Manual processes	Average volumes for Feb/March 2016 = 131 (automated process thereafter)	volumes	£3,372
Support for UC Service Centre	Feb-Mar 2016 Apr 2016 – March 2017	Volumes 131 1272	£3,372 £8,544
Management Costs	Over 14 months	Reimburse agreed cost on a monthly basis	£19,948
One off costs if applicable; Specify details of the agreed expenditure	Details:	Agreed costs which are reasonable and proportionate, not capital, novel or contentious nor paid in advance	£5,000
Total (excluding VAT)	To be confirmed		£59,164
Total (including VAT)	To be confirmed		£70,996