

Universal Credit - Manchester City Council briefing note

February 2018

1. **Background**
2. **UC Full Service roll out**
3. **Commissioned support services for UC claimants**
4. **Other sources of support**
5. **Council Tax Support and Free School Meals**
6. **Residents in vulnerable or complex situations**
7. **Risks to housing tenancies**
8. **Communications activity**
9. **Information for staff and partners**
10. **Council governance arrangements**

Universal Credit (UC) is the government's flagship welfare scheme which aims to simplify the benefits system for working age people by bringing together out of work and in work benefits, improve the transition to employment, and make work pay by removing disincentives to work. UC is one of a number of reforms to the welfare system since the Welfare Reform Act of 2012, which includes the under-occupancy rules for social housing (known as the bedroom tax), the Benefit Cap, reform of Local Housing Allowance for private rented properties, changes to Disability Living Allowance (Introduction of Personal Independence Payments) and Employment Support Allowance, limiting benefit claims to two children, and removal of help with rent for some single people under 21.

The impact of these reforms alongside the introduction of UC is difficult to monitor due to its complexity and the fact that individuals will have very different experiences based on their circumstances. However some evidence suggests that vulnerable residents in particular, who have barriers to employment, could be at risk of poverty and housing instability as result of making a UC claim. It is therefore important that staff and partners are aware of the changes and can provide appropriate information to residents.

This note takes account of changes announced to UC in the government's Autumn Budget 2017.

1. Background

Universal Credit is a digital service replacing six means tested benefits and tax credits known as the legacy benefits which include:

- Income-based Jobseekers Allowance
- Income-related Employment and Support Allowance
- Income Support
- Child Tax Credit
- Working Tax Credit
- Housing Benefit (some groups are currently exempt from UC - see section below on UC Full Service)

Universal Credit is claimed by those on low to moderate income, whether in work, or out of work because they are seeking work, caring, or too ill to work. UC consists of a core 'personal allowance' plus additional payments depending on the claimant's situation e.g. housing cost allowance, extra allowance for children, or disability allowance. The monthly payments automatically adjust to income from employment, since 'real time' income information is taken from HMRC.

The default approach to UC payment is:

- The claimant will receive one payment each month into their nominated bank or credit union account and will be expected to manage this amount themselves, including rent payments to their landlord
- Partner claims will be paid as one payment to a single nominated account for the household
- From Feb 2018, the period between the initial new UC claim and first benefit payment is around 5 weeks (some claimants currently have an additional waiting period of one week but this is being abolished)
- Council Tax Support and Free School Meals sit outside of UC and must be claimed through the Council in the normal way.

UC claimants will have the Benefit Cap applied to their total benefit income. This differs to Housing Benefit where only HB is reduced by the Benefit Cap. There are exemptions to the cap for people who claim certain elements, for example the carer's element of UC. The rates of the cap for UC claimants (outside of London) are below. This does not include the Childcare Costs element of UC which is not counted when the cap is applied:

- £384.62 a week for couples - with or without dependent children
- £384.62 a week for a lone parent with dependent children
- £257.69 a week for a single person without children

Depending on the personal circumstances of the claimant they will be placed into a 'conditionality group' which will influence whether they are required to undertake work related activity and if so what level. Claimants who are required to undertake work related activity will sign a claimant commitment, and failure to keep their claimant commitment could mean losing some of their UC (a sanction) although this is only generally considered after other interventions by the Jobcentre Work Coach. This claimant commitment can extend to people who are in work but earning below the 'conditionality earnings threshold'.

2. UC Full Service Roll Out

Universal Credit 'Live Service' was first rolled out in Manchester in September 2014, to single people / couples initially and then families. A 'gateway' was applied which meant that only certain claimants were eligible to make a claim for UC (mainly newly unemployed people who are fit for work). With UC Live Service, if a claimant moves into full time employment and no longer receives any payments, they remain a UC claimant for six months which means they will automatically receive benefits if their employment income falls again.

Universal Credit 'Full Service' is the roll out of the **full digital service** to all new claimants. The claim is made online, the ongoing management of their claim is via their digital journal and claimants are required to have a moderate level of digital skills. They will require a bank/ credit union/ building society account, email address and photo ID (or verification of their identity via the government's 'Verify' online service, or via an interview with their Jobcentre Plus Work Coach) to complete their claim. They will also need information on their rent, tenancy and landlord, other sources of income and savings, and any other benefits received. **It is important that the claimant has the required information and evidence to avoid any delays in payment.**

With UC Full Service, if a claimant moves into full time employment and no longer receives any payments, they remain a UC claimant for six months. However if their employment income falls again during this period they need to report a change of circumstances. Their UC claim does not automatically start paying again as it does with UC Live Service.

The current UC Live Service claimants in Manchester will all be required to make a new UC Full Service claim so that their claim is moved to the digital service. DWP have advised that the timescales for this are not known at the moment as this activity has been paused. DWP will be notifying all claimants affected to request that they make a new online claim and invite them to meet with a Work Coach.

