

**Oversight and Governance**

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Select Committee Review: Universal Credit Supplementary Pack One

Wednesday 27 February 2019
10.00 am
Warspite Room, Council House

Members:

Councillors Mrs Aspinall, Ball, Corvid, Morris and R Smith.

Please find attached additional information for your consideration relating to agenda item 5b.

Tracey Lee
Chief Executive

Select Committee Review

Agenda

5b Universal Credit Update Report

(Pages 1 - 4)

**Written Submission from the Department for Work and Pensions
Universal Credit Select Committee Review 27 February 2019**

Universal Credit (UC) is now complete and is available in every Jobcentre across the country. By 2023, all existing legacy claimants will be moved to Universal Credit.

Key Statistics**Universal Credit Caseload** published 22 January 2019

- In the five weeks to 13th December 2018, the number of people on Universal Credit has increased by 10% to 1.6 million;
- Of these people, 37% (580 thousand) were in employment, compared to 41% in December 2017;
- Of these people, 53% (830 thousand) were female, compared to 45% in December 2017.
- These figures are in line with current expectations.

Plymouth has two Jobcentres Old Tree Court and Devonport as of 10 January 2019 12,504 have made a claim to UC, of which 10,461 have Plymouth City Council postcodes.

January 2018 we had 2261 people claiming UC

As of 10.2 2019 we have 913 people claiming Job Seekers Allowance and we expect that number to continue to fall over the coming year.

Advances

Everyone making a new claim to Universal Credit is told that it will be five weeks before they will receive their first payment and are offered an advance. This can be either a New Claim or Benefit Transfer Advance. An advance is available once we have been able to verify their ID and the system generates the total amount they can receive. We explain fully that the advance needs to be paid back and if they include rent costs then they need to pay this to their landlord. We explain how much they will be paying back over the next 12 months and also offer Personal Budgeting Support.. From October 2012 they will be able extended the repayment period to 16 months.

Payment Timeliness

Universal Credit is designed to mirror the way most people in work are paid, which is monthly. Our latest published data November 2018 shows that consistently around 95% of new claimants are being paid in full and on time. If there are delays in making the first payment, this can be due to outstanding verification issues, such as proving bank statements or proof of rents. It can also be due to a claimant not signing their claimant commitment. For anyone waiting for their first UC payment, advances are available.

Proportion of paid UC claims paid on time November 2018 (all claims)

Full payment on time 95%
Some payment on time 97%

Proportion of paid UC claims that were paid on time November 2018 (new claims)

Full payment on time 86%
Some payment on time 91%

Breakdown of Households on Universal Credit and claiming the Housing Element on UC (November 2018)

Social rented Sector 3631
Private Rented 4687
Other 98
No housing element 4990 (this figure will include those with no housing costs and those in receipt of HB due to being in either temporary or supported exempt accommodation)
Total 13,406

No of people on Universal Credit by Age (headline, more info on attached Spreadsheet)

16-24 January 2018	Not in work	In Work	Total
	833	548	1381
16-24 January 2019	2681	1086	3777
25-49 January 2018	1049	664	1711
25-49 January 2019	6454	3968	10249
50+ January 2018	364	208	566
50+ January 2019	2481	904	3389

LCTRS

At first Initial Evidence Interview, LCTRS is discussed and people are told to apply.

To improve staff knowledge PCC staff have visited the Service Centre in St Austell, Jobcentre staff have visited First Stop Shop and PCC staff have spent time in our Jobcentres. We also have PCC staff co-located in both jobcentres one day a fortnight where they support people with LCTRS and DHP applications. Staff knowledge of DHP and the uptake has seen an increased take up. We have hosted Cllr visits and are happy to do more..

Work with Social and Private Landlords

To improve communication and relationship with landlords we hold quarterly meetings with Social Landlords, where Citizens Advice and PCC staff also attend. It is a chance for everyone to give an update, discuss issues and share good practice. The Partnership Team in Plymouth have a good working relationship with them and are able to resolve problems when they arise.

JCP along with PCC have attended Private Landlord forums to raise awareness of Universal Credit and to provide updates. The Partnership Team receive and act on requests from Private Landlords when rent has not been paid/received.

Claimant or landlord can request to have the rent paid direct to their landlord. On 11 January 2019, the Secretary of State announced that support for private landlords will be increased. An on-line system for private landlords will be introduced so they can request, where necessary, that their tenants' rent is paid directly to them.

Work with Plymouth Credit Union. We promote Plymouth Credit Union when people do not have a bank account or may struggle to manage their money and have seen an increase in the number of people with a Credit Union account.

More Frequent payments.

If a claimant is struggling with receiving monthly payments of Universal Credit or have had trouble budgeting they may be able to have an Alternative Payment Arrangement. This could mean they can receive their Universal Credit more often than monthly, or the payment could be split between you and your partner. A claimant can request to have their UC paid every two weeks.

Key News on Universal Credit

- **Removal of the extension of the two-child limit** on Universal Credit for children born before 6 April 2017. All children born before that date will continue to be supported by Universal Credit.
- **Testing how we can improve the provision of more frequent payments** for new claimants and once we have evidence of what works we will roll out further.
- **Being more flexible when parents are unable to report their childcare costs** immediately so these are still reimbursed. Also ensure Flexible Support Fund can be used whenever the initial month's childcare costs prevent a claimant from starting work.

- **Managed Migration** As planned, the testing of moving over legacy claimants to Universal Credit will begin in July 2019. This pilot will initially involve no more than 10,000 claimants. Testing the system and our processes will allow us to make sure we can provide the best possible service to those claimants who will need to move to Universal Credit from their legacy claim as planned, by the end of 2023.
- **Jobseekers' Allowance**, Employment and Support Allowance and Income Support will roll on for the first fortnight of a Universal Credit claim, where otherwise they would have stopped. This will be effective from July 2020, and will benefit around 1.1 million claimants.
- The Government is extending the 12-month grace period (the period before the Minimum Income Floor applies) to support all gainfully self-employed people. This will be introduced from July 2019 and implemented fully from September 2020.
- Claimants can repay overpayments and debt more slowly from October 2019 (from 40% of the standard allowance to 30%), and from October 2021 people can have up to 16 months to repay advances.

Universal Support and Citizens Advice Partnership

- On 1 October 2018, it was announced that Citizens Advice (CA) and Citizens Advice Scotland (CAS) were given a direct grant award for the delivery of Universal Support for 12 months from April 2019. The decision to award directly to CA and CAS was based on the unique and independent position of Citizens Advice to be able to swiftly improve the Universal Support service.
- Grant funding for the delivery of Universal Support by Local Authorities will cease from April 2019, as will their obligation to deliver the service. Citizens Advice and Citizens Advice Scotland are committed to providing a Universal Support service across all areas of England, Wales and Scotland.



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Statistics.xlsx