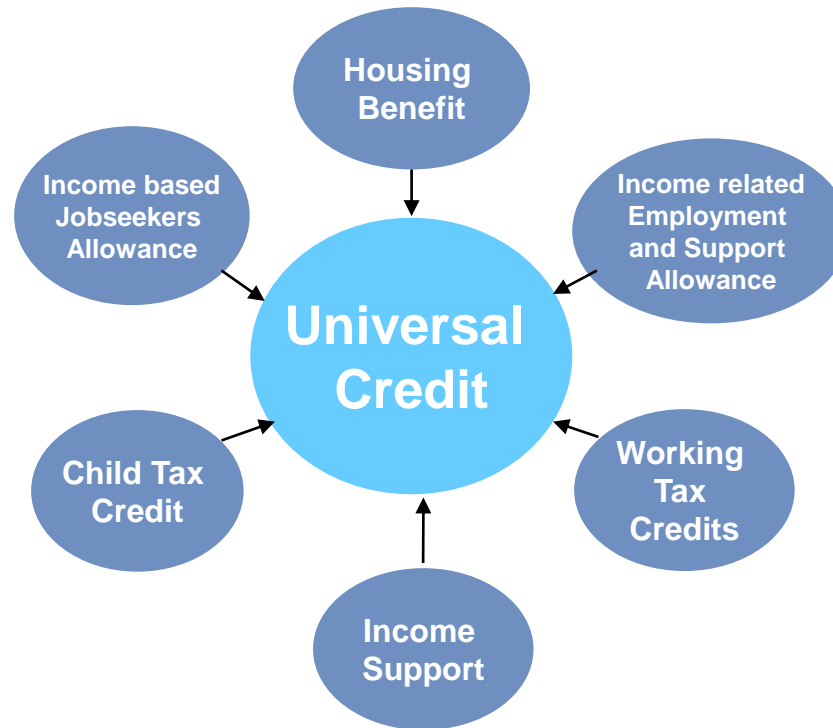




# Universal Credit and Universal Support – delivered locally including Personal Budgeting Support

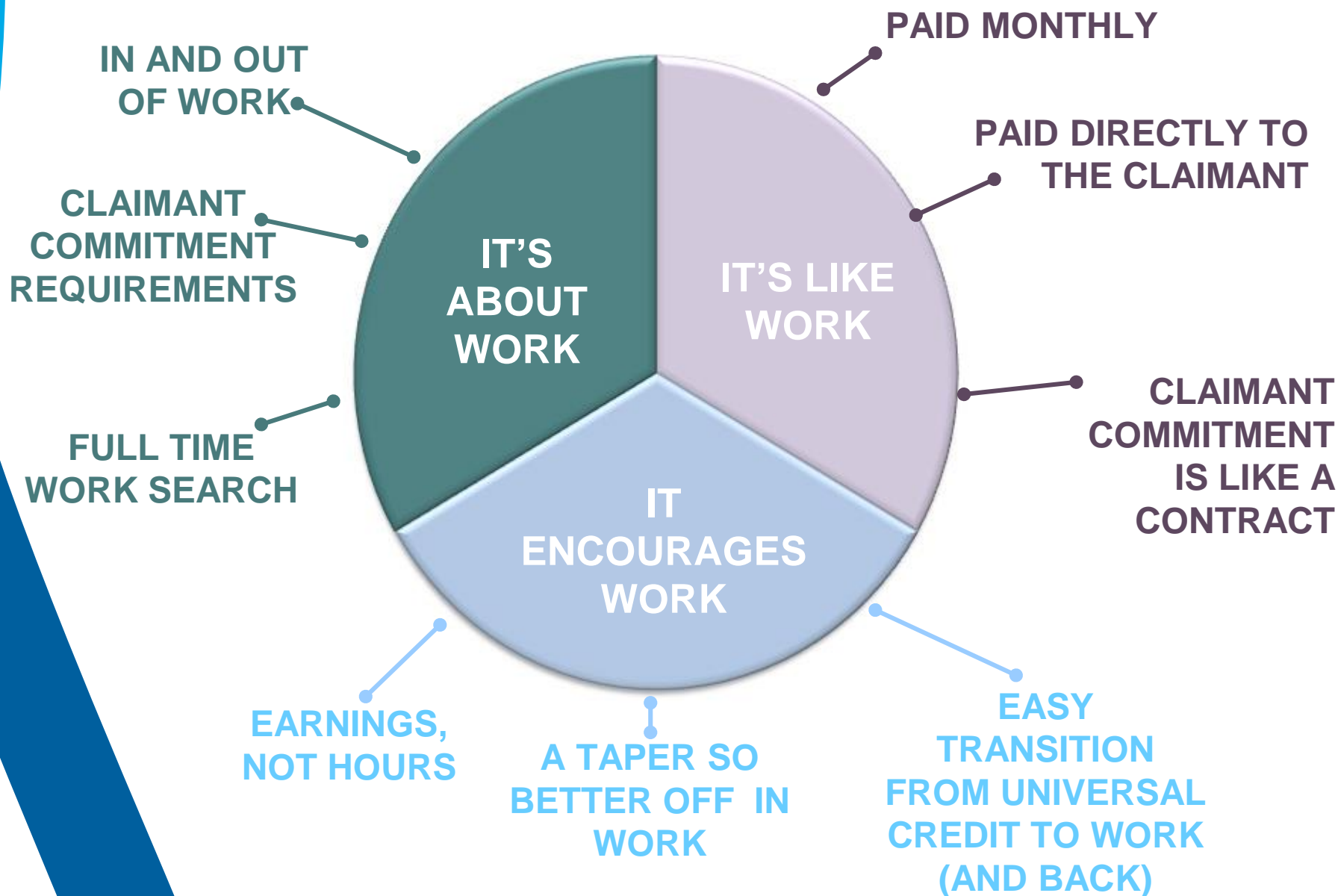


# Universal Credit – overview



- **One simple payment**
- **Paid monthly**
- **For people in and out of work**
- **Use PAYE in real time information (RTI)**

# What's different about Universal Credit?



## Changes for landlords

- **Direct payment of housing costs to tenants**
- **New protections for landlords**
- **Closer relationship with tenants needed – assessing needs and understanding the support available**
