

Universal Credit: likely favourable and adverse impacts, risks and local partnership response



A review by the Social Care, Housing and Public Health Policy Overview Committee

Councillors on the Committee:

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Chairman's Foreword

“Ensure that adequate and proper safeguards were in place for vulnerable claimant groups”



On behalf of the Social Care, Housing and Public Health Policy Overview Committee, I am pleased to present this report which was intended to look at the roll out of Universal Credit and the impacts on Hillingdon's residents, the Council and local partners.

The Committee met with a wide range of stakeholders, including Citizens Advice, MIND, the Department of Work and Pensions, a housing association and an arm's length management organisation (ALMO). As the review progressed, it became apparent that the changes being introduced by Government, have had significant impacts on claimants, particularly on vulnerable claimant groups. Regrettably, the Committee heard some alarming information, detailed in the report, which caused a great level of concern. The Committee wanted to **ensure that adequate and proper safeguards were in place for vulnerable claimant groups**. As a consequence, the review went on longer than anticipated with Members undertaking an additional witness session to understand

and ascertain the reality of the situation.

Arising from this review, the Committee has made a number of recommendations around strengthening collaborative working, developing clear processes for signposting claimants and regular reporting to Committee. With these recommendations, it is hoped that there will continue to be a smooth transition for residents moving to Universal Credit and they feel well informed and communicated about the process. It's the small steps that count leading on to bigger and better results.

Finally, I would like to take this opportunity to thank those officers and witnesses who have given up their time to help the Committee, and commend them for their continued hard work in providing support, advice and services to the residents of the Borough. Without them, we would not be where we are today.

Councillor Jane Palmer

Chairman of the Social Care, Housing and Public Health Policy Overview Committee

Summary of recommendations to Cabinet

Through the witnesses and evidence received during the detailed review by the Committee, Members have agreed to the following recommendations to Cabinet:

| | |
|----------|--|
| 1 | That Cabinet welcomes the Committee's findings and recommendations from their review into the introduction of Universal Credit in Hillingdon, a national initiative led by the Department for Work and Pensions. |
| 2 | That Cabinet notes the good preparations, effort and staff training in place which has enabled the Council to provide effective support to residents where Universal Credit rolled out by the Department for Work and Pensions has impacted on their housing and related budget management. |
| 3 | Notes the Committee's concerns regarding the more vulnerable residents that apply for Universal Credit and requests that the Universal Credit Project Group considers the following areas for possible further investigation or improvement: 1. Strengthen collaborative work between key partnerships such as the DWP, CA, MIND and Council Officers; 2. Explore other opportunities that may lead to IT assistance for claimants who have a lack of access to IT to apply for Universal Credit and courses to develop basic IT skills that are relevant; 3. Develop clear processes/ procedures for signposting people to the right services and agencies through liaison and establishing key accountabilities of each organisation; 4. Explore and develop further ways to increase awareness of debt management of claimants and ensuring that this is monitored by the relevant agencies appropriately. 5. Appropriate training be provided to staff across the Council so that officers are able to refer residents to the right services and agencies |
| 4 | Request that the Committee and relevant Cabinet Members receive a further report on the Council's efforts in 6 – 12 months, with regard to claimant statistics and their experience - this being one year on after its roll-out began. |

Background to the review

In 2013, the Government began to introduce Universal Credit (UC) in a bid to simplify the welfare benefits system. A summary of the context and purpose is summarised below to set the scene.

Universal Credit

The Committee was made aware that UC is a new benefit that the Government is introducing for working age people to support them if they are unemployed or on a low income.

It is intended to replace six income related benefits including:

- Child Tax Credit
- Housing Benefit
- Income Support
- Income-based Jobseeker's Allowance (JSA)
- Income-related Employment and Support Allowance (ESA)
- Working Tax Credit

If a claimant is employed then the amount of UC that the claimant can obtain will depend on their earnings. As the claimant earns more the amount of UC claimable will eventually reduce. UC is paid monthly and can include housing costs to pay rent instead of receiving housing benefit. Some benefits will remain, such as personal independence payment, child benefit and council tax. There are many ways to make rent payments, which include weekly or fortnightly direct debit payments, an individual direct debit payment and pay point services.

UC has been a long term initiative and there has been a “*stage - by stage*” roll out of the benefit, with the Government introducing different measures in response to concerns raised about the impacts of UC.

Significant changes made to UC Implementation

DWP began to roll-out UC in April 2013. The roll-out period has been pushed back several times and is now expected to complete in 2023.

In response to concerns about the impact UC was having in areas where the full service had been introduced, the Government announced a series of measures in Autumn 2017 including:

- Moving the UC helpline from an 0345 number to a Freephone 0800 number;
- “Refreshed” guidance for DWP Work Coaches for them to be more “upfront” in offering UC advance payments (payments to help tide people over pending their first payment of UC, worth up to 50% of their estimated award and usually repayable over 6 months); and
- Ensuring that advances could be paid within 5 working days of the request, or on the same day if necessary.

