

Universal Credit Local Authority Bulletin

Department for Work and Pensions
Caxton House, Tothill Street, London SW1H 9NA



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UC1/2018

WHO SHOULD READ	All Working Age Local Authority Staff
ACTION	This bulletin is for information only
SUBJECT	<p>Universal Credit updates on:</p> <ul style="list-style-type: none"> • Introduction • Universal Credit Budget announcements • Written Ministerial Statements • Universal Credit Scottish Choices • Universal Support – Go Look See Visits • Local authority funding • Universal Support Management Information • Universal Support LA guidance • Universal Credit and landlords • Trusted Partner and the Landlord Portal • Local authority quarterly Engagement Workshops • Updated Universal Credit Full Service Support Pack • Guidance on support of LA with compulsory redundancies • Passported benefits • DWP LA Welfare Steering Group • LA Practitioners' Operational Group • Universal Credit statistics • Housing Benefit information

Queries

- about the
 - **Information in this bulletin**, contact uclocalauthority.liaisonteam@dwp.gsi.gov.uk
 - **distribution of this circular**, contact housing.correspondenceandpqs@dwp.gsi.gov.uk

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Introduction

Welcome to the first Universal Credit local authority (UC LA) Bulletin of 2018. The aim of the UC Bulletin is to provide LA colleagues with updates on developments with Universal Credit and Universal Support.

These bulletins will be issued as and when and are designed to mirror the style of Housing Benefit circulars and bulletins that are regular communication publications from the Department for Work and Pensions (DWP).

We hope you'll find these bulletins useful and we would welcome any feedback you have.

Please see the "Queries" section on the cover page for the respective email address to submit your feedback.

Regards

The Universal Credit Local Authority Engagement Team

Universal Credit Budget announcements

Temporary accommodation and Transition to UC Housing Payment

On 23 November 2017 the Chancellor of Exchequer, as part of the 2017 Autumn Budget, outlined some changes for Universal Credit. This was followed up on 24 November 2017 by a speech in the House of Commons by the Secretary of State for DWP outlining some further changes.

Details on the specific changes can be found in our UC LA Bulletin UC1_2017 which can be accessed here:

<https://www.gov.uk/government/publications/universal-credit-local-authority-bulletins-2017>

On 15 March DWP published further guidance on the Budget changes in the HB Circular A2/2018: The Universal Credit (Miscellaneous Amendments, Saving and Transitional Provision) Regulations 2018.

The A2/2018 circular provides further guidance on:

- How people in temporary accommodation will receive housing support while claiming Universal Credit, and
- How claimants will receive two weeks Transition to UC Housing Payment when transitioning to Universal Credit.

The A2/2018 circular can be accessed here:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/690867/a2-2018.pdf

The changes to temporary accommodation and Transition to UC Housing Payment came into effect on 11 April 2018.

Written Ministerial Statements

In the last few months DWP has laid two Written Ministerial Statements with regard to Universal Credit; one on Welsh Language Capability and another on Housing Costs for 18-21 year olds.

Welsh Language capability

On 22 March the Secretary of State for DWP laid a Written Ministerial Statement to outline detail on the Welsh language capability within the Universal Credit full service and also some changes to the Universal Credit full service rollout.

The Written Ministerial Statement can be accessed here –

<http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2018-03-22/HCWS577/>

DWP continues to make progress in delivering Welsh language capability within the full service. Whilst it has always been possible to speak to DWP in Welsh, either in jobcentres or on the telephone, and to have dialogue in Welsh via the online journals, we want to be able to offer full Welsh functionality as soon as we can for those areas of Wales with the highest density of Welsh speakers.

We will also be moving the full service go live dates for 13 jobcentres with the highest density of Welsh speakers to December 2018.

Universal Credit Full Service rollout

In order to balance resources more effectively within DWP we are making several modifications to the rollout timetable.

These changes along with those of the 13 Welsh jobcentres can be access on GOV.UK here:

<https://www.gov.uk/government/publications/universal-credit-transition-to-full-service>

Housing Costs for 18 – 21 Year olds in Universal Credit

On 29 March the Secretary of State for DWP laid a Written Ministerial Statement to outline details on Housing Costs for 18-21year olds in Universal Credit.

