

Universal Credit Briefing

June 2019

Overview

- Universal Credit (UC) is a Department for Work and Pensions (DWP) benefit that replaces the following working-age benefits and tax credits:
 - Housing Benefit
 - Income Support
 - Income-based Jobseekers Allowance
 - Income related Employment and Support Allowance
 - Child tax credit
 - Working tax credit
- These are now known as legacy benefits
- It is expected that UC will be fully rolled out by 2024

Overview

- The majority of people currently in receipt of a legacy benefit will experience no change until the DWP migrates their case across to UC – we do not have a date for this
- However, if their circumstances significantly change they may move to UC in advance of this migration, it will depend on the nature of the change
- Claims from people who newly move to the Borough or from current residents who are not already on a legacy benefit will be dealt with as UC
- There has not yet been a decision on how to replace Housing Benefit for people of pension age as such they will continue to receive this legacy benefit

Overview

- There are circumstances where even if UC is in payment, Haringey will pay housing costs through Housing Benefit. This primarily applies to people who live in:
 - Specific accommodation such as refuges, hostels or supported accommodation
 - Temporary accommodation
- UC does not replace Haringey's Council Tax Reduction Scheme (CTRS), we will continue to administer this support

Key Statistics

- In October 2018 UC was introduced in Haringey for all new claimants
- Since that point there has been a reduction in the Housing Benefit caseload from 31,527 to 28,423.
- In June 2019 the DWP released the following stats:

	Current No. on UC	Expected by March 2020
Wood Green	2,776	5,854
Tottenham	4,666	9,177
Finsbury Park	3,918	5,992

- (note – these figures are for the Job Centres, the DWP are unable to break the information down by ward / borough)

Rent Arrears

- Landlords can ask for rent payments to be made to them directly if their tenant is in 2 months rent arrears
- Tenants can request to have their rent paid directly to their landlord from the start of their claim
- As customers migrate to UC they are given an extra 2 weeks housing benefit paid to them to assist with the transition. This concept may be rolled out to cover the other legacy benefits too.

National Audit Office

- In June 2018 the National Audit Office commented on UC:
 - £1.9b had been spent on UC of which £1.3b was on investment and £0.6b was on running costs
 - The administration cost per claim was £699
 - They recognised that some claimants struggled to adjust to UC but stated that abandoning it was not practical and the DWP had no alternative but to continue with the migration / roll-out.
 - Tracking and transparency of progress needed to improve
 - Partnership working needed to improve, including making it easier for third parties to support claimants
- In February 2019 the national published figures showed November performance at 95% of all Universal Credit claims paid on time.

Labour Demands

- In September 2018 Labour issued 10 emergency demands on Central Government in relation to UC.
- These are detailed below with the current status
 - Cut the 5 week wait for payments
 - This still exists however all customers can ask for an advance on their UC payment
 - Remove the need for online applications
 - Claims can be made via the phone in exceptional circumstances
 - Remove sanctions
 - The maximum time period for a sanction has been reduced from 3 years to 6 months

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 - Protect those suffering from domestic abuse and allow families to split UC payments
 - The benefit payment can be split as long as it is paid into two separate bank accounts – this option is available to all claimants
 - Allow housing costs to be paid directly to Landlords
 - This is now in place
 - Reverse cuts made to those in receipt of disability payments
 - DWP have stopped those in receipt of severe disability premiums moving to UC

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 - Reinststate the family element and remove the 2-child limit
 - Children born before 8th April 2017 are exempt from this and can be claimed for.
 - Support those on fluctuating incomes
 - There has been no change in this area
 - Restore work allowances
 - There were some changes introduced in the Autumn Budget that addressed this point

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- End the freeze on Social Security
 - Benefits remain frozen at 2016 rates

Getting Help with UC

- There is free digital access through library computers for all customers wanting to either review their current claim or make a new one.
- However, Haringey Council cannot assist with the processing of UC claims or discussions around entitlement or back-dating, these sit with the DWP via the Citizens Advice Bureau (CAB).

Partnership Working

- There are organisations who can work in partnership to help with disseminating information, giving briefings and developing case-studies.
- These include
 - DWP (Lead)
 - CAB
 - Child Poverty Action Group (CPAG)