

Report for: Overview and Scrutiny – 22nd July 2019

Title: Update on Universal Credit for Overview and Scrutiny

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Ward(s) affected: All

**Report for Key/
Non Key Decision: N/A – report for noting**

1. Describe the issue under consideration

1.1 Following a verbal briefing by Cllr Amin at Overview and Scrutiny in January 2019, an update on Universal Credit was requested by the Committee.

2. Input Requested from O&S

2.1 It is requested that O&S note the contents of the report.

3. Universal Credit: Background and Summary

3.1 Universal Credit (UC) is a Department for Work & Pensions (DWP) benefit that replaces the following working-age benefits, now referred to as “legacy Benefits”

- Housing Benefit
- Income Support
- Income Based Job Seekers Allowance
- Child Tax Credit
- Working Tax credit

3.2 It is expected that UC will be fully rolled out by 2024.

3.3 The majority of people in receipt of a legacy benefit will experience no change until the DWP migrates their case across to UC, at present we do not have a date for this. However, if an individual’s circumstance significantly changes they may move to UC in advance of this migration.

3.4 As of October 2018, claims from people who move into the Borough or from current residents not already on a legacy benefit will be dealt with as UC.

- 3.5 At May 2019 there were approximately 8000 UC claimants in Haringey, of which 5220 were not in employment.
- 3.6 There are circumstances where Local Authorities will pay housing costs through Housing Benefit even if UC is in payment, this primarily applies to people who live in:
- Specific accommodation such as refuges, hostels or supported accommodation
 - Temporary accommodation
- 3.7 UC does not replace Haringey's Council Tax Reduction Scheme (CTRS) which we continue to administer.
- 3.8 Landlords can ask for rent payments to be made directly to them if their tenant is in 2 months arrears.
- 3.9 Tenants can have their rent paid directly to their landlord from the start of their claim if they choose to do so.
- 3.10 As customers migrate to UC they are given an extra 2 weeks housing benefit paid to them to assist with the transition.
- 3.11 There is free digital access through library computers for all customers wanting to either review their current claim or make a new one.
- 3.12 Haringey Council cannot assist with the processing of UC claims or discussions around entitlement, back-dating, or sanctions these sit with the DWP via the Citizens Advice Bureau (CAB).

4. OSC Comments

- 4.1 Following Cllr Amin's verbal briefing in January 2019 there were some follow up queries asked by OSC.
- 4.2 How will vulnerable people be protected?
- The migration plan for existing claimants of legacy Benefits on to UC is being developed by the DWP and Haringey will work in partnership with them to ensure communications are appropriate and vulnerabilities identified and addressed.
- 4.3 What will the Council do to mitigate the problems faced by people waiting for the benefit to begin – particularly in terms of rent arrears?
- Haringey prioritises UC claimants in our Discretionary Housing Policy.
 - The DWP have confirmed that in June 2019, 90% of claims were paid in full at the Tottenham and Finsbury Park Job-Centres with 86% at Wood Green.
 - All claimants can request an advance payment which is then paid back via deductions over a 12-month period.
- 4.4 What will the Council do to mitigate the problems faced by people who are sanctioned, particularly where there are mental or physical health issues that make compliance difficult or impossible?
- The DWP are responsible for sanctions and Local Authorities are unable to assist with queries in relation to this area. Haringey's Discretionary Housing Policy prioritises claims from those affected by UC changes.

- 4.5 What practical assistance can the Council give people?
- There is free digital access through library computers. Haringey's Discretionary Housing Policy prioritises claims from those affected by UC changes.
 - There is a strong support offer in place from both CAB and DWP with free access to PCs, free wifi, support with claim applications and access to budgeting training
- 4.6 Is there a joined-up plan?
- Haringey continues to work in partnership with the DWP and CAB.

5. Other Activity

Internal

- 5.1 A review of Haringey's webpages relating to UC is being conducted and they will be amended in line with best practice from Tower Hamlets to make the information more streamlined and clearly signpost areas of help.
- 5.2 Although we recognise the DWP lead in this area we want to ensure our residents have the support they need and are able to contact us to discuss their concerns.
- 5.3 We are working with HFH and Housing Associations to understand impact on rent collection and rent arrears.

"Stop and Scrap Universal Credit Campaign"

- 5.4 Members of the "Stop and Scrap Universal Credit Campaign" met Cllr Amin in June 2019, in addition to Council officers there were representatives from the CAB and DWP at this session.
- 5.5 An overview presentation on UC was given by the Housing Benefit department, this is attached at **Appendix 1**, this was followed by verbal updates from the CAB and the DWP on some of the work they are doing with the community and impacted groups.
- 5.6 A motion is due to go to Full Council in September in relation to Universal Credit.