The Written Ministerial Statement can be accessed here:

<https://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2018-03-29/HCWS611>

The statement confirmed that DWP will be amending regulations so that all 18-21 year olds will be entitled to claim support for housing costs in Universal Credit.

Currently, 18-21 year olds who make a new claim to Universal Credit in UC Full Service areas need to meet certain requirements in order to receive housing support.

The change means that young people on benefits will be assured that if they secure a tenancy, they will have support towards their housing costs in the normal way.

DWP will implement this change as soon as possible, but it's important to know that we have significant exemptions in place to ensure any vulnerable young person gets the support they need with their housing costs under Universal Credit in the meantime.

Universal Credit Scottish Choice

From 31 January 2018, Universal Credit Scottish Choices were extended to existing full service claimants who were on Universal Credit full service prior to 4 October 2017 and those transferring from live service to full service once their full service claim has been established.

This provides for claimants in a Universal Credit full service area, with a Scottish postcode to have their payments twice monthly or monthly and housing costs paid direct to their landlord.

These changes are explained in more detail on the GOV.UK here:

<https://www.gov.uk/universal-credit/how-youre-paid>

Universal Support – Go Look See Visits

As part of a Ministerial commitment to conduct a deep dive exercise into Universal Support we have undertaken a series of Go Look See Visits.

We have engaged with Jobcentre Plus, local authority and service centre colleagues as well as talking with claimants. The aim has been to get an understanding of how Universal Support; assisted digital and personal budgeting support, is being delivered and received.

The visits have provided some really useful feedback and we are thankful to those colleagues who were able to take part. We expect to complete this review over the next few months and will share our findings through Universal Credit governance groups and our local authority steering groups.

Local authority funding

2017/18 Universal Support Grant funding

The quarter 4 Management Information returns are due by the end of April 2018. Once we have received all the MI we will begin an end of year reconciliation process.

2018/19 Universal Credit New Burdens funding

The Universal Credit New Burdens funding for 2018/19 to cover administrative duties was outlined to all to LAs in the joint funding statement at the end of February 2018.

2018/19 Universal Support funding

The 2018/19 Grant Funding Agreements for Universal Support (US) were sent to local authorities (LA) on 22 February 2018. LAs had until 12 March to confirm whether they will deliver US in 2018/19.

We are currently processing the responses and due to the volume of information we are not able to send confirmation emails. Local authorities should assume that we have accepted their signed return and that they will receive the initial 50% upfront payment as outlined in Grant Agreement. We will contact individual local authorities if we need to query anything connected with your return.

We have made a number of changes to the 2018/19 funding offer for Universal Support;

- The overall funding pot has been increased from £13.6m in 2017/18 to £17.6m in 2018/19, this is nearly a 30% increase.
- The hour rate of support has been increased from £25.66 to £31.50, this is nearly a 23% increase and takes account of the feedback received from local authorities.
- In 2017/18 we guaranteed 80% of estimated funding over the course of the year. In 2018/19 we will be guaranteeing 50% of the estimated funding but providing this upfront as the first payment. This will see local authorities receive more initial funding at the start.

Universal Support Management Information

For 2018/19 we have simplified the Management Information (MI) returns and will no longer be asking for MI on the length of time that support has been delivered or for the support to be broken down by live or full service.

We have also reduced the time for MI to be sent into DWP from 30 days after the end of the quarter to 14 days after the end of the quarter. The reason for this change is it has been taking longer than expected to process all the returns and we have had to spend a lot of time contacting local authorities to get missing information.

Please fully complete the template as asked and as we cannot process MI returns that are not complete or on the correct template.

For 2018/19 any incomplete or incorrect templates will not be processed and returned to the relevant local authority.

An updated MI template for 2018/19 has been sent to all local authorities.

Universal Support Local Authority Guidance

To support local authorities with Universal Support we have placed some guidance on GOV.UK which can be accessed here:

<https://www.gov.uk/government/publications/universal-credit-universal-support-201819-guidance/universal-support-201819-guidance>

Universal Credit and landlords

Further details and guidance for landlords on Universal Credit including details on service charges, the April 2018 rent changes and a link to fill in the UC47 form (which was updated on 21 March 2018) can be accessed on GOV.UK here:

<https://www.gov.uk/government/publications/universal-credit-and-rented-housing--2>

Universal Credit consent and disclosure of information

The disclosure guidance on GOV.UK has recently been updated to reflect some recent changes to our disclosure rules.