In the November 2017 Budget, the Government announced a further package of changes worth £1.5 billion in total over the next few years. It comprised:

- From January 2018, allowing people to receive UC advances worth 100% of their estimated award, and extending the repayment period from 6 to 12 months;
- From February 2018, abolishing the 7 “waiting days” at the beginning of a new claim, so that the minimum wait before first payment of UC should now be 5 weeks rather than 6 weeks, after the claim is registered. It also meant there was no longer a period at the beginning of a claim for which no benefit was paid;
- From April 2018, introducing a 2 week Housing Benefit “run-on” for people moving to UC. New UC claimants previously in receipt of Housing Benefit will continue to be paid for two weeks after benefit would normally have ceased;
- From Spring 2018, a new facility allowing online applications for UC advances;
- Making it easier for claimants to have their housing element paid to the landlord. Guidance has been issued to DWP staff to ensure that UC claimants in the private rented sector whose Housing Benefit is directly their landlord is offered that option at the start of their UC claim;
- Partnership working with Citizens Advice to provide more face to face support for UC claimants.

On 7 June 2018, the Secretary of State for Work and Pensions, announced four changes to the rules concerning transitional protection for people moving onto UC, “to ensure that UC supports people into work, protects vulnerable claimants and is targeted at those who need it”.

- Individuals living alone and in receipt of Severe Disability Premium will not move to UC until they qualify for transitional protection
- An award or increase in child care costs will not erode transitional protection
- Claimants will be re-awarded transitional protection that ceased due to higher earnings if they make a new UC claim within three months of when they received the additional payment
- Capital in excess of £16,000 will be disregarded for Tax Credit claimants for 12 months from the point of when they are moved to UC.

The purpose of Universal Credit



The aim of Universal Credit is to make it better for people to work, rather than seeing incomes drop when people move off benefits into low paid work. Its main aim is to encourage people into work. It is intended to make the whole system easier by having one single payment rather than lots of different payments. This will introduce people to methods of money management, comparable to earning a salary, adjusting them to real everyday life. Another factor is the fact that the UC system will be digitised, encouraging people to build on IT skills and giving them transferable skills for work.

The controversy around Universal Credit

The project was legislated for in 2011 and the plan was to roll it out across the UK by 2017. However, due to management failures, expensive IT blunders and design faults, the initiative has fallen behind by at least five years.

Although Universal Credit has been argued to be a good idea in theory, the implementation of the system has caused a great level of distress for claimant groups who may be considered vulnerable due to mental health conditions, being victims of domestic abuse, being carers and not having a good understanding of English. UC being paid as a single payment has caused concerns for claimants who may not be able to manage their money appropriately, leading onto further consequences such as using food banks and lacking money until the next payment. As it stands, rent payments are usually paid directly to the landlord.

The process is moving forward into a digitalisation era, where all claims need to be done online. Questions have been raised in regards to the feasibility of this, as certain claimant groups may find it difficult to do this. Concerns have also been raised about whether UC really does do what it is intended to do, as many claimants claim to have been allegedly left worse off.

All of these concerns have led to public confidence in the purpose of UC and its implementation being undermined.

Evidence & Witness Testimony

Scoping of the Review

The primary intention of this review by the Committee was to increase understanding of the current and likely future impact of UC on Hillingdon residents and organisations.

The review aimed to gain an understanding of the range of services available, the current steps in place and how UC was being implemented in practice. Moreover, this review aspired to reflect on best practice in other local boroughs and organisations by considering policy ideas and obtaining further information via witness sessions attended by relevant parties. As the review progressed a greater focus was placed on the practicality of the implementation of UC and what more could be done to assist vulnerable claimants.

Whilst it was recognised that the many changes and policies brought by HM Government cannot be changed, the Committee was keen on ensuring that residents had the best support available therefore enabling a smooth transition to UC. Having considered all the above, the review would then bring forward recommendations to the Cabinet in relation to the topic being discussed. The review has made some recommendations for how the Council, working with partner organisations, can support residents through the transition to, and future successful management of, their UC claims.

The Terms of Reference for the review are set out in the appendices. During its information gathering and call-for-evidence sessions, the Committee considered it important to take into account a selection of views from both Council officers and external partners to better understand how UC impacted upon their respective organisations and relationships.

The following sections will outline the evidence received and these witness testimonies.

UC in Hillingdon

It was taken into account that UC will affect an estimated eight million people nationally, but it is a phased transition. Only when there is a change of circumstances will claimants be rolled over on to UC.

Members were advised that the Live Service roll out began in Hillingdon on 2 November 2015 for new single claimants only with no children and not in receipt of a disability benefit. To allow for the changes to UC to be implemented, the Live Service roll out was halted from 31 December 2017. Prior to Full Service roll out, new claimants had been asked to claim legacy benefits or tax

credits. Those already on the Live Service would remain unaffected until they transitioned to UC Full Service. At the end of December 2017 there were 890 households in receipt of UC in Hillingdon, of which 59 were council tenants. By the end of June 2018, the number of UC claims in payment for Council tenants had reduced to 31.

