



# Summary Minutes

**Title of meeting:** DWP Local Authority Welfare Steering Group

**Date:** 07 March 2018

**Location:** Caxton House Room 2.30

**Attendees:** **DWP:** Clare Elliott (Chair), Mont Goldman (Secretariat), Darren Baker, Chris Franks, Annette Madden, Monya Ladipo, Raj Kang, Ruth Calladine, Natalie Keogh, Sara Mason, Jaimi Lallu, Lavinia Browne, Graham Roberts **Dial in:** Adrian Shooter, Steve Frakes, Amanda Sowerby

**Welsh Government:** Linda Davis (Dial in)

**Scottish Government:** Frank McGregor (Dial in)

**MHCLG:** Kelly Verney, Kathy Bee

**LAs:** Rose Doran, Sam Ashton, Michael McClements, Adrian Mills, June Deans, Jennifer Wynter, Andrew Stevens, Sheila Haig, Matthew Evans

**Dial in:** Ian Brown, Sarah Price, Peter Meehan, Jayne Henderson, Howard Mason, Asha Vyas, Andy Cameron, Helen Payne

**Apologies:** Kay Bendell, Tim Savill, Susan Donald, Simone Hines, Zena Cooke, Lisa Hayward, Lee Hemsworth

## 1. Welcome and Introductions:

DWP opened the meeting. Introductions were made round the table and for those dialing in.

## 2. Matters Arising

The minutes of the previous meeting were agreed.

Action Points

The action points were cleared.

Previous Practitioners' Operational Group (POG) meeting discussions included :

- budget changes
- new burdens
- Verify Earnings and Pensions (VEP)
- new burdens exercise with 40 Local Authorities (LAs) to baseline the costs for dealing with referrals

POG had expressed concern around the VEP funding model. A telekit has been arranged for 12 March 2018 to discuss further.

### **3. Universal Credit (UC) Issues Resolution Log**

DWP referred the Steering Group to the Issues Resolution Log, highlighting:

- debt recovery scenarios, which will be discussed in detail at POG 21 March; London Councils asked whether benefit cap and Removal of the Spare Room Subsidy (RSRS) were to be included
- Temporary Accommodation; Steering Group members raised an issue around movement into Temporary Accommodation in the middle of an Assessment Period.

### **4. Funding Update**

LA Funding Group

DWP updated the meeting:

- the group will hold its inaugural meeting on 29 March 2018
- the Terms of Reference will be presented for sign off at the meeting
- the agenda will include funding models for future years and a summary of new burdens.

LA Funding Schedule

DWP explained that the Funding Schedule had been issued on 06 February, which included the methodology option outcome from discussion at the 23 November meeting, and a revised version issued on 22 February. Letters have been received from the Local Authority Associations (LAAs) and a summary of the response will be given at the LA Funding Group meeting.

DWP explained that a Lessons Learned exercise will take place looking at earlier commencement and tightening the governance arrangements.

### **5. Universal Support**

DWP updated the meeting on the latest developments for Universal Support:

- 50% of funding will be paid upfront
- there is a deadline of 12 March 2018 for LAs to sign up
- thus far 90 acceptances have been received, including 3 LAs from the 12 that declined last year
- the unit cost has been increased
- the 67 LAs that have taken part in the Test and Learn exercise will receive additional grant funding
- Management Information (MI) for Quarter 3 indicates a slight improvement in take-up

- conference calls with Partnership Managers have been set up to encourage take-up.

DWP explained that a full review will take place looking at 2 areas in each region, one where take-up has been good and one where it has not been so good, and findings, when ready will be presented to this forum.

The meeting then discussed issues around referrals, as well as the overall time taken at interview. The discussion touched upon issues at the outset of a claim, where the final award is not yet known, as well as the time taken with Assisted Digital Support.

Steering Group members felt that the 50% funding upfront is a major change and could cause problems for LAs.

Steering Group members queried the MI return being reduced to 10 days. DWP explained that this was to enable a speeding up of the whole process.

Steering Group members suggested that input from DWP Behavioral Insight Specialists could prove advantageous.

## **6. Ministry for Housing Communities and Local Government (MHCLG) Feasibility Study – Causes of Homelessness**

The MHCLG representative explained that the feasibility study marks a response to the Public Accounts Committee (PAC)/National Audit Office (NAO) report on homelessness; consultations are ongoing with the devolved authorities regarding their involvement.

MHCLG is working with DWP to develop a model for rough sleeping and homelessness. The next step is a feasibility study, a workshop has been held to inform how this is done. There will be a report on the feasibility study for the PAC at the end of the year. The representative from Hackney LA offered Hackney as a research site for the study. MHCLG is funding a pilot scheme on Housing First; the outcome of this will help develop good practice in working with entrenched rough sleepers.

DWP pointed out the overlaps with welfare policy in the round. MHCLG added that the outcomes from the research will inform future policy, and that there will be opportunities for LAA input.

## **7. Universal Support**

DWP offered an overview of Universal Support and where it sits within the overall strategic direction for UC.

DWP referred to built-in tailored support from Work Coaches and funding for claimants who are struggling, particularly the vulnerable, sick and disabled, impacted by the wider welfare reforms.