The updated guidance can be accessed here:

<https://www.gov.uk/government/publications/universal-credit-detailed-information-for-claimants/universal-credit-consent-and-disclosure-of-information>

Understanding Universal Credit

A new website has been launched to provide more details on what Universal Credit is and provide help and support to of make a claim.

The new website can be accessed here –

<https://www.understandinguniversalcredit.gov.uk>

Trusted Partner and the Landlord Portal

Following successful pilots of the 'Trusted Partner' scheme and the 'Landlord Portal', DWP will rollout both initiatives together.

The Trusted Partner scheme allows Social Rented Sector (SRS) landlords to play a key role in engaging with their tenants who are Universal Credit claimants by helping those who can't manage their housing payments to access the support available.

The Landlord Portal provides SRS landlords with the ability to submit information directly to the Universal Credit online system, which supports timely and accurate payment of housing costs to Universal Credit claimants.

Landlords who are given access to the Landlord Portal will also be given 'Trusted Partner status' which will enable them to make recommendations on whether an Alternative Payment Arrangement (APA) should be put in place. All APA recommendations from Trusted Partner landlords will be implemented in good faith by DWP.

We currently have 162 landlords signed up to Trusted Partner and enrolled onto the Portal.

We will continue to enrol a small number of landlords onto the Portal during April. This will enable us to concentrate on developing improvements to the portal.

Once these are complete we will be able to confirm our approach from April onwards and will update you as soon as possible.

Local Authority Quarterly Engagement Workshops

Since May 2016 we have held quarterly engagement workshops across the country with local authorities that are live or are just about to go live with the full service.

The aim of these workshops is to provide updates on the latest developments with Universal Credit and Universal Support and to gain vital insight, feedback and challenge from local authorities that can be fed back into the Universal Credit Programme.

Updated Universal Credit Full Service Support Pack

The Universal Credit Local Authority **full service** support pack has been updated to incorporate service improvements, recent budget announcements, policy/process changes and user feedback.

Your DWP Partnership Manager will be in touch shortly to ensure you receive the new version – Version 18 – April 2018. This has also been issued directly to Revenues and Benefits Managers.

Thank you for your continued cooperation and feedback.

If you have any enquiries about the information contained within this update please contact DWP UC Local Authority Liaison Team.

uclocalauthority.liaisonteam@dwp.gsi.gov.uk

Passported Benefits

Free School Meals – England Only (Department for Education):

The Department for Education (DfE) laid their regulations for Free School Meals under Universal Credit (UC) on 7 February 2018 which will come into force on 1 April 2018. These regulations have introduced a £7,400 net annual earnings threshold for free school meals.

DfE plan to check this annual threshold over three-month UC assessment periods, where the data is available, to account for fluctuating earnings. Local Authorities (LAs) will be required to check initially over one assessment period, and then over two or three periods if the first result is negative.

We have been working closely with DfE to improve the Eligibility Checking Service (ECS) to correctly identify eligible claimants on UC Full Service. This system will be available in April.

Further details on applying for Free School Meals can be found on GOV.UK along with a postcode checker – accessible here - <https://www.gov.uk/apply-free-school-meals>

There's a different process in [Northern Ireland](#), [Scotland](#) or [Wales](#).

Early Years Education (Department for Education):

Regulations for the Department for Education's Early Years Education for Disadvantaged 2 Year Olds Policy were also laid on 7 February 2018 and came into force on 1 April 2018. These regulations have introduced a £15,400 net annual earnings threshold for this benefit.

The eligibility checking system for the 2 Year Old Entitlement is the same as for Free School Meals.

The lists provided to LAs of potentially eligible claimants for the 2 Year Old Entitlement currently include claimants on legacy benefits. A list of claimants on UC has been included on these lists since March 2018.

