

Item 3

To: Leadership Board

On: 4 February 2015

Report by: Chief Executive

Heading: Universal Credit

1. Summary

1.1 Universal Credit is being rolled out across the UK, the purpose of this report is to update the Board on the timetable for implementation in the Renfrewshire area and provide the Board with information on the plans to develop services to support customers access Universal Credit. As outlined at 3.10 the recommendations seek delegated authority for the Chief Executive to negotiate with DWP on the terms of a Delivery Partnership Agreement for the provision of local support services for Universal Credit customers.

2. Recommendations

2.1 It is recommended that the Board:

- Note that Universal Credit will be implemented by DWP in Renfrewshire from June 2015.
- Authorise the Chief Executive to negotiate the terms of a
 Delivery Partnership Agreement with DWP on the nature and
 extent of the support services to be delivered for people in the
 Renfrewshire area who are moving on to Universal Credit. This
 will include negotiation on the resources that will be provided to
 the Council to deliver the agreed level of support.
- Note that subject to approval of the recommendations, an update will be provided to members at a future meeting.

3. **Background**

- 3.1 **UC roll out** Universal Credit (UC) is a core component of the UK Government's welfare reform programme. UC combines all working age benefits and tax credits into one single benefit and pay it monthly to one person in the household.
- 3.2 UC has already been rolled out in a number of areas in the UK, including in Scotland, in Inverness. The main focus has however been in the North West of England with a number of areas progressing claims from a range of working age customer types including single person households, couples and families.
- 3.3 The DWP plans to include customers in the Renfrewshire area only relate to single job seekers, who may also rent their property. The DWP has not yet shared information on the numbers expected to move to UC between June 2014 and March 2016 however it is expected that the numbers will be low. Information on the number of people who will be invited to claim UC is expected within the next 2 or 3 weeks. The Council understands that DWP has no current plans to expand the roll out beyond this group for the remainder of 2015/16.
- 3.4 **Local services** The DWP has recognised that for some customers, UC will pose a number of challenges in relation to personal budgeting, digital access, wider benefits advice and housing support. In order to ensure that customers receive the support they need, they propose to enter into a Delivery Partnership Agreement (DPA) with councils to provide support for customers in these service areas.
- It is anticipated that as UC roll out has been confirmed for the Renfrewshire area, the council will be asked by DWP to provide services to support customers claim UC on-line, as well as the provide support for people with more complex need, in particular personal budgeting support for those who may struggle to manage their money, although the scale and extent of this is not yet determined.
- 3.7 **Resources** As the provision of support for customers moving to UC is a new burden on councils, DWP have committed to providing funding to enable the Council to provide these services. The Council expects DWP to provide estimates of the number of customers likely to claim UC from June 2015 through to 31 March 2016 to support discussions on resources.
- 3.8 **Council preparations** Council officers working in the Tackling Poverty and Welfare Reform Programme have recently been leading work to prepare the groundwork for UC roll out. They have engaged with staff across a number of Council services likely to be impacted by the introduction of UC, with Third Sector partners and DWP to

consider the nature of existing services and identify opportunities to deliver the services required to support customers in relation to UC.

- 3.9 Work is also underway as part of the Corporate Support model workstream within the Better Council Strategic Change Programme to identify how best to organise the various components of the Council's UC related support services. This is to try and ensure that customers for UC receive an effective and joined up service from Renfrewshire Council. The work undertaken to date has placed the Council in a positive position to move to a more formal engagement with DWP to agree the provision of support services in the local area.
- 3.10 The Board is asked to delegate authority to the Chief Executive to enter into formal discussions with DWP to negotiate the terms of a Delivery Partnership Agreement with DWP on the nature and extent of the support services to be delivered in the Renfrewshire area. This will include negotiation on the resources that will be provided to the Council to deliver the agreed level of support services.

Implications of the Report

- 1. **Financial** As outlined at paragraphs 3.7 and 3.10, it is anticipated DWP will contribute resource to deliver local support services for customers moving on to Universal Credit. The level of resources to be provided will form part of the negotiations with DWP on the nature and extent of local provision.
- HR & Organisational Development There will be a requirement to consider the implications for staff as plans for the delivery of local support services for Universal Credit are developed over the longer term.

3. **Community Planning –**

Children and Young People – the proposals are consistent with supporting the community to adapt to significant changes to welfare provision.

Community Care, Health & Well-being - the proposals are consistent with supporting the community to adapt to significant changes to welfare provision.

Jobs and the Economy - the proposals are consistent with supporting the community to adapt to significant changes to welfare provision and recognise the contribution that the council's employability services offer.

- 4. **Legal** The Welfare Reform Act 2012 provides the legislative basis for the introduction of Universal Credit across the UK
- 5. **Property/Assets -** There will be a requirement to consider any implications for property as plans for the delivery of local support

services for Universal Credit are developed.

6. **Information Technology -** There will be a requirement to consider the implications for ICT as plans for the delivery of local support services for Universal Credit are developed.

7. Equality & Human Rights -

- (a) The Recommendations contained within this report have not been assessed in relation to their impact on equalities and human rights. This is because the implementation of Universal Credit in the Council area is governed by legislation introduced by the UK government. As plans for the delivery of local services to support Renfrewshire citizens are developed, they will require to be assessed in relation to their impact on equalities and human rights and actions developed to address any issues identified.
- 8. **Health & Safety** None
- 9. **Procurement None**
- 10. **Risk –** The introduction of Universal Credit in the Renfrewshire area means that customers receiving UC will receive their housing cost support as part of their UC payment and that this will routinely be paid on a monthly basis. This poses risks to rent payments. The plans being developed will be required to consider ways to minimise this through the provision of support for tenants as well as consider mitigation actions in relation to council house rents.
- 11. **Privacy Impact** as plans for the delivery of local support services are developed the impact on customers, through the use of personal data, will require to be assessed.

Author: Rhona McGrath, Tackling Poverty and Welfare Reform Programme Manager