With regard to the strategic direction, DWP referred to the Wyman Report, in respect of debt strategy and joined up claimant support. DWP added that a 'deep dive' looking at how referrals work is planned.

The Local Government Association (LGA) is conducting a structural research exercise with a number of LAs, and outcomes of the exercise can be shared with the Steering Group.

Steering Group members added that DWP had provided a useful outline, but did not address Social Fund or Discretionary Housing Payments (DHPs).

Referring to the larger narrative, Steering Group members pointed out that the issue is not solely about debt, but should include financial inclusion, particularly around the low paid in work. They suggested a joint integrated study and report involving DWP, MHCLG and the Local Government sector, along with a wider analysis into factors driving debt, encompassing UC design.

## **8. General Budget Update**

DWP updated the meeting on New Burdens funding for the Transition to UC Housing Payment and changes to Temporary Accommodation. DWP referred to the special meeting of POG, held in November 2017 which looked at initial impacting with regard to funding.

DWP explained that there were two factors:

- i) The key impact on UC Full Service.
- ii) The minimal impact on UC Live Service.

DWP referred to:

- the need for staff awareness and training
- signposting for claimants
- the amount for New Burdens funding having been secured
- plans to announce allocations later in March
- guidance to be issued as soon as possible.

A Steering Group member referred to an issue that had been raised at the Welfare Round Table. The issue is concerned with LAs in UC Full Service that have accrued rent arrears due to loss of rental from Emergency Temporary Accommodation, and how/whether these LAs can be reimbursed. DWP explained that there are no plans for retrospective payment prior to April 2018. It was suggested that affected LAs could consider escalating this issue to a more senior level.

The Steering Group referred to the extra costs for administration. DWP explained that this had been revisited in the Administrative Grant Allocation.

## **Temporary Accommodation (TA)**

DWP explained that the draft circular and guidance setting out the changes to the regulations has been issued to POG for Quality Assurance (QA).

DWP highlighted the key changes:

- from 11 April 2018, new claims for TA will be taken through the Housing Benefit (HB) route
- gaps in the Assessment Period can be compensated through DHPs although DWP is not prescribing the use of DHPs
- changes to rent will trigger the movement of existing TA claims from the UC caseload to HB.

In the discussion that followed, Steering Group members raised the following questions:

- was the level of DHP required considered as part of the policy
- What are the expected volumes etc. of those changes that result in a housing gap.

## **Transition to UC Housing Payment**

DWP explained that:

- for subsidy purposes the 2 week additional payment will be classed as a payment of HB
- the date on the Stop Notice will be the existing date of closure
- the Stop Notice will include any change of address and whether payments are direct to the landlord.

In the discussion that followed, Steering Group members raised the following questions:

- whether HB debt deductions would be allowed to continue for the two week payment
- would DWP provide a form of words in the guidance for HB notifications.

## **9. HB Fraud Error and Debt (FED) Strategy 2018/19**

DWP advised the meeting on the latest position in respect of Verify Earnings and Pensions (VEP), and went on to explain that:

- the design framework had been approved, and that a letter regarding funding and allocations will be issued to LAs in the near future, (copied to POG and the Steering Group)

- the roll out of the Alerts, in tranches, will run from 30 April 2018 until the beginning of September 2018
- LAs can action Real Time Information referrals until their tranche receives the Alerts
- the methodology for allocations will be LA caseload, adjusted for the UC roll out.

DWP explained the funding arrangements which will be 80% upfront with the remaining 20% to be paid in Quarter 4, linked to comparable performance and compliance. DWP emphasised that these are not productivity targets.

DWP added that:

- outcomes will need to be recorded on MI and LAs will not need to produce Action Plans
- LAs opting out will be asked to provide extenuating circumstances so that Housing Delivery Division (HDD) can understand the reasons why, along with any barriers experienced by the LA
- the process for monitoring will utilise Performance Managers and HDD's Performance Delivery Team (PDT)
- a full review will be carried in 2019/20, including the funding framework.

Steering Group members pointed out the correlation between VEP Alerts actioned and the potential increase in LA debt. DWP explained that VEP Alerts will be instantaneous which should lower the average overpayment. DWP added that debt recovery in UC should form part of the agenda for the next POG meeting.

Steering Group members were concerned that LAs receiving 80% upfront could face issues around resources.

Steering Group members queried the process for MI and what feedback on performance will be given to LAs

Steering Group members pointed out the importance of testing, particularly around business rules and priority lists. DWP explained that 2018/19 will be a transitional year.

#### Wider Fraud and Error Strategy

DWP explained that the HB Fraud, Error and Debt Strategy forms part of the wider DWP (FED) strategy and that products will be shared with the Steering Group prior to their publication in the spring. The wider strategy will reflect on all of the initiatives such as VEP, Customer Journey, and the work being carried out by PDT. DWP added that a greater focus will be placed on the self employed and those in high risk groups.

## 10. AOB

A steering Group member advised the meeting that Suffolk Coastal and Waveney Councils in partnership with Anglia Revenues Partnership nominated the East Suffolk Universal Credit Support Partnership, led by Waveney District Council and ARP, to the iESE Public Sector Transformation Awards in the Reinventing Local Services Category, winning the Silver award.

**Date of Next Meeting:** The next full meeting of the LA Welfare Steering Group is scheduled to take place on 25 April 2018

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