

**To: City Executive Board**

**Date: 2 April 2015**

**Report of: Head of Customer Services**

**Title of Report: Universal Credit Delivery Partnership Agreement**

# Summary and Recommendations

**Purpose of report**: To approve the Delivery Partnership Agreement with the Department of Work & Pensions for the provision of services required as a consequence of the roll out of Universal Credit.

# Key decision Yes

**Executive lead member:** Cllr Susan Brown, Board Member for Customer Services and Social Inclusion

**Policy Framework:**

**Recommendation:** That the City Executive BoardAUTHORISE the Executive Director for Organisational Development and Corporate Services to enter into these arrangements provided that she is satisfied that the full terms of the agreement are acceptable and properly reflect the principles set out in the report.

**Appendix**

Appendix 1 – Risk Register

**Introduction**

1. On 16 February 2015, the national rollout of Universal Credit began. Universal Credit is a new benefit which amalgamates Jobseekers Allowance, Income Support, Employment & Support Allowance, Working Tax Credits, Child Tax Credits and Housing Benefit. The Government’s aim in rolling out Universal Credit is to simplify the benefits system and improve work incentives.
2. The Department of Work & Pensions (DWP) have committed to working with Local Authorities until 2020 to deliver Universal Credit. DWP will be administering Universal Credit from its regional service centres and supporting claimants to get into work through the Jobcentre Plus (JCP) network. Local Authorities (LA’s) have been asked to help support more vulnerable claimants with their claims, although this is not a statutory duty.
3. DWP requires local JCP offices and LA’s to enter into local Delivery Partnership Agreements (DPA’s) These set out the roles of each organisation in delivering Universal Credit and provides for payments to be made to LA’s in respect of the activities they carry out to support the DPA. This report is seeking approval for the Council to enter into a Delivery Partnership Agreement with the local Job Centre Plus.

**Rollout**

1. Universal Credit was first announced in November 2010, and was intended to be rolled out nationally from October 2013. Difficulties in delivering an IT system which links Her Majesty’s Revenue and Customs earnings information with a new DWP infrastructure has led to a much slower rollout than originally planned.
2. Universal Credit will be introduced in Oxford on 20 April 2015 for single claimants without children. The trigger for applying for Universal Credit will be the need to make a claim for Jobseekers Allowance, i.e. where someone loses their job, or leaves the education system. Where Universal Credit has been rolled out elsewhere, the majority of claimants are young (under 30) single men, a third of which have housing costs.
3. The eligibility criteria for Universal Credit in Oxford in year one means that there will be a small number of claimants. DWP are forecasting up to 150 applications a month in Oxford, although experience in other areas shows that actual numbers of applications are much lower than those forecast. DWP estimates are based on the number of JSA claims made in December 2014. The improving job market means these figures are falling month on month.

**Provision of Services**

1. Schedule 1 of the Delivery Partnership Agreement outlines the responsibilities of the City Council. These include:
* Providing support to the Universal Credit Service Centre on housing cost issues
* Supporting customers to make claims online
* Providing personal budgeting support to customers identified as having a need for it
* Manually processing claims for Council Tax Reduction (as DWP will only be providing Universal Credit income information in a manual format until October 2015)
* Supporting social landlords to prepare for Universal Credit
* Providing Management Information to DWP
* Supporting DWP with the evaluation of the first phase of national rollout
1. Due to the anticipated low numbers of claimants in the first year, the Council’s Welfare Reform Team will provide personal budgeting support and help with making claims online. DWP have advised that they expect there to be fewer than 10 customers per month requiring each type of support. Providing this support in-house will help inform the decision on how to provide these services if and when Universal Credit is rolled out to a wider customer base.
2. The Council is well prepared to support customers migrating to Universal Credit following its involvement in two Universal Credit pilots. Learning from this work has informed the development of the services which are required under the Delivery Partnership Agreement.
3. A project team has been assembled to manage the implementation of Universal Credit. This will carry out the development of any new processes required, ensure staff are adequately trained, and manage the communication of this work both internally and externally. Work to implement Universal Credit will be reported to the Organisational Development and Customer Services Board.
4. The DWP will be providing named contacts to the City Council both locally at Oxford Jobcentre Plus, and at one of the Universal Credit Service Centres, where applications will be processed. This will ensure that any problems which arise can be resolved quickly.

**Risk**

1. An evaluation of the risks associated with the implementation of Universal Credit has been carried out. A detailed Risk Register is attached at Appendix 1.

**Environmental Impact**

1. No impact

**Equalities Impact**

1. No impact

**Financial Implications**

1. The Council will receive payments for undertaking the activity outlined in the Delivery Partnership Agreement as shown in the table below.

|  |  |
| --- | --- |
| **Activity** | **Payment** |
| Online support | £1,400.00 |
| Budgeting Support | £6,625.00 |
| Manual processing of Council Tax Reduction claims | £5,580.00 |
| Support Universal Credit Service Centre | £1,165.00 |
| Management Costs | £25,644.00 |
| One off/set up costs | £12,000.00 |
|  |  |
| **Total** | **£52,414.00** |

**Legal Implications**

1. As stated above, the provision of the services under the DAP do not constitute a statutory obligation on the City Council.

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**Background Papers:** None