- **Role to support tenants during transition – helping them prepare**
- **Ensuring rent is paid**
- **New relationship with DWP**
- **Be prepared**

# Preparing for Universal Credit - tenants

- **Step 1 – Check what changes they need to make**

They can use the online Personal Planner at

<http://ucpp.dwp.gov.uk/universal-credit-preparation/>

- **Step 2 – Make sure tenants have a suitable account such as a bank, building society or credit union account for their monthly payments**

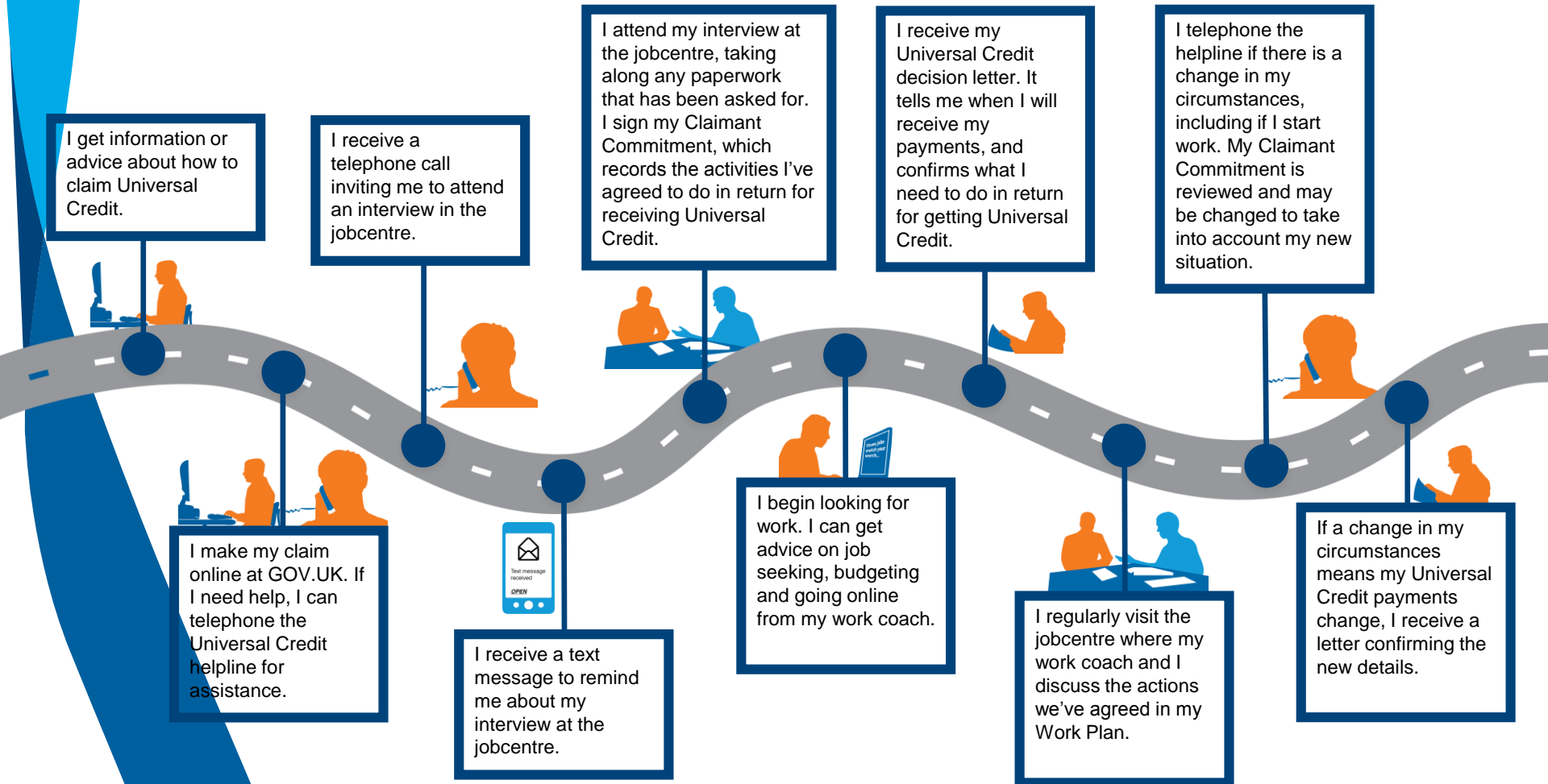
- **Step 3 – Work out their monthly budget by planning ahead and ensuring that bills are paid promptly**