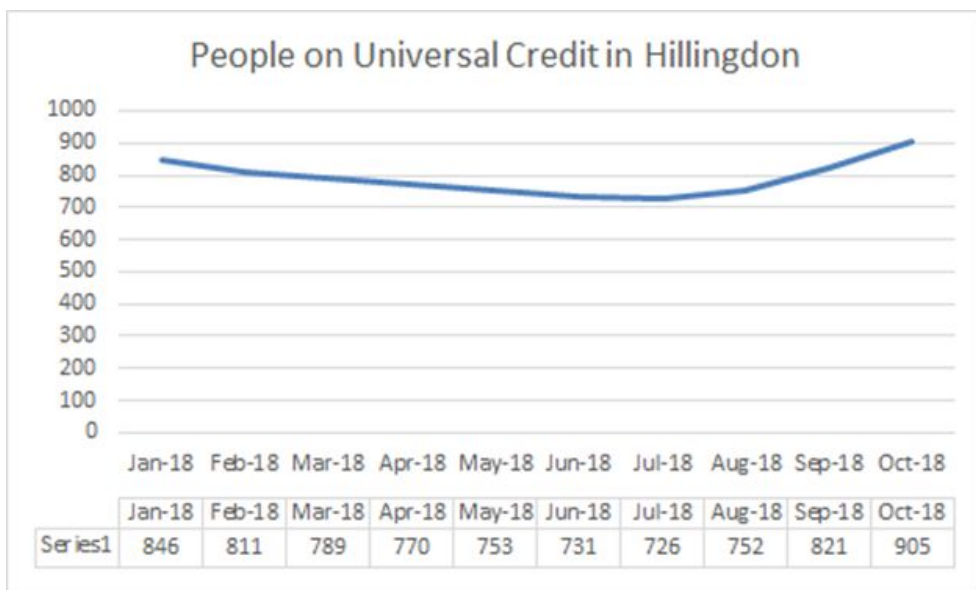
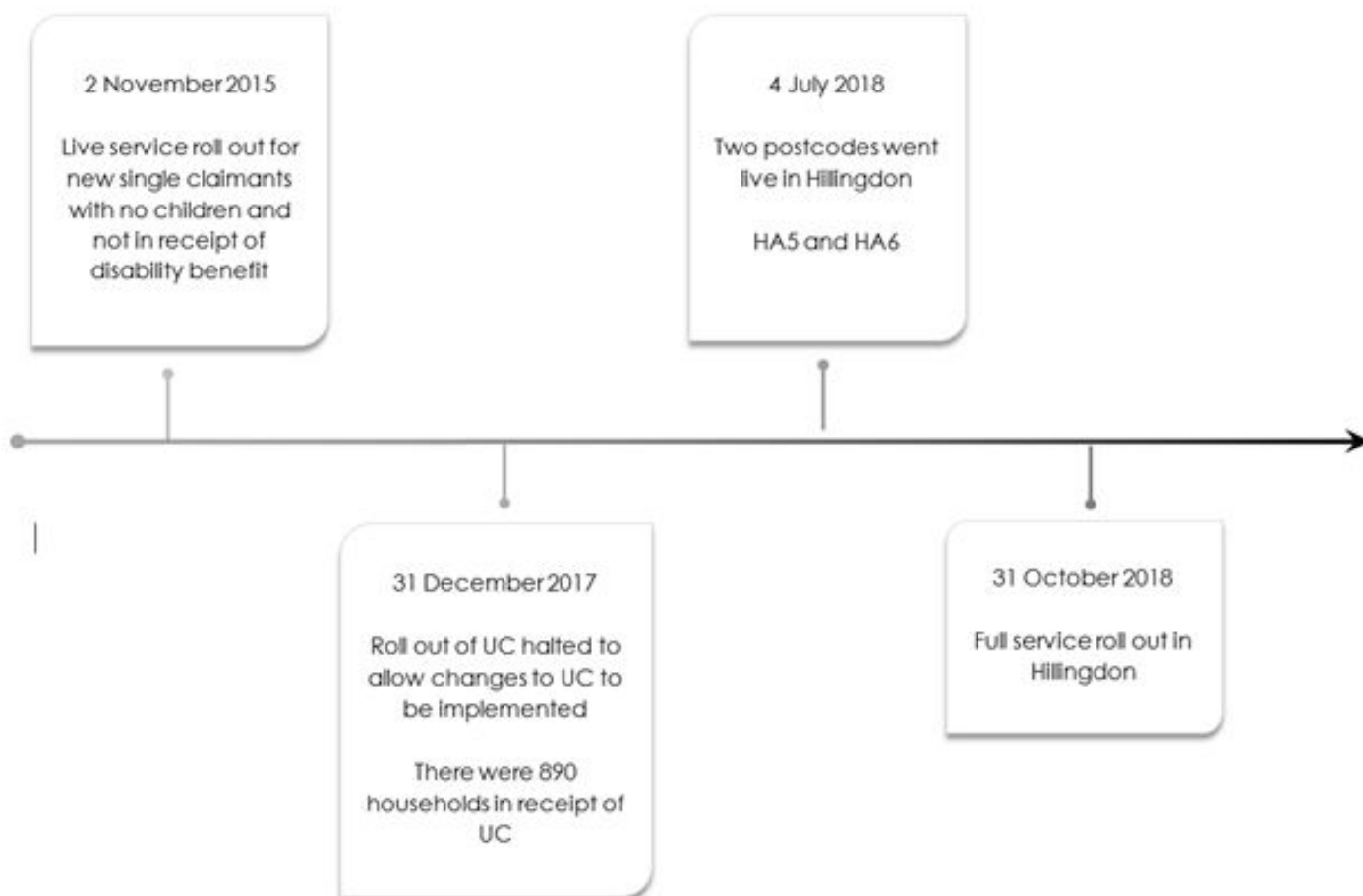


Figure 1 below shows how the number of UC claims in Hillingdon has changed throughout 2018. This begins with a slow downward trend as new claimants to the live system ceased at the start of the year. The cases start to pick up again as the full service roll out began in postcodes HA5 and HA6 in July 2018.