Help with Health Costs (Department for Health and Social Care/NHS):

NHS implemented earnings thresholds for Help with Health Costs under Universal Credit in December 2016. These are £935 per month for claimants with children or limited capability for work, and £435 per month for all other claimants.

Claimants self-declare entitlement for Help with Health Costs, e.g. by ticking on the back of the prescription form. UC is currently not included on the form and claimants are advised to tick the box for income-based Jobseeker's Allowance. DHSC plan to introduce a UC box on the prescription form by the end of the year.

If they are not sure whether they meet the criteria, claimants should pay for their health costs and can claim a refund once they confirm entitlement.

Health Start Vouchers (Department for Health and Social Care/NHS):

The Healthy Start scheme provides vouchers to pregnant women and young children. NHS has implemented an earnings threshold for Healthy Start Vouchers of £408 per month for Universal Credit claimants.

DWP are working with DHSC to improve our data-transfer systems around Health Start, and DHSC are currently looking to digitize this scheme.

Help to Save (Her Majesties Revenue and Customs):

HMRC's new saving scheme Help to Save will provide account holders with a 50% bonus on saving of up to £50 a month. Universal Credit claimants will be eligible for a Help to Save account if they have earnings above 16x the national living wage per week.

Regulations for Help to Save came into force in January 2018 and HMRC are currently running a trial of the scheme with Working Tax Credit claimants. Help to Save will be a fully digitized scheme that will allow claimants to apply for an account and check their eligibility during an online session. Universal Credit claimants will be able to claim Help to Save from April.

Legal Aid (Legal Aid Association /Ministry of Justice):

Currently all Universal Credit claimants are passported to Legal Aid (LA). MoJ has consulted on the future eligibility requirements for LA under Universal Credit but have not yet published their consultation response. Claimants apply for LA with their legal aid lawyer or representative using an e-form.

DWP LA Welfare Steering Group

The DWP LA Welfare Steering Group is responsible for considering and providing a strategic expert view from an LA perspective into all Housing Benefit, Universal Credit, Universal Support and other DWP welfare related matters, to support their on-going development, refinement, implementation and delivery.

Terms of Reference and minutes from previous meetings can be accessed on our LA pages on GOV.UK at:

<https://www.gov.uk/government/groups/dwp-local-authority-welfare-steering-group>

LA Practitioners' Operational Group

The joint DWP and LA Practitioners' Operational Group discusses operational issues relating to Housing Benefit and Universal Credit. It meets on a bi-monthly basis and summary minutes of those meetings are published on our LA pages on GOV.UK at

<https://www.gov.uk/government/groups/dwp-and-local-authorities-practitioners-operations-group>

If you have any questions please email mont.goldman@dwp.gsi.gov.uk

Universal Credit Statistics

The latest Universal Credit statistics were published on 17 April and the headline analysis shows that (4 weeks up to the 8th March):

- 820,000 claimants now on UC – a 5% increase on last month;
- Of these, 310,000 (38%) were in employment;
- Total number of starts is 1.4 million; 76,000 starts in the last 4 weeks;
- 2,000,000 claims made for UC in total; 96,000 claims made in last 4 weeks;
- Average of 24,000 claims per week.

The Universal Credit statistics are published monthly and can be accessed on GOV.UK at -

<https://www.gov.uk/government/collections/universal-credit-statistics>

Housing Benefit information

The latest HB General Information Bulletins can be accessed on GOV.UK at -

<https://www.gov.uk/government/collections/housing-benefit-for-local-authorities-bulletins>

The latest HB Direct newsletters can be accessed on GOV.UK at -

<https://www.gov.uk/government/collections/housing-benefit-direct>

Guidance for local authorities on seeking financial support from DWP for compulsory redundancies

Background

Universal Credit (UC) combines six benefits, one of which is housing benefit. As a result the number of Working Age Housing Benefit claims currently administered by Local Authorities (LA) will decline as the work moves into DWP.

It was determined by the DWP that the principles of TUPE do not apply to staff working on housing benefit in local authorities. However DWP has agreed to provide some financial assistance to LAs who, as a last resort, are obliged to make compulsory redundancies from their housing benefit service as a direct result of the transfer of this work into Universal Credit.

