

**Universal Credit – information resource for Councillors**

**DRAFT**

Universal Credit

Overview

Universal Credit (UC) is the government's major welfare reform change which has been introduced nationally since 2014. The first phase of UC has been termed Universal Credit Live Service (UCLS)

The second phase of UC is now being rolled out nationally. This is termed Universal Credit Full Service (UCFS) and goes live in Wirral on 15 November 2017, for all postcodes except CH44 and CH45, which have the later 'go live' date of 24 January 2018

Universal Credit replaces six 'legacy' benefits for working age people ; - Income Support, Job Seekers Allowance (Income based), Employment and Support Allowance (Income Related) Child Tax Credit, Working Tax Credit and Housing Benefit.

The ethos of the reform is to make work pay and attempts to replicate financially the way working people manage their money on a monthly basis. It introduces financial assistance for paying rent within the monthly payment, removing the need in most cases for Housing Benefits. It is also intended to establish if some claimants can work for some hours rather than claiming out of work and/ or disability benefits .It introduces the concept of a claimant commitment which is signed by the claimant and partner and monitored for compliance with individually tailored expectations of daily /weekly work search and related activities.

UC is also paid to people who work and payments can vary on a month to month basis as their actual paid income is monitored automatically via Her Majesty's Revenues and Customs (HMRC) data and payments adjusted accordingly.

There is a direct deduction programme for recovering amounts from UC payments on behalf of third parties. Amounts can be taken on a monthly basis for such items as; - rent arrears, council tax arrears, court fines, utility arrears and overpaid HB. Financial sanctions can be applied to UC payments when DWP decide a claimant commitment requirement has not been met.

LA's sign up to an annual Delivery Partnership Agreement (DPA) with the Department for Work and Pensions (DWP). Wirral's DPA has enabled close working relationships to build between Wirral Benefits managers and the local DWP Partnership Manager. Joint planning and working programmes are ongoing and have improved overall understanding and local liaison.

UCFS has to be claimed digitally. LA's have been financed by DWP via the DPA to assist claimants with digital access. This is being delivered via appointments in One Stop Shops.

Funding via the DPA also covers delivery of Personal Budgeting Support .This is done by appointment in One Stop Shops and provides individual support for those who require assistance with the transition to a monthly payment and / or to help manage debt and other financial difficulties.

Funding via the DPA has been increased from November 2017 to reflect the anticipated increase in digital and personal budgeting support required by claimants.

UCFS introduces a further digital aspect, with each claimant having an on-line journal which replaces paper notifications, appointment letters and captures all interactions between DWP and claimant. These journals require constant update and those who are committed to work searching 35 hours per week will have to access their journal daily with work related activity evidence. LA's are not funded via the DPA for ongoing digital support once a UCFS claim is in payment.

Under UCFS **new** Housing Benefit (HB) claims will be restricted to those from pensioners\*, claimants who live in specified supported accommodation, where the landlord provides care, support an supervision ( e.g.; hostels , specialised accommodation for disabled and vulnerable customers) and anyone with 3 or more children who haven't claimed UC in the previous six months.

\*Pensionable age for this purpose is defined by the DWP as the age someone can claim pension credit (not new state retirement pension) and their rolling pensioner equalisation programme sets out the age at any given time; at 15.11.17 it is 64 years of age for men and women, rolling to 65 years in 2018.

UC Full Service in Wirral - The next major phase of UC starts on 15 November 2017

UCLS has to date been restricted those who rent privately or have no housing costs. UCFS brings into scope many more categories of claimants, e.g.; self-employed, homeowners, students, long term disabled etc.

The pace at which people migrate to claiming UCFS , rather than HB, is expected to rise enormously from 15 November 2017. Many change in circumstance scenarios will prompt natural migration under UCFS to escalate, although DWP have refrained from issuing any expected volumes. As the UCFS caseload expands to include a higher ratio of disabled and vulnerable customers the impact on Wirral Council having to support these people will increase, predominately with the digital aspects of the UCFS model.