Members were informed that

the main Full Service roll out of UC for new claimants in Hillingdon was scheduled for October 2018, however two postcodes in Hillingdon came on stream on 4 July 2018: HA5 and HA6 linked to the Eastcote and Northwood areas. It was noted that this would affect new claimants and those with certain changes of circumstances that fell within a fairly narrow definition. For example, if a single person in receipt of income-based Jobseeker's Allowance had a child, they could not make a claim for Child Tax Credit or Income Support and but could make a claim for UC instead. The rules governing "*natural migration*" to UC – particularly in relation to what does and what does not constitute a change in circumstances triggering a claim for UC – were not always easy to understand. Furthermore, Members were made aware that the rules stated that once on UC in a Full Service area, it was not possible to return to legacy benefits (with limited exceptions).

When the Full Service was introduced in an area, new claims were taken from all claimant types and existing Live Service claimants were moved over to the new system. New claims for "legacy" benefits – the benefits and tax credits UC is replacing – could not be made (with limited exceptions). The managed migration of those on legacy benefits would take place between 2019 and 2023.

Hillingdon Homelessness Prevention

It was noted that the Hillingdon Homelessness Prevention Strategy was being reviewed and updated over the next 12 months in light of the implementation of the Homelessness Reduction Act and new statutory homelessness guidance. Managing the impact of welfare reform is a priority within the current strategy and the introduction of UC and other benefit changes remained key factors.

The Claimant's journey

The Process

The Committee wished to deeply understand the process from a claimant / resident perspective. Members were informed that in order to apply for UC, an application form needs to be completed online and the claimant would need an email address, NI number, information about housing, and bank account details. The application could not be saved online so claimants were advised to leave enough time to complete the online application. If a work coach was required, the claimant would be advised of this after they had applied. Proof of identity was also required online and claimants would have the opportunity to upload documents such as driving licences or passports. If the verification was unable to be completed online, the claimant was advised to attend the local 'Job Centre Plus' with proof of identity. The Committee was advised that a capability assessment may be required if there were concerns about the ability of a claimant to work due to illness or disabilities.

Following these initial steps, claimants would then be invited to the 'Job Centre Plus' (JCP) to attend a meeting called a 'work search interview' or a 'claimant commitment interview'. The purpose of the interview was to verify the claimant's identity, explain how UC worked and to discuss next steps and work opportunities. JCP staff would determine the appropriate level of commitment at this stage and decide what group the claimant fell into, taking into account any vulnerabilities. The first payment would then usually be about 5 - 6 weeks after the interview.

Alongside the DWP's activities, as part of the verification and information sharing process, the Council's housing/ welfare benefits team was made aware of the application. The Council would take steps at this stage to risk assess claimants by looking at any outstanding rent arrears, mental health concerns, physical disabilities and whether there were any other vulnerabilities. If there was any cause for concern, claimants would be contacted by the Council offering additional support and help. It was recognised that certain challenges could occur when claimants rented from private landlords and rent could not always be verified using the landlord portal.

Mainstream claimant groups



Department for Work and Pensions

A representative from the Department of Work and Pensions attended the Committee and provided details of different claimant groups. Members were advised that mainstream claimant groups had access to IT, they had access to email, bank accounts and phones for texting services. Members were informed that once the claimant from this type of group was set up, they would be advised to call the service and arrange an appointment with their nearest Job Centre Plus. Workers at the JCP would verify IDs and discuss options on how the claimant would search for work

and whether there were any training needs. Following this process, the claimant's account would then become active. If the claimant fell under the social housing category, the rent amount asked and the tenancy was verified with the local authority. There was also the landlord portal which the DWP could access for information.

Vulnerable claimant groups

The DWP representative advised the Committee that vulnerable claimant groups usually had no access to IT and limited knowledge of the digital process. Funds from the DWP had been commissioned to the local authority to support claimants. The representative explained that there were training providers that supported vulnerable claimant groups through the process, providing IT support and courses - which normally consisted of a period of six weeks. If there were any arrears, then personal budget services would be offered. Several job fairs had been

held, claimants could receive 1:1s, CV enhancement workshops and there were academies that provided work experience and training.

It was noted that one of the reasons that arrears occurred was due to the claimant already having arrears before UC had been activated. It was explained that the DWP wanted to support claimants with arrears and if there was evidence of hardship, advances were offered. It was stated that the DWP worked closely with food banks to manage risks and identify recurring claimants. Members were advised that, overall, there were many options available to support claimants if partners such as the local authority and DWP worked together.