DWP must be able to demonstrate to the Public Accounts Committee (PAC) and National Audit Office (NAO) that it has made best and appropriate use of public monies. This document sets out the criteria for payment and guidance for local authorities on seeking the financial support.

Financial assistance **will not** be provided to cover any voluntary redundancy schemes or financial penalties incurred from terminating contracted out housing benefit services.

1. Mandatory criteria in relation to LAs

1.1. DWP must be able to demonstrate to the Public Accounts Committee (PAC) and National Audit Office (NAO) that it has made best and appropriate use of public money. To support this each LA must provide:

- I. written assurance to DWP that it has made the best use of attrition to help achieve the full time equivalent (FTE) savings without the need for unnecessary redundancies. The expectation is that LAs will start to employ staff on fixed term appointments (FTAs) or that effective use of agency staff is made to temporarily fill roles where possible as soon as the migration schedule is published
- II. details of any vacancies arising during the redundancy notice period and how these vacancies have been filled. NB. If any suitable vacancies have been filled with new staff without good reason, DWP **will not** provide funding

2. Mandatory criteria in relation to individuals

2.1. Compulsory redundancy should be a very last resort after all other appropriate avenues including redeployment and other means of exit have been thoroughly explored. DWP will therefore require clear-cut and compelling evidence that all criteria have been met.

2.2. Financial assistance can only be claimed for those employees whose jobs are directly impacted by the reduction of Housing Benefit caseload due to the

introduction of Universal Credit. The LA will need to demonstrate that this is the case; for example, with a job description clearly describing the individuals responsibilities.

2.3. Claims for staff who handle other benefits such as Local Council Tax Reduction Scheme and Pension Age Housing Benefit **may** be considered. However, the LA will be required to provide evidence to support the need for compulsory redundancy as a direct result of the introduction of UC including the % of their time spent on work directly affected by UC.

2.4. The LA must be able to demonstrate that the individual was on a permanent employment contract. DWP will not provide financial assistance for any employees on a fixed term or temporary contract, or those on secondment, loan or detached duty where their permanent role is not directly impacted by the introduction of UC.

2.5. DWP will only provide financial support for individuals who have not been able to leave through any other means, and cannot be redeployed. LAs will need to demonstrate the attempts they have made to redeploy the employee, including:

- I. details of any appropriate retraining provided,
- II. details of all redeployment offered and refused, including supporting evidence as to why any refusals were upheld to be reasonable. Where suitable alternative employment has been unreasonably refused DWP will not provide funding for redundancy
- III. details of suitable vacancies arising in the LA during the notice period and how these have been filled
- IV. other information about why attempts at redeployment for each individual were unsuccessful.

3. Terms and conditions of redundancy

3.1. The LA must provide DWP with the terms by which they have calculated the redundancy payment. If these are generic terms for all employees within the LA this information should be provided to DWP. Specific forms for completion must be requested and completed as part of the process.

4. Application process

4.1. Where compulsory redundancy is unavoidable the LA should make a claim to the DWP as soon as possible by first requesting the required forms

4.2. DWP will consider the application and will confirm in writing whether:

- I. the cost of the redundancy will be covered,
- II. further information/clarification is needed,
- III. funding will not be provided (along with the business rationale)

4.3. All applications for funding must be made by the end of the financial year during which all existing claims have migrated to UC

4.4. The decision by the DWP on whether to pay or not will be final and not subject to review, reconsideration or appeal.

5. Supporting documents

5.1. It is not necessary for LAs to provide copies of supporting documentation to DWP for each employee for whom they are making a claim. However, they should retain this information as it may be requested by DWP at any point to clarify details or for governance and audit purposes.

5.2. Supporting documentation should include:

- I. Evidence of a permanent contract of employment
- II. Evidence that the employee was employed wholly or mainly on work directly affected by the introduction of UC
- III. Evidence of attempts to retrain/redeploy and why this was unsuccessful (see paragraph 4.4)
- IV. Individual terms of redundancy calculation
- V. Redundancy offer made to the individual

If you have any queries or wish to request the required forms for completion please email: UCLOCALAUTHORITY.LIAISONTEAM@DWP.GSI.GOV.UK