A few groups remain **exempt from Universal Credit** and will continue to claim the legacy benefits until further notice. People living in specified accommodation (supported housing), and from April 2018 temporary housing, will not get the housing element of UC and must claim Housing Benefit for help with their rent. Single people under 21 cannot get help with rent through UC and will be unable to claim Housing Benefit for this, however there are lots of exemptions to this. Families with three or more children cannot now make a new claim for UC and must claim the legacy benefits until further notice and pensioners must still claim legacy benefits.

The **roll out schedule** by Jobcentre Plus office:

- 25th October 2017 - Alexandra Park, Didsbury, Rusholme
- 29th November 2017 - Newton Heath, Openshaw, Town Hall Outreach
- 24th January 2018 - Longsight (office is closing – UC customers will move to Rusholme Jobcentre)
- July 2018 - Cheetham Hill, Wythenshawe
- Some additional Manchester postcode areas will fall within the Salford UC roll out from October 2018, and Stockport from November 2018

It was announced in the Autumn Budget that UC Live Service will close for new claims from 1 January 2018. This means that Jobcentre offices who have not rolled out to UC Full Service by this time will revert to the legacy benefits (Housing Benefit and existing out of work benefits e.g. JSA) for new claimants during the interim period.

3. Commissioned Support Services for UC claimants

DWP have provided Local Authorities with funding to commission Personal Budgeting Support (PBS) and Assisted Digital Support (ADS) for UC claimants. PBS supports claimants to manage their

monthly benefits. ADS provides support with new online claims for UC and ensures that the claimant has the digital skills to maintain their claim on the digital portal.

In Manchester, ADS is being delivered by Citizens Advice Manchester, Cheetham Hill Advice Centre, and the Council's Customer Service Centre at Manchester Town Hall Extension. Residents can access this service at Jobcentre Plus offices and a range of community venues across the city. For information on locations and times, call 0161 242 5260.

PBS is being delivered by Shelter. This is accessible at Jobcentre Plus offices across the city, and at Shelter's Hub. For more information call Shelter on 0344 515 1681 (local rate from landlines but may cost more from mobiles).

These providers already deliver advice services for Manchester residents and have well established links with organisations across the city. **It is vital that any person needing to claim UC, or already claiming and needing extra support, accesses these services.** The advice providers are able to refer clients into wider support and promote ongoing skills and employment support.

4. Other sources of support

To prepare residents with the necessary digital skills for their UC claim, Manchester Adult Education Service (MAES) is delivering some tailored **digital support sessions** around UC, including help to set up and use an email account. For more information visit the [MAES pages on the Council's website](#). MAES also deliver weekly Digital Drop-in sessions from a range of venues across the city, for more information on locations and days visit the [MAES pages on the Council's website](#).

There is a range of other sources of support for residents, such as services delivered by Registered Housing Providers and Work Clubs. Further information on support in a particular area of the city can be found by visiting the Council's website and entering a postcode in the 'your neighbourhood' box in the bottom left of the homepage. This includes locations of public computers and sources of IT support.

5. Council Tax Support and Free School Meals

Council Tax Support (CTS) sits outside of UC and **it is important that anyone claiming UC who expects to receive CTS makes a separate claim with the Council.** The Council is asking any partners who are working with new UC claimants to ensure that they are aware of this and make their claim for CTS immediately. Council Tax Support may be backdated by up to six months from the date a request for backdating is received (note that there must be a good reason for claiming late). The online CTS claim form can be accessed via [the Benefits pages on the Council's website](#)

UC claimants who make a claim for CTS can also claim **Free School Meals** using the same form, whilst those not making a claim for CTS will need to make a separate claim. The online Free School Meals application form can be accessed at [the Benefits pages on the Council's website](#). At present, anyone who is entitled to UC is eligible for Free School Meals. This is currently under consultation by the government and due to change soon.

6. Residents in vulnerable or complex situations

For any new claimants who need financial assistance during the period between their claim and their first payment, **Advance Payments** (loans) are available of up to 100% of the value of the first month's claim, via the Jobcentre Plus Work Coach. This is repayable over a period of up to 12 months.

It is important that anyone needing to make a UC claim who is in a complex or vulnerable situation discuss this with their Jobcentre Work Coach, who will take a personalised approach to supporting them. The individual can bring a friend, family member or support worker to act as an advocate in their meetings.

A protocol is in place to support **care leavers** who will be making a claim for UC. The claim can be started as the resident approaches their 18th birthday. Each Jobcentre Plus office has a single point of contact to support care leavers.

The DWP has discretion to alter the payment arrangements for claimants who are deemed to be in a vulnerable situation, for example those suffering from **domestic violence and abuse** (see [DWP guide for Domestic Violence and Abuse Victims](#) for more information) or those who have **alcohol or drug dependency**. The claimant (or their advocate where appropriate) is encouraged to discuss this with the Jobcentre Plus Work Coach handling the claim, or with the DWP UC Service Centre. Registered Social Landlords also have the power to request alternative payment arrangements for their tenants, for example those with substantial rent arrears or those considered in a vulnerable situation.

