

**Classification:** Part 1 – Public

**Key Decision:** No

## **Gravesham Borough Council**

**Report to:** Performance and Administration Committee

**Date:** 17 March 2016

**Reporting officer:** Mike Bytheway – Service Manager (Revenues & Benefits)  
Jackie Baker – Assistant Revenues & Benefits Manager

**Subject:** Universal Credit Update

### **Purpose and summary of report:**

To present Members of the Performance and Administration Committee with an update on the impact of Universal Credit (UC) on Gravesham Borough Council since its introduction on 18 May 2015.

### **Recommendations:**

This report is for information purposes only.

## **1. Introduction**

- 1.1 GBC went live in Tranche 2 of UC rollout on 18 May 2015. The remaining Jobcentres and local authorities either went live with Universal Credit in Tranche Three (21 September 2015 – 30 November 2015) or will go live in Tranche Four (7 December 2015 – 25 April 2016).
- 1.2 A Delivery Partnership Agreement (DPA) was signed between Gravesham Borough Council (GBC) and the Department for Work and Pensions (DWP) up to 31 March 2016. It details how we will work in partnership with the DWP to deliver UC services locally. It details what costs the DWP will pay us for delivering this service.
- 1.3 We have an agreement in place with the Citizens Advice Bureau (CAB) for them to deliver Personal Budgeting Support to any customers in receipt of UC who need help in managing their finances.
- 1.4 UC is designed to replace:
  - Income Based Jobseekers Allowance (JSA(IB))
  - Income Related Employment and Support Allowance

- Income Support
- Working Tax Credit
- Child Tax Credit
- Housing Benefit

However, so far UC has only been rolled out to single customers claiming JSA(IB)

- 1.5 Payments are made monthly direct to the customer. The customer's first payment is not made to them until at least 35 days after the initial claim has been made to the DWP. Customers can request an advanced UC payment of up to 50% which is then deducted over a six month period from their UC payment.
- 1.6 An Alternative Payment Arrangement can be requested and submitted to the DWP if the customer is having difficulties budgeting their payment and they will determine if the customers' personal circumstances require a change to their payment method.

## **2. Performance Statistics for the period from 18 May 2015 to 31 January 2016**

- 2.1 The following statistics confirm the impact of UC on Gravesham Borough Council so far;
  - 121 UC notifications received from customers claiming housing costs
  - 12 Council Tenants HB cancelled
  - 8 Private Tenants HB cancelled
  - 1 Discretionary Housing Payment (DHP) processed for a UC customer
  - 47 Local Council Tax Reduction Scheme manual notifications received

## **3. Future Rollout of Universal Credit**

- 3.1 The transition to the full digital service will take place in phases, beginning in May 2016 and completed in mid-2018. The full service will be open to all new claims from all claimant types, including anyone who is currently on existing benefits or Tax Credits and has a change of circumstance that would trigger a new claim to UC.
- 3.2 It is currently forecast that the DWP will begin administering new claims for couples within the next two years, then followed by families, and ultimately a transfer of the existing working age caseload to the DWP currently held by the Council – no dates have as yet been agreed for any of these transfers.
- 3.3 Local Authorities will now continue to administer Housing Benefit for Pensioners in perpetuity – with this constituting nearly 30% of the overall caseload, it is only the remaining 70% (circa 4,900 claims) which will ultimately transfer to the DWP.
- 3.4 Local Authorities will still be responsible to pay Housing Benefit for UC claimants living in supported/exempt accommodation.

3.5 It is currently planned to transfer all claims to the DWP between 2018 and 2021, but recently there has been some suggestion that this may not be completed until more like 2024.

3.6 This report is for information purposes only

#### **4. BACKGROUND PAPERS**

4.1 There are no background papers pertaining to this report.

**IMPLICATIONS**

**APPENDIX 1**

<b>Legal</b>	Universal Credit is administered by the DWP and is being introduced on a phased approach thereby reducing the working age Housing Benefit caseload on a gradual basis.		
<b>Finance and Value for Money</b>	Any costs associated with the introduction of UC have been claimed from the DWP and any ongoing costs are claimed for on a quarterly basis..		
<b>Risk Assessment</b>	The initial risk was that the introduction of UC would result in the abolition of HB therefore eliminating the need for HB processing staff.		
<b>Equality Impact Assessment</b>	<b>Screening for Equality Impacts</b>		
	<b>Question</b>	<b>Answer</b>	<b>Explanation</b>
	a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	N/A
	b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	No	
	c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?	N/A	
<i>In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above</i>			
<b>Corporate Plan</b>	This report affects the objective of being a Sound and Self-Sufficient Gravesham.		
<b>Crime and Disorder</b>	There is no impact.		