They can use a simple monthly budget planner, like the one available on the [Money Advice Service](#) website

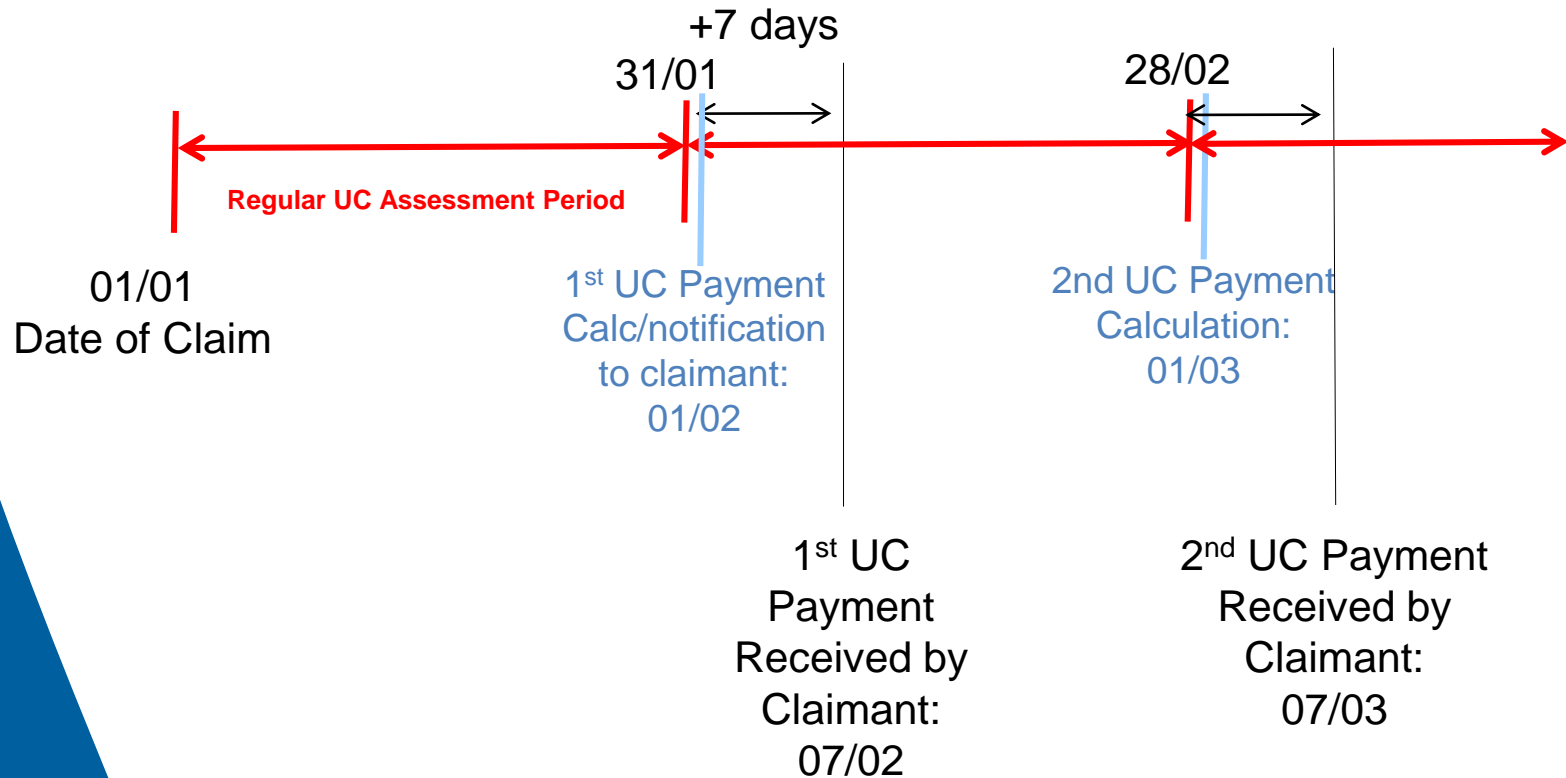
# Delivering the policy - how Universal Credit is rolling out to eligible claimants

- **April 2013** – Universal Credit began in Ashton-under-Lyne in Greater Manchester for single jobless claimants
- **April 2014** – Universal Credit live starts in the North West of England
- **June 2014** – taking new claims for Universal Credit from couples
- **November 2014** – expansion of Universal Credit to families starts
- **December 2014** – rollout in North West of England complete
- **February 2015** – Universal Credit began to be rolled out to all jobcentres and local authorities across Great Britain for single claimants
- **March 2015** – all original 96 live sites now taking claims from families

# Universal Credit claimant journey



# An example claim



# How Universal Credit is rolling out to eligible claimants

- **All 3 sites in the London Boroughs of Westminster, Kensington and Chelsea go live from the 9<sup>th</sup> of November 2015**

For single people out of work aged between 18 – 60 + 6 months who meet the conditions of entitlement.