Members were informed that the DWP had a complex needs plan to manage vulnerable claimant groups. For example, where there were alcohol/drug abuse concerns, the DWP worked with specialist organisations to support claimants. Specialist advisors worked with claimants with disabilities and employees were appropriately trained so that they could offer the appropriate support and options. The DWP informed Members that staff at the front of the desk had specialist knowledge and training on matters such as mental health, along with other factors that could make claimants feel vulnerable including understanding language barriers. This was corroborated by Hillingdon Council officers who further explained that the Council was making individual contact with Hillingdon claimants, undertaking assessments, and doing this in advance of the verification process.

Members were assured that the local authority and DWP were all working in partnership to try and migrate vulnerable claimants to the new system. This was particularly relevant to people who had specific conditions such as issues with overspending money, not being able to make applications online, or managing budgets poorly to pay for addictions, all later resulting in consequences on the Council.

Tier 1 and Tier 2 vulnerability factors

It was clarified for the Committee what factors signified different groups at the JCP and what staff members used to help assist with processing claims. Table 1 below provides further details of this:

Table 1

| Tier 1 | Tier 2 |
|---|--|
| <ul style="list-style-type: none"> ● Drug, Alcohol Or Other Addiction Problems ● Learning Difficulties, Including Literacy Or Numeracy Problems ● Severe Or Multiple Debt Problems ● Being In Temporary Or Supported Accommodation ● Homelessness ● Domestic Violence Or Abuse ● A Mental Health Condition ● Rent Arrears ● Threat Of Eviction ● Repossession ● You Are Aged 16 Or 17 ● You Are Young And Leaving Care ● Your Family Has Multiple And Complex Needs ● | <ul style="list-style-type: none"> ● Having No Bank Account ● Third Party Deductions From Your Benefit. These Are Deductions To Pay Things Like Fuel Bill Arrears, And Certain Ongoing Costs ● Being A Refugee Or Asylum Seeker ● Having A History Of Rent Arrears ● Previous Homelessness Or Living In Supported Accommodation ● Disability ● Having Just Left Prison Or Hospital ● Recent Bereavement ● Language Skills, For Example, If English Isn't Your First Language ● Having Been In The Armed Forces ● Not Being In Education, Employment Or Training |

Approach by other providers

Housing Associations and their relationships with tenants has never been more important, throughout the introduction of UC. The Committee was informed that Under UC, tenants would be obliged to manage their own money and take on responsibility for paying for their own housing fees directly to the association via an online account which is a major shift for associations and tenants alike. The Committee felt it was important to hear from the housing association perspective and the evidence it heard is detailed below.

Catalyst Housing Association



The Committee heard evidence from a representative at Catalyst Housing Association, who provided the Committee with an overview of housing support, how they had prepared for UC and their experience thus far.

Catalyst Housing Association is one of the UK's leading housing associations –, with over 21,000 homes in London and the South East. Although the sector was taking steps to prepare for migration, the impact on customers was “enormous” and could cause services to be overstretched. UC affected a number of customers, but there had been a delay in the amount of time taken to roll out the service. For every claim with universal credit, support still needed to be provided with other types of benefits such as council tax.

Members were advised that the initial six months of transferring to universal credit were difficult for claimants for a variety of reasons. However, after six months claimants tend to adjust well and there were many advantages and disadvantages of the service. There were issues with roll out and some people required a large amount of support in making applications for universal credit claims. At Catalyst, 10 percent of customers were on UC and generally arrears were low. It was not all doom and gloom as the government had taken steps to mitigate the risks associated with the transition process. Ultimately, even with the changes in universal credit, the impact on each household was still the same.

The Barnet Group

The Committee heard evidence from a representative from the Barnet Group, who provided a background of UC in their organisation, identified key risks and potential recommendations on the roll out of UC. Barnet Homes is an Arm's Length Management Organisation (ALMO), a not-for-profit company, part of The Barnet Group which is wholly owned by the Council. Barnet Homes manages the borough's council homes. The Barnet Group was a partner of Barnet homes and manages 15,000 council homes on behalf of Barnet Council. It was noted that The Barnet Group was a small housing provider with around 10,000 units around Barnet.



At the Barnet Group, UC went live in May 2018. It was due to go live initially in October 2017, then February 2018 and then May 2018 but there were delays. The main reason for the delay was to allow more time for The Barnet Group to prepare.

Members noted the challenges identified with the roll out of UC and that a relationship with the Department for Work and Pensions (DWP) was developed and benchmarking data was collated in order to create a model. From the research collated a five year plan was created, findings were presented to Barnet Council and actions were put into place. A number of partnership meetings were undertaken both at a regional and operation level and communication with tenants was significant during this period.

With regards on how to ensure the smooth transition to UC for residents, the following areas of improvement were suggested:

- creating a universal credit coordinator post;
- ensuring close partnership working with job centres and housing benefit teams; and
- processes in place to ensure early identification and intervention.

The main impact on claimants included; difficulties in accessing and managing their UC journals due to a lack of IT skills, changes in the behaviour to be able to budget monthly rather than fortnightly and high risks around the use of advanced payments. The risks included over collection, increased arrears and bad debts. It was emphasised that a strong working relationship with DWP and Citizens Advice (CA) and early intervention was key in ensuring the smooth transition. Further, there needed to be a cohesive relationship with named officers between the local authority and DWP. Although the CA was taking on a considerable amount of additional work in supporting claimants, there were funding arrangements in place. Funding and sharing knowledge and priorities were both key factors for the CA to support universal credit claimants.

