

Withdrawn

This publication is withdrawn.

This publication is no longer current.

Universal Credit

Local Support Services Framework

Responses Report

August 2013

Universal Credit Local Support Services Framework Responses Report

Introduction

In February this year Lord Freud published the Universal Credit Local Support Services Framework (“The Framework”) which was developed in partnership with local authorities and sets out the principles for providing support for claimants with additional or complex needs to help them make and manage Universal Credit claims and prepare for work.

The Framework sought comments on the proposed approach and we received 149 responses from across the local government, housing and the voluntary sectors.

- This feedback has been recorded and analysed in detail and it is proving invaluable as we continue to develop the local delivery partnerships that will help support claimants in the new system, and for the wider UC Programme. We are using this feedback in a number of ways:
- To finalise aspects of the design of the Framework that we need to have in place before Universal Credit is rolled out more widely – for example, the details of how funding will be arranged and managed;
- To inform the development of our overarching and local partnership agreements that will be put in place in preparation for the roll out of UC;
- To help us develop a Framework for October 2013 that will inform the testing of elements of the LSSF principles in UC sites and additional selected areas, which will in turn form a revised Framework (Mark 3) in Autumn 2014, in time to inform LA budgeting timetables for 2015/16; and
- To feed into the ongoing development of Universal Credit design.

This report summarises the responses received which have been categorised into a number of recurring themes, which are detailed below.

Overall Approach

Without exception, respondents were positive about the principles underpinning the Framework and are keen to continue the discussion about localised support, and in many cases keen to provide support services themselves.

Many framed their response as an informal expression of interest in partnership working.

Equally, however, respondents said that the Framework as it stood did not have sufficient details to take forward planning discussions, and questions were raised about the timescales stated in the paper and the need for a detailed UC roll out plan.

In addition to needing this information in order to plan, a range of respondents highlighted the need to be clear about the boundaries between UC and Local Support Services (LSS). By way of example, the needs of some vulnerable groups might be met simply by supporting or encouraging their use of the core UC telephony or face to face channels.

Respondents are keen that DWP understands the Framework in the context of the wider welfare reform programme, and the impact on the level of need in their community as well as the level of existing service provision. They also point out that wider welfare reform changes have implications for service design and the interactions between UC, local statutory services and LSSF funded work.

Partnership approach

Responses to the Framework strongly endorsed the Delivery Partnerships Approach to providing localised support, and highlighted a range of existing partnerships that represent existing good practice and have the potential to deliver local services for Universal Credit claimants. These included Community Planning Partnerships in Scotland, Local Authority led welfare reform groups and local economic regeneration partnerships.

Many respondents considered it important that partnerships include a wide range of organisations to ensure good local knowledge and make the most of existing services. We remain committed to supporting localism and will highlight examples of inclusive and innovative partnerships in the refined Framework document which will be published in October this year.

Defining Vulnerability

Respondents were broadly happy with the list of vulnerable groups set out in Annex C in the Framework, particularly taken alongside the acknowledgement that vulnerability is defined by a more complex and dynamic set of criteria, rather than a simple matter of group membership.

Some respondents suggested additions to the list of vulnerable claimant categories set out in the Framework, (for example victims of financial abuse, and claimants who are in arrears at the point of transition to Universal Credit), whilst others emphasised the importance of thinking beyond “categories” when delivering services. We agree with this view and are keen that, while claimant support should be holistic and joined-up, it should also be tailored to meet differing and individual needs.

Measuring Need

Respondents raised a range of concerns about the assumptions being made by DWP in relation to the level, nature and duration of need.

Some respondents felt that assessment and projection of need should take into account the wider context of welfare reform, whether this is done at a local level by delivery partnerships or at a national level by DWP and others.

One of the key areas of concern was in relation to digital access and digital literacy. On the basis of local surveys and direct client experience, respondents questioned DWP assumptions about use of the online channel. This raised the associated concern that LSS funding would not be sufficient to meet the needs of vulnerable groups, who are most likely to experience digital exclusion.