- **North Kensington**
- **St Marylebone**
- **Westminster**

# Universal Support – delivered locally

- Universal Support – delivered locally provides support to those who need additional help in making and managing a claim for Universal Credit
- It is recognised that individual local needs can best be met through an integrated and localised support service. This is reflected in the partnership working between DWP, local authorities and partners such as Citizens Advice, Credit Unions, social landlords and relevant registered charities
- Universal Support is based on the principles within the Local Support Services Framework (LSSF) published February 2013, and Local Support Update and Trialling Plan published December 2013, which were jointly developed by DWP and the Local Authority Associations to:
  - help DWP and local partners to plan the detail of appropriate services and delivery methods;
  - to enable them to work better in partnership to put in place appropriate support mechanisms relating to financial and digital inclusion; and
  - to ensure a more efficient and effective provision of services to claimants with complex needs and vulnerabilities.

<https://www.gov.uk/government/publications/universal-credit-local-support-services-framework>

<https://www.gov.uk/government/publications/universal-credit-local-support-services-update-and-trialling-plan>

# Universal Support – delivered locally

11 sites have been selected to take forward formal trialling of LSS principles and activities:

- Westminster and RB Kensington & Chelsea
- Lambeth/Lewisham/Southwark
- West Lindsey - City of Lincoln, North Kesteven & Lincolnshire
- Northumberland & St Tyneside
- Argyll and Bute
- Blaenau Gwent
- Derby City
- Islington
- Carmarthenshire
- Dundee City

# Who do we think may require Universal Support – delivered locally?

Claimants with mental health issues

Geographically isolated people

Multi Agency Public Protections Agreement (MAPPA) restricted claimants

Prison leavers

People with English language limitations

Claimants with learning difficulties

People with financial inclusion or severe debt issues

Domestic violence victims

People with literacy/numeracy difficulties

Entitled 16/17 year olds

People with physical and/or sensory disabilities

Those under the supervision of the Troubled Families Initiative

Non EEA citizens – including refugees

Homeless people

People with addiction problems (drugs/alcohol/gambling)

Care leavers

# Personal Budgeting Support – Why?

We want to help people to manage their own finances successfully, whether they are in or out of work.....

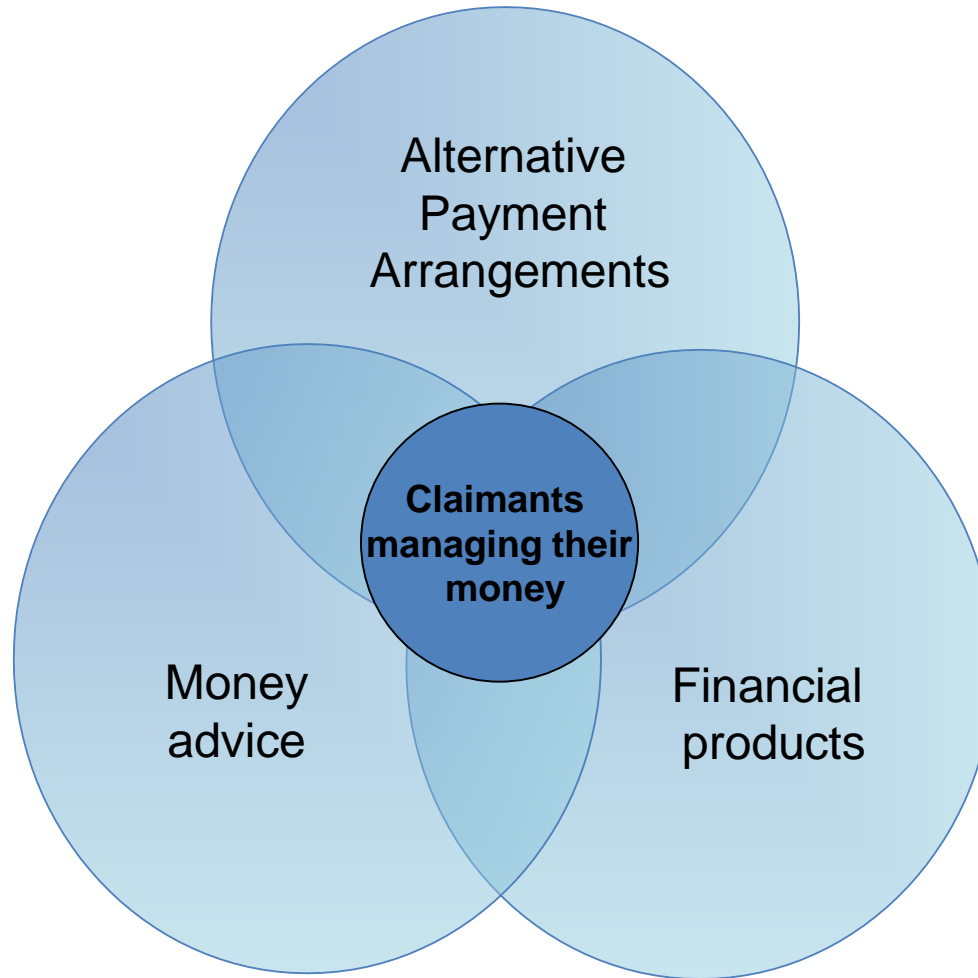
**Support for those that need it to manage the changes Universal Credit brings:**