Single people between the age of 18 and 21 years may not qualify for help with their housing costs under UCFS. There are many exemptions from this rule and it is expected vulnerable young people in Wirral will be accepted and have their housing costs covered by UC. See full details at; - <https://www.gov.uk/government/publications/universal-credit-and-rented-housing-2/universal-credit-housing-costs-for-18-to-21-year-olds>

There will be a managed transfer of claimants who have received UCLS before 15 November 2017 onto the UCFS digital platform. This will be managed by specialised teams in local Jobcentres during a three month period, likely to start in spring 2018.

### **Q & A's to assist you with constituent enquiries**

#### **Where can people make a claim for UC?**

All claims must be made on-line to [www.dwp.gov.uk/universalcredit](http://www.dwp.gov.uk/universalcredit)

Anyone who doesn't have digital access can make an appointment at a One Stop Shop for help and support by calling in or telephoning 0151 606 2220

Local Jobcentres also have digital access for anyone to drop in, where they will get help and advice to make a claim.

Some local social landlords also have digital access available for their tenants e.g.; Magenta Living HA at Partnership House, 45 Hamilton Street, Birkenhead, CH41 5AA

Many local community groups and centres have digital access for local residents.

#### **Do people need an e-mail address to claim UC?**

Yes. People will need an e-mail address. If they haven't got one they can get help and support to create one from a One Stop Shop or local Jobcentre as above. .

They will also have to set up a UC account. People will need an e-mail address and a UC account before they make their UC claim.

#### **What if people are housebound or have disabilities which make digital access very difficult?**

Arrangements can be made directly with DWP for a visitor to call to help someone make a claim .Even if someone is in hospital they can ask for a visitor. They should telephone .345 600 0723

Also see the referral form **here\*** If an appointee assists someone to make a claim DV to supply info

### How long will someone wait before they get a UC payment?

Most people will have to wait 7 days after they have made their claim for their UC monthly assessment period to start .At the end of the monthly assessment period the payment will be issued after one week. This usually means a total wait of 6/7 weeks for the first payment from the claim date.

People who change from a legacy benefit (Income Support, Job Seekers Allowance (IB), Employment Support Allowance (IR), Child Tax Credit, Working Tax Credit, Housing Benefit) to UC will not have to wait 7 days at the start of their UC Claim, but they also have the monthly assessment period and following week to wait before the first payment is issued.

### Can advance UC payments be requested?

Yes .DWP is keen that people apply early for an advance payment and they will be able to advance up to 50% of their overall estimated entitlement. The only criteria is that proof of identity is submitted before an advance can be agreed. If the situation is very urgent an advance can be made into a nominated bank account on the same day, or otherwise it takes 3 days.

To apply people should either speak to their work coach at the Jobcentre when they have a work focused interview, telephone 0345 600 0723 or make a request via their digital journal.

Advances do have to be paid back. This is done by deducting it from ongoing UC usually over 6 or 12 months.

### What can someone do if they are still struggling financially?

People who remain without funds can apply for Local Welfare Assistance from Wirral Council .They can do this by going to [www.wirral.gov.uk/lwa](http://www.wirral.gov.uk/lwa)

Awards are usually issued on the same day and the scheme is flexible enough to allow up to 2 awards when someone is waiting for their first UC payment .It will be expected that a UC advance should be claimed before requesting a LWA award.

Where can people go if they need help to budget with their monthly UC payment or are struggling with debts?

Wirral Council will provide Personal Budgeting Support by appointment in one Stop Shops for anyone on UC who needs help to manage monthly budgets or debts. People can either self refer and make an appointment by calling 0151 606 2220 or call into a One Stop Shop. Third parties can refer **here**\* and work coaches in Jobcentres can refer if the person talks to them about their financial difficulties.

Can people ask for an alternative payment cycle rather than the monthly payment?

Yes .A request can be made for fortnightly or weekly payments if there are special circumstances. This would usually be for a set period of time e.g.; to allow time for Personal Budgeting Support to be arranged and / or to manage debts.

UC payments can also be split in some cases between claimant and partner e.g.; where there are issues of domestic abuse or gambling, alcohol or drug addiction etc.