In addition to raising concerns about the percentage of claimants with the skills and the confidence to use the online UC channel, respondents raised concerns about IT infrastructure particularly in rural areas, where both in-home and public access can be very limited.

Similarly, respondents were concerned that the implementation of direct payments may lead to an increased level of indebtedness and homelessness. In addition to this, respondents raised their concern that the level of support required for direct payments may not be fully appreciated by DWP, including in the Framework.

Some respondents questioned the assumption that support and advice needs would decline over time. In some cases this was linked to the wider welfare reform picture, in others to the direct impact of UC.

Respondents also suggested there was a need to more clearly distinguish between those claimants who need only a little help to engage with Universal Credit, and those who may need longer term support to move towards financial independence. In addition, some groups were identified who are by definition 'flow' (e.g. people fleeing domestic violence) and therefore should not be assumed to decline in numbers.

We will continue to discuss these issues with our reference groups with a view to reflecting our learning in our approach to funding and outcomes, and in the revised Framework.

The nature of the partnerships

There was a wide range of assumptions about the nature of the LSS partnerships. At one end of the scale there are Local Authorities who are proposing to set up a fully integrated 'front end' for UC and the wider welfare system, with data sharing, co-location and DWP providing back office processing. Whilst at the other, respondents have assumed a local delivery partnership with wide cross sector membership and shared decision making to support a network of services *'aligned behind a single claimant journey'*.

Some respondents have asked for a stronger steer from DWP on the optimal composition of local delivery partnerships.

Concerns were raised about the lack of visibility of social care in the Framework. Similar concerns were raised in relation to housing and in particular social housing providers and many respondents flagged the need to include the voluntary and community sector in partnerships, including the Office for Civil Society, as well as Housing Associations and VCS organisations themselves.

A number of respondents raised important questions about the spatial scale at which partnerships might operate. Some Local Authorities are exploring the potential for a sub regional 'bid' to run LSS services. Similarly, where respondents propose building on existing partnerships, these partnerships will exist at a range of spatial scales, and are likely to cross DWP regional boundaries.

Funding

The need for clarity about funding and associated outcomes was a central concern in many responses. Work is already underway, through the LSS joint Taskforce, to develop a detailed funding instrument. In addition, we will be working with a range of stakeholders to develop an approach to outcomes that balances the need for certainty about funding for service providers with the need to achieve positive outcomes for claimants and value for money for the taxpayer.

The funding instrument will address key questions, such as the minimum offer for local support services, and the way in which both funding and outcomes should reflect variations in

local needs (e.g. to take account of factors like rurality and levels of deprivation). We hope to be able to say more about the funding instrument over the next few months.

Level of funding

Some respondents questioned the Framework's assumptions about existing services. Respondents were concerned that services had already contracted considerably as a consequence of changes to local government funding, with the potential for further contraction.

There was concern that LSS funding should meet the needs of vulnerable groups, in particular those who have multiple barriers to making and managing a claim, or moving into work. From rural respondents there was a strong steer to ensure that any national formulae would not be based on urban or suburban baselines, and properly accounted for the additional service costs associated with rurality.

Some respondents were concerned that annualised funding rounds and the signals of an intention to diversify the provider pool in later iterations of the Framework made the LSS proposition too risky, particularly for those Local Authorities who were moving away from face to face services as part of a strategic realignment.

Respondents made a range of assumptions about what was in and out of scope for LSS funding. There is a widely held assumption that the following areas should be included:

- Funding to increase capacity in existing services;
- Funding for set up costs including capital costs, training and overheads (essentially full economic costing); and
- Funding to support administration of the delivery partnerships.

Management of Funds

The majority of Local Authority respondents believe that they are best placed to manage local funding as they feel they have a clearer understanding of local need and local service delivery. In many cases, however, Local Authorities indicate that joint management of funding, or management of the funding by the partnership as a whole would be acceptable alternatives.