**Single payment to household**

**Monthly Payment**

**Housing costs direct to tenant**

# Personal Budgeting Support - Overview



## **Money advice includes:**

- Offered to anyone claiming Universal Credit
- Now part of the work coach role
- Online budgeting tools for claimants who are able to self-help. We have worked closely with the Money Advice Service to produce a range of products. Information is also available on GOV.UK
- Money advice services using a mix of face to face and telephony support.
- Longer term Universal Credit will be delivered via Universal Support – delivered locally through delivery partnership agreements
- A Universal Credit Personal Planner is available on GOV.UK to help claimants understand the changes under Universal Credit and advice on what they might need to do to prepare:

<https://secureonline.dwp.gov.uk/universal-credit-preparation>

# Personal Budgeting Support and Alternative Payment Arrangements

- For a minority of claimants, Alternative Payment Arrangements may be required; these might include:
  - paying the rent directly to the landlord (managed payment to landlord)
  - making more frequent than monthly payments
  - splitting the payment within the household
- Option to make managed payments directly to the landlord if a claimant reaches a certain level of rent arrears. (Usually 2 calendar months / 8 weeks)
- Considered on a case by case basis and assessed on their individual needs
- The decision about whether an Alternative Payment Arrangements is suitable will be made by a Universal Credit Decision maker through the Personal Budgeting Support process.
- All Alternative Payment Arrangements are subject to review

## Alternative Payment Arrangements – consideration factors

Highly likely / probable need for Alternative Payment Arrangements
Drug / alcohol and / or other addiction problems e.g. gambling
Learning difficulties including problems with literacy and/or numeracy
Severe / multiple debt problems
In temporary and / or supported accommodation
Homeless
Domestic violence / abuse
Mental health condition
Currently in rent arrears / threat of eviction / repossession
Claimant is young either a 16/17 year old and / or a care leaver
Families with multiple and complex needs
Less likely / possible need for Alternative Payment Arrangements
Third party deductions in place (e.g. for fines, utility arrears etc..)
Claimant is a refugee / asylum seeker
History of rent arrears
Previously homeless and / or in supported accommodation
Other disability (e.g. physical disability, sensory impairment etc.)
Claimant has just left prison
Claimant has just left hospital
Recently bereaved
Language skills (e.g. English not spoken as the 'first language').
Ex service personnel
NEETs ( Not in Education, Employment or Training)

# Personal Budgeting Support – financial products

- A personal planner is available on GOV.UK to help claimants understand and prepare
- Up to 1.3 million potential Universal Credit claimants currently do not use a transactional bank account (an account that allows bank customers to use direct debits to pay bills) to manage their benefit payments
- We are looking at ways to make accounts with budgeting functionality, such as 'jam jar' accounts, more widely available. We are consulting with financial providers across the private, social and third sectors and considering the best ways to make these types of products more available
- Universal Credit monthly payments have been paid into some types of Credit Union account since October 2013 but we have worked with a range of stakeholders to enable Universal Credit to be paid into all types of Credit Union accounts from 6 April 2015
- We have enabled the development of better basic bank accounts from all major banks which will offer users the ability to set up and pay by direct debit and pay bills. These will become available by the end of 2015.

# We are listening, testing and learning...

- We have worked particularly closely with the social rented sector supported by the National Housing Federation
- We have introduced rent arrears triggers to help protect landlords and tenants alike
- We have taken steps to improve the take up of budgeting support
- We have set up new dedicated teams as a result of feedback to manage housing and Alternative Payment Arrangement cases
- We have conducted business tests in the North West involving landlords in the housing costs verification process
- We are continually reviewing our strategy to ensure we have it right as Universal Credit expands, working closely with landlords, the National Housing Federation and others, learning as we go and implementing service improvements

## We are listening, testing and learning...

- As part of our commitment to continuous improvement, we have introduced some further practical adjustments to strengthen the Universal Credit offer for claimants and landlords. They include:
  - dedicated teams to manage housing and Alternative Payment Arrangement cases
  - provision of single point of contact details to LAs and social landlords
  - better designed and simpler notifications and forms
  - a new dedicated external e-mail address for social landlords - enabling them to escalate requests for Alternative Payment Arrangements and deductions for arrears in cases where they are considering formal pre-eviction action  
[UC.SERVICECENTREHOUSING@DWP.GSI.GOV.UK](mailto:UC.SERVICECENTREHOUSING@DWP.GSI.GOV.UK)
  - LA housing benefit experts have been working in Service Centre's on secondment since summer 2014
  - We have established a dedicated network of single points of contacts