It was confirmed that a UC coordinator at The Barnet Group had been in place for approximately 1.5 months prior to the roll out of the full service of UC. In addition, the landlord portal had been significant as the UC coordinator was able to use the portal to confirm rental levels and ensure that the DWP had accurate up to date information. The Barnet Group had three named officers/managers at the DWP who they regularly corresponded with.

Members were advised that communications needed to be tailored and in these circumstances a change of the method in the type of engagement needed to be considered. For example, if a claimant was not responding to letters, then texts ought to be considered, if there was no response to texts, then visits in person ought to be considered. The engagement types needed to be mixed up and tailored to meet the claimant and conversations needed to be normalised to ensure that the claimant had autonomy. Prioritising and monitoring cases closely and having personal budget support sessions were helpful in supporting vulnerable tenants.

The Council's approach in its capacity as landlord

It was reported to Members that UC presented two main risks to the Council in its capacity as a local authority landlord:

1. higher levels of rent arrears; and
2. as a result of the higher level of rent arrears, a higher number of evictions.

The Committee was informed that UC was one of a number of risk factors which needed to be effectively managed by the Council to maximise its income stream and the potential for long term tenancy sustainment. Members heard evidence about the enormity of the impacts of preparation

on staff dealing with claimants transferring to UC. Members were mindful of the services transforming into a mini social services and questioned witnesses whether staff had the appropriate training and experience to deal with increased caseloads. It was explained that it was important for staff to be taken on to the journey, and tools and training provided for claimants was also mirrored in staff. The Council was keen to shift the mind-set and culture and wished to empower staff.

Members were told that generally speaking, from officer experience, claimants tended to have a basic understanding of UC. There was support available, regular risk assessments and the verification process highlighted any causes for concern. If concerns were highlighted during the verification process, then officers would be allocated to claimants that needed help.

Preparatory work being undertaken

Members were informed that a The UC Project Group had been created to facilitate an integrated response to the challenges posed by the roll out of UC. The Project Sponsor is the Director of Housing, Environment, Education, Performance, Health & Wellbeing and the joint Project Leads are the Benefits Service Manager; Service Manager – Tenancy Services and Service Manager – Homelessness and Allocations.

A UC Project Review Group had developed a plan with key tasks and deliverables within the relevant services under the following workstreams:

- Resources;
- Processes and procedures
- Communications (internal and external)
- Training;
- System support and customer insight.

The group maintains a risk log with key items relating to:

- Arrears across housing sectors and potential evictions;
- Council tax arrears;
- Getting on-line support set up in time;
- Impact on Discretionary Housing Payments
- Impact on Call Centre Volumes;
- Decrease in private rented sector stock offered to tenants on UC and allied decrease in private rented sector solutions available for homeless prevention;
- Increased call on staff resources for housing advice sessions;
- Increased anxiety/mental health issues for tenants and disruptions to schooling;
- Increased levels of debt;
- Potential increase in safeguarding concerns and trigger events such as domestic violence,

ASB, alcohol and drug use;

- Increase in rough sleeping due to less availability of low cost accommodation.

The UC Project Review Group consisted of officers from various teams in the Council including Housing Benefit, Policy, Homelessness and Allocations, Tenancy Services (including Risk Management, Welfare Reform and Tenancy Sustainment) and the Contact Centre. It also includes the key partners for the roll out UC, the local JobCentre Plus and CA. The Group meets on a six weekly basis and more often if needed.

The Committee was advised that the impact on the Council as a landlord was both more visible and more immediate and consequently there has been considerable focus in this area, including some restructuring to establish a Welfare Reform & Tenancy Support Team. This team worked across housing tenures and hence is also able to support the work of Homelessness Prevention staff.

It was noted that under the requirements of the Homelessness Reduction Act (HRA), anyone approaching the service either homeless or threatened with homelessness, would go through an assessment process that included a financial assessment that would take account of UC.

Members were told that since April 2018 up to November 2018, 36 Universal Credit claimants has sought housing advice from the homelessness prevention team; 21 were single people and 18 of these had a support need. The service is actively tracking clients approaching that are in receipt of UC to gain insight into any significant trends.

Members were made aware that the UC Project Review Group had overseen the development of training and resources to ensure a coordinated, one Council approach and sharing of information between teams. This included sharing of information from DWP identifying, for instance, factors that suggest the need for an Alternative Payment Arrangement (APA). Further, the Council's Welfare Reform and Tenancy Support Team had developed a UC risk assessment, which was useful to both tenancy management and homelessness prevention officers. The Welfare Reform and Tenancy Support team had also provided training on UC for both Tenancy Management staff and for officers in other teams. The Committee heard that now that we are in the implementation phase of the roll out, a rolling programme of training has been established to make sure that officers have a good awareness of UC and of what is expected of them. This includes disseminating good practice and keeping up to date with changes.