A small number of respondents raised concerns that where funding is flowing via Local Authorities there is a risk that this funding will be diverted to backfill cuts to their Housing Administration Grant, and will build services that duplicate existing work in the voluntary and community sector. These respondents favoured either management by District Managers or by delivery partnership as a whole.

In Scotland, COSLA has asked for funding to be transferred en bloc for it to distribute to Local Authorities in Scotland, with some individual Scottish Authorities explicitly supporting this approach.

Outcome based funding

A significant number of respondents were broadly in support of an outcome based approach in principle but needed more detail around how it would work in practice with many keen to be involved in the development of appropriate and proportionate outcome measures, and other types of measure that the Framework could consider using.

A number of respondents shared concerns about perverse incentives created by outcome based funding, and the risk of 'parking and creaming'; the risks associated with outcome based funding for the voluntary and community sector, where there is the perception that organisations are too small to bear the risk of scaling up operations in return for uncertain payment; and the burden of monitoring and reporting requirements.

Finally several respondents were clear that in an outcome based Framework, outcomes should relate directly to the commissioned services, making the point that many of the work related outcomes flagged in the Framework are outside of the ambit of their proposed services, and are subject to determining external factors (such as the nature of the local labour market). For other respondents, however, including work related services and work related outcomes is key to delivering effective localised support.

Respondents suggested a component of guaranteed funding (not just for Local Authorities) would help offset risk.

Governance

Respondents were very positive about the Framework's statement that local delivery partnerships should be built on existing arrangements, and have set out a range of local groupings that they would seek to build on. Some respondents have asked for more clarity about the level of potential local variation, and in particular whether there is latitude to vary the partnership arrangements.

Some respondents sought clarity about the minimum provision that delivery partnerships would be held accountable for, as well as minimum standards and quality of service.

Several national specialist voluntary agencies have raised the question of whether the LSS team has considered mandating a standardised approach in certain areas in order to avoid duplication of effort and ensure best value and quality. The two key areas identified were personal budgeting and IT competency.

Housing

There was a strong sense from respondents that the Framework {and UC as whole) was not fully engaged with housing and the complexity involved in the HB migration, particularly as it relates to vulnerable groups.

RSLs and others are concerned about the impact of Direct Payments and see closer integration of back office systems as the only route to managing their risk profile and providing the data that is needed for the housing element calculation, or housing based incentives in UC. Private Landlords are concerned that they should be seen as a key partner in UC and LSS, not least as in some areas they are far bigger stockholders than the social rented sector.

More broadly, there was a concern that in approaching housing through the lens of Housing Benefit migration, the wider functions of the LA, including their role in protecting tenancies, or managing and regulating provision in local markets would be lost. In this light, several respondents called for the LSS outcomes to include things like maintaining and protecting tenancies, and that these should be core success measures for UC as a whole.

Data sharing

It is clear from Local Authority responses that many are assuming a level of data sharing and back office integration that as a minimum matches, and preferably exceeds the level built into the existing benefits system. Some respondents are saying that without this, LSS (and UC) are unworkable.

Process integration

Beyond data-sharing, respondents raised a range of questions about the way in which vulnerable claimants will be processed in UC, and are already assuming that they may be able to play a key (including decision making role) at various points in the process. The range of processes include: identification of the vulnerable claimant and direct referral to Localised Support Services; decision making on Alternative Payment Arrangements; and verification for UC claims.

Experience from some respondents suggests that lists of the kind set out in Annex C are a useful route into service planning, but should not be used in isolation as a tool for identifying individual vulnerable claimants.

Next steps

In developing the Framework we drew on insights from organisations working directly with claimants, and worked in close partnership with Local Authorities Associations. As we work towards national roll out of Universal Credit, and accompanying Local Support Services we will continue these conversations with Local Authorities, housing providers and the voluntary and community sector through the work of the Taskforce and Reference Groups.

Locally, our Jobcentre Plus District Managers are already working to support the development of partnerships that will deliver services to support claimants. These responses to the Framework, as well as learning from the Direct Payment Demonstration Projects and Local Authority led Pilots, will inform this work.