# Preparing for Universal Credit - landlords

- We have explored and developed ways of encouraging landlords to prepare themselves and their tenants for Universal Credit, working with social landlords, their trade bodies and local authorities
- We have launched a strategy to encourage landlords to identify those tenants that could deal with a direct payment now, and discuss the switch to a direct payment of housing benefit in advance of Universal Credit. A support pack has been developed to help landlords:

<https://www.gov.uk/government/news/universal-credit-support-boost-for-social-landlords>

# Payment Advances

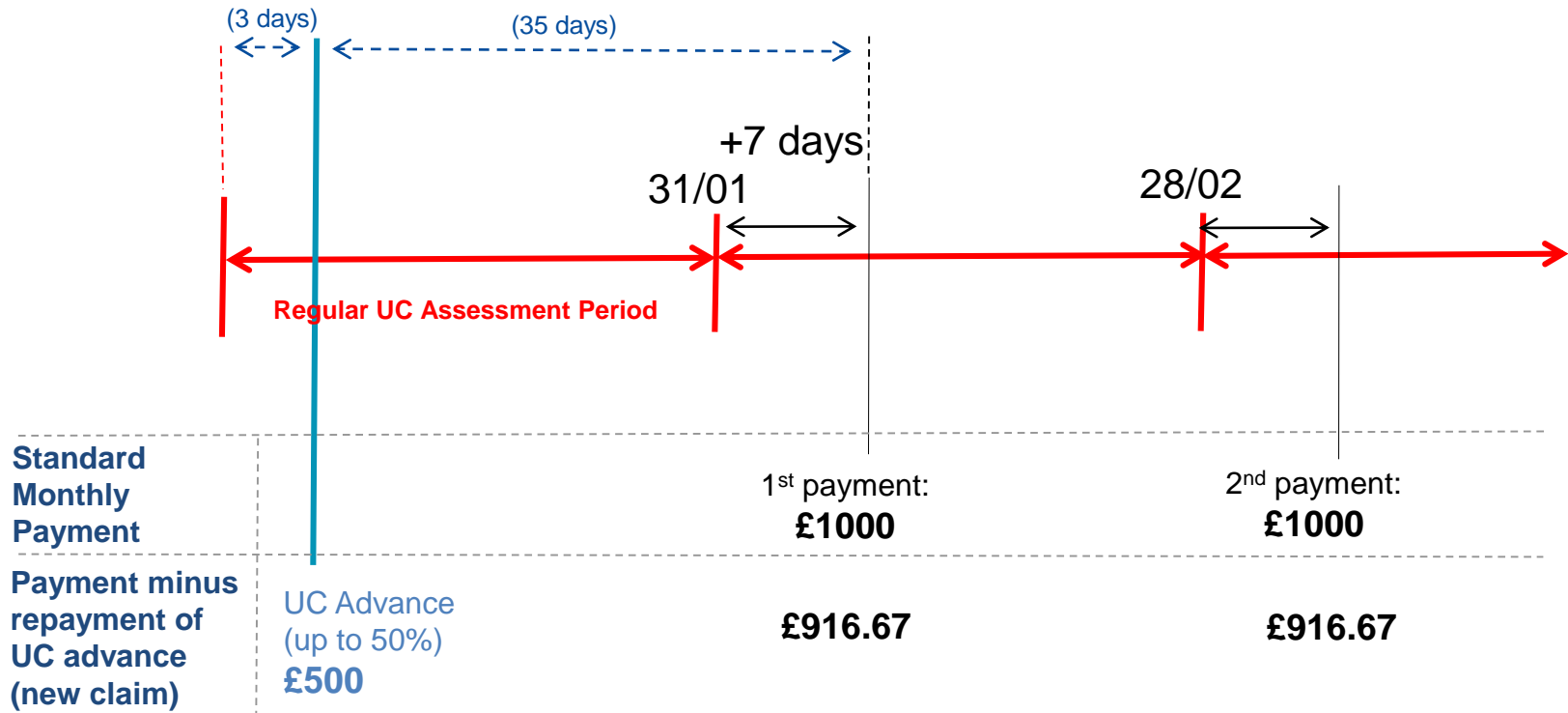
- Universal Credit payments are issued monthly through the BACS system
- The first payment will be made after the initial Universal Credit calculation period (one calendar month from the date of claim) +7 days
- New claimants and those moving from legacy benefits may be eligible for an advance of their indicative award to help them manage during the first assessment period if they need it
- For a Universal Credit Advance (New Claim) the claimant will be advised at the non-repudiation stage when they will receive their first payment of Universal Credit.
- If a claimant indicates that they will be unable to manage financially until their first payment, they will be advised about the facility of a Universal Credit Advance and how to apply for one. They would need to have an underlying entitlement, be in financial need and able to repay the advance over the next 6 months