To vary a payment a claimant can enter a request via their on-line journal, speak to their work coach or telephone 0345 600 0723

How will I know if a young person, that is someone who is 18 to 21 years old will qualify for help with their housing costs under UCFS

The DWP will look at the individual circumstances of each young person to see if they meet an exception criteria .there are many reasons why a young person will be able to get help with housing costs .See details here <https://www.gov.uk/government/publications/universal-credit-and-rented-housing--2/universal-credit-housing-costs-for-18-to-21-year-olds>

If people have a rental shortfall between their housing cost award in UC and their rent, can they apply for a Discretionary Housing Payment?

Yes, LA's continue to hold responsibility for the award of Discretionary Housing Payments (DHP) to both UC and HB claimants.

DHP can be considered for someone who gets UC, once their housing costs award has been made by DWP and the LA can see the award and calculate the shortfall.

Applications should be made at [www.wirral.goc.uk/dhp](http://www.wirral.goc.uk/dhp)

Can tenants ask for their landlord to be paid the housing element if they are worried about making rent payments?

Yes, tenants can ask for an Alternative Payment Arrangement (APA) if they have specific concerns about managing to pay their rent e.g.; existing rent arrears or addiction issues.

They can ask for an APA by telephoning 0345 600 0723, speaking to their work coach or via their digital journal.

Can landlords ask DWP to pay them directly if they are concerned a tenant won't use the UC payment to pay the rent or there are rent arrears?

Yes, a landlord can also request an APA. They can apply by going to; - <https://directpayment.universal-credit.service.gov.uk/>

They will have to supply evidence of rent arrears or the reasons why they think the rent won't be paid.

Can Social Landlords assist their claimants in proving their rent costs?

Yes. Social landlords are asked by DWP to sign up to a landlord portal which allows two way exchange of information and should speed up claim processing.

Two local social landlords (Magenta Living HA and Prima Leasowe Community Homes) have also been part of a trusted partners pilot allowing the social landlord to pre authorise APA's and submit details for direct payments. After an evaluation period this method may be expanded to all social landlords.

How can I help my constituents with problems linked to their UC claim?

Locally DWP have provided contact details at local Jobcentres. See list **here**\* You can also send an e-mail enquiry using this referral form **here**\* DWP will respond directly to your constituent and they can tell you if the matter is resolved.

Will DWP speak to me about a constituents claim and how does explicit consent data share work?

DWP will not speak to any third party (including the LA or councillors) without the claimant's **explicit** consent. This means your constituent would have to tell DWP he/she agrees for them to speak to you. The constituent has to either give verbal consent if he/she is with you when you contact DWP or add an entry in their on-line journal, naming you as an agreed third party. Any explicit consent given is only for one contact.

It may be easier if you make a referral **here\*** and ask DWP to contact your constituent directly. They can then report back to you if the query is resolved.

Can people on Universal Credit qualify for free school meals?

Yes, UC is a qualifying criteria for free school meals and this also means schools will benefit from additional pupil premium funding. To make a free school meals application go to [www.wirral.gov.uk/free-school-meals](http://www.wirral.gov.uk/free-school-meals)

NB; Unfortunately the automatic free school meals eligibility checker on the Wirral Council website will return a non-qualifying message as the UC data is not yet supplied from DWP into the national Department for Education checker system. This has been raised with DWP

Where can people go for help with UC appeals or sanctions?

Wirral Council's Welfare Rights Unit gives free, impartial advice on all benefit problems, go to [www.wirral.gov.uk/benefits-and-money/welfarerights](http://www.wirral.gov.uk/benefits-and-money/welfarerights) .

Where can people go with housing problems, such as being threatened with eviction?

Wirral Council's Housing Options Team can help with all sorts of housing issues. These could include assisting to negotiate about rent arrears or possession proceedings with current landlords, help to find cheaper suitable accommodation or to confirm tenancy rights. Go to [www.wirral.gov.uk/housing/information-and-advice](http://www.wirral.gov.uk/housing/information-and-advice)

**Here \* (this will link directly to the appropriate document when loaded into Councillor.net)**