For claimants who are considered never able to manage their claim digitally, the claimant or a representative needs to contact the UC Service Centre or visit a Jobcentre Plus office, who will make alternative arrangements.

Discretionary Housing Payments are available for UC claimants who have housing costs included in their UC payment. Claims may be considered by the Council's Revenues and Benefits Service where a UC claimant is struggling to pay their rent and requires temporary assistance. The Council also has a discretionary **Welfare Provision Scheme**, which can provide and beds and bedding/white goods; small cash grants of up to £60 for emergency support; and payments of up to £49 charged onto fuel cards.

A range of support is available from organisations across the city depending on the individual's circumstances. A comprehensive directory can be found in the [Council's Help and Support Manchester](#) web pages.

7. Risks to Housing Tenancies

Any residents who are at risk of losing their home due to UC payment problems should be referred/ signposted to the appropriate support as soon as possible. For tenants in the private rented sector, Shelter deliver the new Homelessness Prevention Advice Service which is available to

those who have one month or more rent arrears and have not yet been served a Section 21 notice by their landlord. Referrals can be made via email to PRSearlyintervention@shelter.org.uk or call 0344 515 1681.

Any social housing tenants having problems paying their rent should be signposted to their landlord in the first instance. It is important that they discuss their options with their landlord at the earliest opportunity as there may be ways in which they may be able to help. Alternatively they can seek help from Citizens Advice Manchester, Shelter, the homeless prevention team at Manchester City Council or any other independent housing advice and debt service.

If a tenant has already been served a Section 21 notice (rent arrears or not) by their landlord it is important to act quickly to determine whether this is firstly valid and whether there is anything that can be done to negotiate them staying in the property. If a tenant has been served notice by their landlord it is advised to make contact with a housing advice service such as Shelter, Citizens Advice or the Council. Manchester City Council have a dedicated team that deal specifically with Section 21 notices and their validity and can be contacted by sending the tenant's contact details to: homeless.prevention@manchester.gov.uk. The team will make contact with the tenant and arrange for an appointment to determine any assistance they or the homeless team can offer.

8. Communications Activity

A printed leaflet has been produced for residents with information on digital access points and the Personal Budgeting and Assisted Digital Support services, along with the information that the claimant needs to make their UC claim, which is being sent to partners and organisations across the city. A downloadable copy of this leaflet is available on the [UC page on the Council's website](#).

The Council's UC web pages are regularly updated and a social media plan is underway. Any partners who deliver support for UC claimants who are not currently included in the webpages discussed above, please email details to workandskillsadmin@manchester.gov.uk

Direct communications activity is taking place with internal Council staff who may be affected themselves by UC, who otherwise would have claimed tax credits.

DWP are leading on engagement activity with a range of partners including Private Sector and Social landlords, Voluntary and Community Sector organisations and public services. Engagement is also underway with employers who need to be aware of the implications of UC for their business and staff.

9. Information for Staff and Partners

A link to a one page flowchart is attached at the end of this note which aims to support staff and partners in giving appropriate information to anyone claiming or needing to claim UC, including information for staff dealing with vulnerable residents.

DWP and the Council's Revenues and Benefits Unit have delivered briefing sessions for Council frontline services who are likely to be engaging with residents affected. All Council employees will

be informed about UC by means of broadcasts and newsletters and potential e-learning and training is being explored for those who need a more in-depth understanding.

The local DWP Partnership Manager is leading on engagement with partners and has met with a range of services over recent months. The Council is also regularly sharing information and updates from the UC Working Group activity with partners via the Place Groups and other local forums.

10. Governance arrangements at the Council

The Council's Welfare Reform Board oversees the implementation of UC in Manchester, monitoring impacts and risks, and instigating new activities and ways of working. The Welfare Reform Board members include key Council services, DWP, Registered Housing Providers and commissioned Advice Service partners.

A UC Working Group, chaired by the Work and Skills Team, has been established consisting of the key Council services and DWP to lead on delivery of a project plan which details activity relating to resident and partner communication, support services, internal and staff communications, and monitoring of impacts.

Useful Information

Flowchart for staff:



Manchester UC
flowchart for staff.p

To make a claim:

www.gov.uk/apply-universal-credit

DWP UC Helpline: 0800 328 9344

For more information on UC

www.gov.uk/universal-credit

www.manchester.gov.uk/universalcredit

www.citizensadvice.org.uk/benefits/universal-credit

For a series of short videos on UC Full Service, visit the DWP YouTube site:

www.youtube.com/playlist?list=PLDBaQKqY6OHYk6rn_FINwm6XXNkzeC6-7

For more information on the Council's activity in response to the UC roll out please contact the Work and Skills Team on 0161 234 1515, email workandskillsadmin@manchester.gov.uk