## Payment Advances (continued)

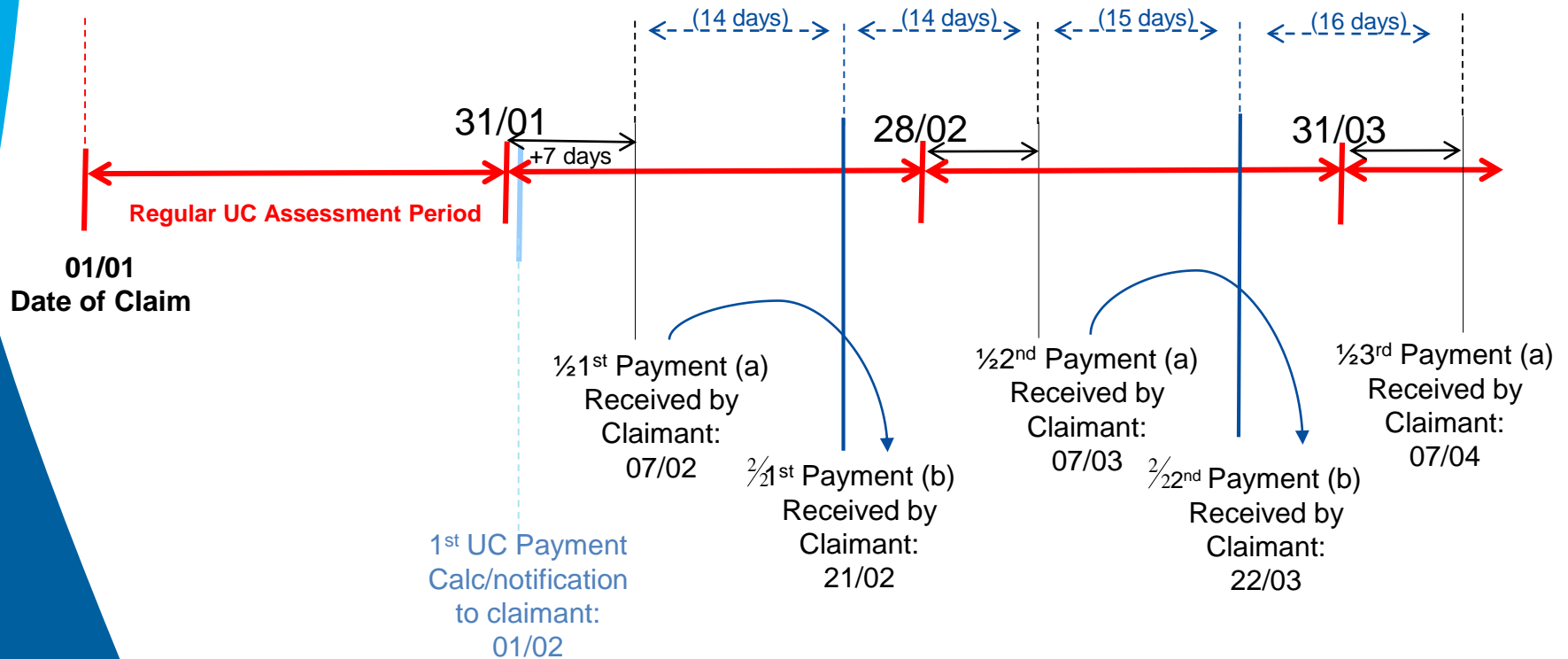
- For a Universal Credit Advance (Transitional) the claimant will have to ask for the advance within one month of moving across to Universal Credit and have been in receipt of an existing benefit within one month of moving across to Universal Credit. The financial need eligibility criteria does not apply to a transitional advance
- These Universal Credit advances will provide an interest-free lending facility for claimants who find it difficult to access mainstream credit, and could offer an alternative to high cost borrowing
- A claimant can request an advance of up to 50% of their indicative Universal Credit award
- More information about Universal Credit Advances can be found at [GOV.UK](https://www.gov.uk)

# Payment Advances: New Claims

Based on an indicative claim of £1000 pcm



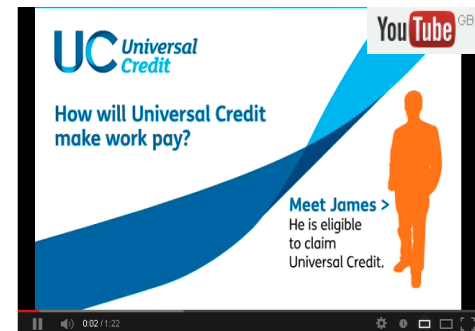
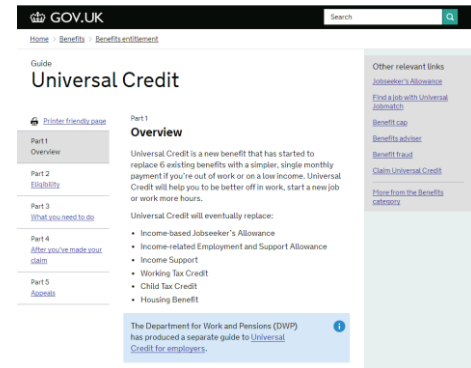
## More Frequent Payments:



