

Universal Credit Sub Group Update



Services Select Committee

25 September 2012

Members: Cllr Anna Firth (Chairman), Cllr Michael Horwood (Vice Chairman), Cllr Simon Raikes, Cllr Roddy Hogarth and Cllr Lawrence Ball

Structure

- Introduction to key welfare reforms
- Challenges & impacts
- Financial implications
- Proposed strategy



What is Universal Credit (UC)?



Universal credit will
be rolled out from
Oct 2013 – Oct 2017

- A simpler benefits system that amalgamates most benefits – this will reduce fraud and make the system easier to understand.
- A more worthwhile benefits system that makes most people better off working.
- A system that is designed to respond to the flexibilities of modern working patterns.

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What is the current system?

Housing Benefit
Council Tax Benefit



Jobseekers Allowance
Income Support
Employment Support Allowance



Working Tax Credits
Child Tax Credits
Child Benefit



Disability Living Allowance
Pension Credits



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What is the new system?

Universal Credit

Benefits Outside of Universal Credit

DWP Department for
Work and Pensions

Council Tax 'Discount'

AND

possible on-going role

helping people get "on-line"

i.e "Face-to-Face" delivery

of Universal Credit



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Some of the Challenges Ahead

- The 'ambitious' 80% of *applications online* target.
- The payment of Universal Credit monthly, not fortnightly.
- The payment of housing benefit to social tenants directly.
- Budgeting of Universal Credit, along with a possible reduction in Council Tax Benefit and reduced access to 'The Social Fund'.
- Creation of a new Council Tax localisation policy.



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Implementation - key dates

April 2013 – Pathfinders go live. (Other welfare reforms e.g housing benefit cap begin).

October 2013-National launch of UC for out of work claimants starting with JSA.

April 2014 – New claims from in-work claimants begin & start of migration of existing claims (legacy caseload)

October 2017–All existing claims migrated to the DWP

Impact on Sevenoaks District Council

- The biggest impact that Universal Credit will have on the Council is the 'unknown' financial consequences it can have on the Council's budget.
- The reforms could potentially cause uncertainty and homelessness, which causes additional (yet unknown) expense to the Council.
- The retention of benefits staff and associated costs with staff moving on causes additional expense and uncertainty.

Proposed Strategy - context

- Demand for benefits service
- Welfare reform prior to UC
- Unknowns
- Legacy Housing benefit caseload
- Reduced Government grant



Strategy

- Integrated approach
- Not biting off more than we can chew
 - Maintain current capacity
 - Link & sign-post
 - High risk families
 - Broader benefits role
- Post April 2013 policy review



Delivery – next steps

- Ahead of the game
- Expect best but prepare for the worst
- Imaginative solutions
- Strategic agility
- Sub group to meet again in June 2013



In the meantime ...



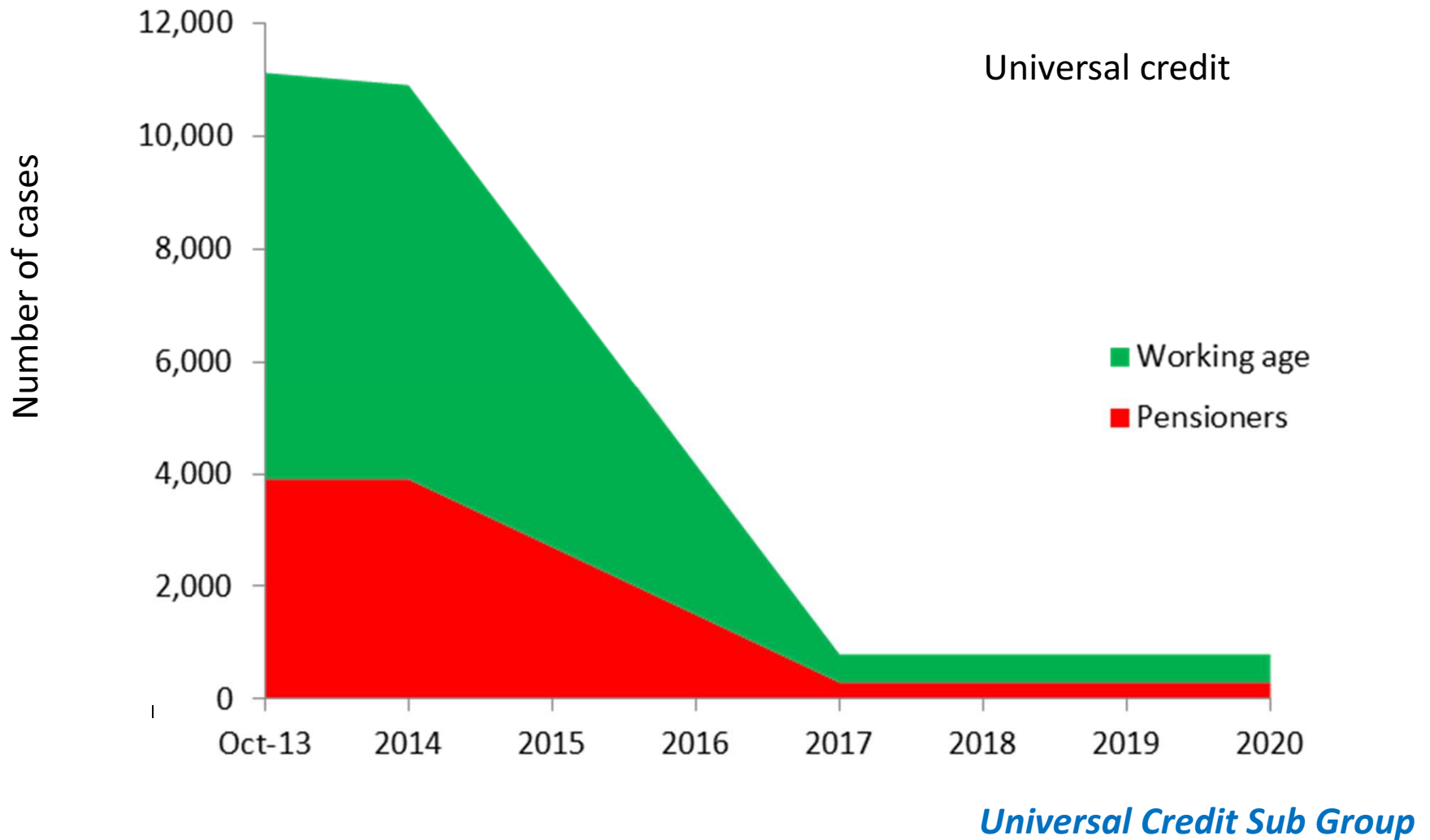
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Thank you for listening

Questions?



Migration of housing benefit caseload



Housing Benefit Caseload