The Committee was informed that the most recent Hillingdon Landlord Forum was held on 20 November 2018. Landlords themselves were able to apply for an alternative payment arrangement via the GOV.uk website. Other items discussed included issues regarding backdating of payments which is only allowable for 1 month under UC and had resulted in some difficulties, and also delayed payments. Recent statistics show that 94% of claims were now being received on time. The Landlords Forum also heard from the Council's Welfare Reform and

Tenancy Sustainment Manager about how the Council as a landlord had prepared for UC. This included using all contacts with tenants by officers to assist in identifying vulnerable tenants; encouraging tenants to pay a bit extra and build up a buffer; advising clients of the need for email addresses, bank accounts and access to computers; providing information on support available and how to access it. Information was provided on the Tier 1 and Tier 2 risk assessments used by DWP that assist in identifying vulnerabilities.

Further, it was acknowledged that there were 500 or more live cases in the Borough and the impact on debt levels was an average of £90- signifying that the Council was undertaken positive action to support residents/claimants as of March 2019.

UC flyer to residents

Members noted that an inconsistency in a document presented at a witness session entitled “Universal Credit - Are you ready: Your Guide to Universal Credit”. The Universal Credit flyer was being used in 2018 by staff well in advance of the roll-out. The Committee heard how it made reference to the benefits which were being replaced by UC, what residents needed to do in order to *get UC ready* and where they could go for help. There was also a line which made reference to the *go live date* [24.10.18] and this was relevant in relation to single unemployed people in respect of all new claims and certain changes in circumstances. This was the discrepancy referred to in the witness session as the go live date of 24.10.18 actually extended UC from single individuals to all new claimants and those with a change of circumstances [subject to some exceptions].

Site Visit to the Job Centre Plus in Uxbridge

Some Members of the Committee visited the Job Centre Plus in Uxbridge to see in practice the claimant journey and what the JCP offered claimants processing their UC applications.

Members met with the Customer Lead Manager for Hayes and Uxbridge and the Partnership Manager for The Department of Work and Pensions. Members were provided with an in-depth explanation of the processes in places, current challenges, and how the JCP was working with partner organisations to support claimants making UC claims. Both JCP representatives highlighted that staff underwent regular training to deal with different claimants and how to best support them. Further, Members were advised that mental health training was compulsory for all staff. Members were also assured that vulnerable claimants were signposted to appropriate organisations if support was required.

Members observed the areas where claimants made applications and noted that the environment was quiet and welcoming. It was visible that there were a number of members of staff available to assist applicants.

Voluntary sector partners



Citizens Advice (CA), Hillingdon

The Committee heard evidence from representatives from the CA, who advised that during 2017 – 18, 35 % of the advice and information given to clients at the Citizens Advice (CA) was in relation to benefits and tax credits, 23% in relation to debt and 9% was in relation to housing matters. From a CA perspective, the main aim of their service was to provide advice to people and improve policies and practices that affect people's lives. Members were made aware that a lot of work had been undertaken by the CA to 'fix universal credit' at a national level, which included the removal of the seven waiting days at the start of a claim, making the UC helpline free of charge and trying to make UC claims less complicated.

According to the CA, it was confirmed that some of the unintended consequences highlighted from UC included pushing people into debt, only 30 % of people getting through the identification verification process first time, budgeting difficulties and digital issues especially for middle aged with learning difficulties. When people were referred, staff at the CA made gateway assessments of client needs and provided telephone advice, arranged appointments with financial advisors and appointments with form fillers. 109 initial claims were recorded in the last six months from July to December 2018. The gateway assessments were also undertaken over the telephone via a telephone call back.

Members were advised that the CA used Somali speaking volunteers to communicate with people who were unable to speak English well. When the volunteers were unavailable, translators were then arranged and used. People with mental health concerns were targeted and staff had specific training on how to make adjustments and be flexible, such as arranging appointments in the evening if people were on medication in the morning. It was also felt by the CA that staff had had relevant training as this was not a new topic, this had been a targeted project for some time and a number of adjustments have been made with updated training. The telephone call back highlighted by the CA were also free to mobiles.

It was explained that claimants were frightened about UC as they did not know what to expect. A recent letter sent out by the Council had caused panic as it advised residents to apply for UC but many residents did not need to yet. It was advised that CA services would not be compromised as a result of numbers projected as advice sessions were linked and benefit advice sometimes interlinked with debt advice. Government funding covers the period up to the claim and then stops. The main aim was to help people claim and assist them through the process as sometimes people were told to claim UC but did not have the established support to help them do this. It

was confirmed that at the CA, although staff were on fixed term contracts, managed migration was not expected in Hillingdon and plans were made in advance for recruitment.

The CA indicated that the best piece of advice provided for residents was “do not panic and do not claim UC until proper advice is sought”.

Officers clarified for Members that in advance of the UC rollout date on 24 October 2018, the Council did in fact write out to all its tenants who were in receipt of housing benefit. Members heard that the letter essentially clarified what the 'go live date' meant for them. It was recognised that the letter generated an upturn in call volumes to the Council's contact centre in August / September which then settled down to 'business as usual'. This is also raised an increase in the number of people visiting the JCP and CA.

MIND



The Committee heard evidence from Mr Gee a representative from Hillingdon MIND. It was indicated that the organisation had helped people spiralling into mental health (MH) issues, which would include benefit and debt advice, appeal, attending tribunals and also assisting with form filling.