➤ Claimants receiving an APA for payment more frequently than monthly will be issued, with half the payment issued on the regular payday, and the second half issued midway through the subsequent assessment period

# Communications – What we've done so far

- GOV.UK
- Claimant Leaflet
- Partner Toolkit
- Infographics
- Videos



# Useful Links

**An introduction to Universal Credit video**

<http://youtu.be/E7GUu7Xa7Nw>

**Universal Credit Managing Your Money video**

<https://www.youtube.com/watch?v=ZOjGmDWf6IU#t=41>

**Universal Credit pages on GOV.UK**

<https://www.gov.uk/universal-credit>

**Jobcentre offices where eligible claimants can make a claim for Universal Credit**

<https://www.gov.uk/jobcentres-where-you-can-claim-universal-credit>

**The Claimant Commitment**

<https://www.gov.uk/government/publications/universal-credit-and-your-claimant-commitment-quick-guide>

**The Local Support Services Framework**

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/181395/uc-local-service-support-framework.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/181395/uc-local-service-support-framework.pdf)

**UC Local Support Services Update and Trialling Plan published in December 2013**

<https://www.gov.uk/government/publications/universal-credit-local-support-services-update-and-trialling-plan>

**Operating Guidance for PBS & APAs**

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/181399/personal-budgeting-support-cover-note.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/181399/personal-budgeting-support-cover-note.pdf)

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/181400/personal-budgeting-support-guidance.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/181400/personal-budgeting-support-guidance.pdf)

**Budgeting help and support**

<https://www.gov.uk/government/publications/budgeting-your-universal-credit-quick-guide>

# Useful links for stakeholders

- **An introduction to Universal Credit video**  
<http://youtu.be/E7GUu7Xa7Nw>
- **Universal Credit – managing your money video**  
[https://www.youtube.com/watch?v=ZOjGmDWf6IU&list=PLeysxjNpEPy\\_UnltAtlw9u3tTwE4oMliL&index=17](https://www.youtube.com/watch?v=ZOjGmDWf6IU&list=PLeysxjNpEPy_UnltAtlw9u3tTwE4oMliL&index=17)
- **Universal Credit pages on GOV.UK**  
<https://www.gov.uk/universal-credit>
- **A toolkit for Partners**  
<https://www.gov.uk/universal-credit-toolkit-for-partner-organisations>
- **The Claimant Commitment**  
<https://www.gov.uk/universal-credit-toolkit-for-partner-organisations#the-claimant-commitment>
- **A Personal Planner to help claimants prepare for Universal Credit**  
<http://ucpp.dwp.gov.uk/universal-credit-preparation/>
- **A pictorial representation explaining Better off in Work**  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/301408/how-uc-tops-up-earnings-to-make-work-pay.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/301408/how-uc-tops-up-earnings-to-make-work-pay.pdf)
- **Budgeting help and support**  
<https://www.gov.uk/government/publications/budgeting-your-universal-credit-quick-guide>
- **Operating Guidance for Personal Budgeting Support & Alternative Payment Arrangements**  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/181399/personal-budgeting-support-cover-note.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/181399/personal-budgeting-support-cover-note.pdf)  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/181400/personal-budgeting-support-guidance.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/181400/personal-budgeting-support-guidance.pdf)

# Useful links for stakeholders

- **The Local Support Services Framework**  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/181395/uc-local-service-support-framework.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/181395/uc-local-service-support-framework.pdf)
- **The Money Advice Service**  
<https://www.moneyadviceservice.org.uk/en>
- **A Money Advice Service Universal Credit video**  
<https://www.moneyadviceservice.org.uk/en/videos/get-ready-universal-credit>
- **Making work pay comparison graph explaining how Universal Credit compares to the current system when claimants increase their hours**  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/301411/how-uc-helps-to-make-work-pay.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/301411/how-uc-helps-to-make-work-pay.pdf)
- **A quick guide for employers about Universal Credit and RTI**  
<https://www.gov.uk/government/publications/universal-credit-works-for-employers-and-claimants-quick-guide>
- **HMRC and RTI**  
<http://www.hmrc.gov.uk/payerti/getting-started/pay-basics/rti.htm>
- **Eight Ways Universal Credit can help your business**  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/307091/how-uc-can-help-your-business.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/307091/how-uc-can-help-your-business.pdf)

**The Universal Credit Personal Planner - aimed at helping financial and digital preparation**

<https://secureonline.dwp.gov.uk/universal-credit-preparation/>

**Landlord Preparation Strategy**

<https://www.gov.uk/government/news/universal-credit-support-boost-for-social-landlords>

**Money Advice Service support for Universal Credit**

<https://www.moneyadviceservice.org.uk/en/categories/universal-credit>

**Money Advice Service Universal Credit video**

<https://www.moneyadviceservice.org.uk/en/videos/get-ready-universal-credit>

**The Universal Credit and Rented Housing Frequently Asked Questions**

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/337964/universal-credit-and-rented-housing.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/337964/universal-credit-and-rented-housing.pdf)



# Universal Credit

Any Questions