The Committee was advised that some of the key issues affecting MH clients claiming for UC was not all having access to home computers, not having the confidence to use library computers due to a lack of social skills and concerns regarding a lack of security and privacy. It was stated that a large number did not have bank accounts which often made budgeting more difficult. When completing online applications, claimants were unable to save information and come back to it at a later date. This caused additional stress for claimants making claims as they would not need to repeat the process a number of times to make claims.

It was explained that for some people with MH it was potentially difficult to upload passport pictures during the verification process. Additionally remembering a password and username could be hard, and clients could forget their username or password. Maintaining a UC work journal was difficult as there was a need to continuously remind clients to complete their journals. There was also no capacity for an appointee to act on a claimant's behalf and concerns were raised about the JCP not being able to help clients with form filling and just referring them to MIND.

Uxbridge College

The Committee heard from a representative from Uxbridge College who clarified that Uxbridge college staff (not students) assisted claimants with form filling. Free IT courses were offered to clients to help improve IT skills and this was an open



ended commitment. Language barrier was a key observation in making claims.

Concerns for vulnerable claimant groups

Follow up meeting with MIND and the DWP

Following a difference of views heard between the DWP and MIND about how vulnerable, particularly those with MH issues, are supported, the Committee felt that additional investigations were necessary to ascertain the support available for vulnerable claimants. Some Members met again with representatives from MIND and the DWP to gain a further understanding into the issues raised and, if necessary, identify what measures could be put in place to further assist the more vulnerable people.

At the meeting, Members made the following observations:

- Proper and adequate safeguards needed to be put in place for people making UC applications, particularly when there are mental health issues involved.
- There was an emphasis placed on ensuring that claimants did not get lost in the system. There was a real concern for people who had limited mental capacity to make claims and it was important that such people were signposted to the right service and received the correct advice.
- Since the introduction of UC, Mind had seen a significant impact on people with mental health issues. More support was required in making applications, as many people lacked IT skills, had chaotic lifestyles and needed assistance in doing applications online.
- Real life case studies were provided to Members. An example was provided of a claimant with anxiety being referred to the JobCentre Plus (JCP) for their appointment, when they attended there was no record of the appointment, the claimant was then questioned by staff members and this led them to being even more anxious about the whole process. Members were keen on avoiding issues such as this as it could impact different claimants in different ways. It was advised that in the usual course of events, this type of application should have been triaged with disability advisors first.
- It was confirmed that all JCP staff members were trained in mental health.
- CA and Uxbridge College was providing support to claimants through free IT training.

More information required

Further witness session with the DWP

On production of the first draft of this report, the Committee considered that further information was required to assure it that enough was being done to support vulnerable claimant groups.

The DWP were invited to attend a witness session but unfortunately no witnesses were able to attend Committee as their meeting was being broadcasted. The DWP confirmed that they were happy to answer any questions sent on behalf of the Committee and would be willing to meet the Committee separately at a future date to address the concerns raised.

It was noted that another email had been submitted by the DWP answering the questions that had been sent to them prior to the meeting. A decision was made not to read the answers as no representatives were in attendance to elaborate, but to circulate them to the Committee.

Although the DWP had responded to the questions and had offered to meet the Chairman to discuss the prepared answers, a decision was made not to meet the DWP outside of the Committee meeting in order to ensure openness and transparency in the review's evidence gathering process and to enable the Committee to make fair recommendations.

Further witness session with the DWP

The Committee heard from the The Director of Citizens Advice Hillingdon (CAB), UC Help to Claim Supervisor and Research and Campaigns Volunteer. This was to clarify any final questions the Committee had.

The following key points were noted:

- A majority of the CAB's 'Help To Claim' referrals had been directed from the Job Centre Plus through signposting and formal referrals. There had only been a handful of local authority referrals thus far.
- More needed to be done to assist claimants once payments had been made and beyond the initial application stage.
- The client profile for service users was distinctive and it was reported that the White UK take up was low. The CABs 'Help To Claim' service had seen a large take up by Black and Ethnic Minorities in the Borough.
- The main challenges occurred when legacy benefits stopped as there were risks that claimants could spiral into debt and there was no safety net in place to help. This had led to an increase in food bank vouchers being issued.
- In order to be eligible to claim UC, claimants would have had to have passed or be exempt from the Habitual Residence Test. There were delays with decision making and a number of decisions had been challenged. The Department for Work and Pensions had no deadlines or timeframes to respond which caused concern as there were no provisions in place for claimants waiting during this time.
- Clients found it difficult to manage digital platforms as there were often issues with claimants forgetting their passwords and accessing IT systems.
- Home visits reportedly only took place to check ID documents as part of the verification process.

The Committee heard that claimants were provided with a lot of information and, sometimes, important messages about how specific changes could impact people's lives were not clear. In order to make the process clearer for claimants, it was suggested that only significant and relevant information was provided to claimants and a database of resources was created. Another suggestion was to have a Department of Work and Pensions member of staff present at services such as the 'One Stop Shop' to answer any queries and help foster relationships.

The CAB had introduced a new initiative to assist claimants making UC applications. A pro forma letter had been created which indicated when a claimant needed assistance with their application and the purpose of the letter was to prevent any claims being stopped or any sanctions being imposed.

DASH

The Committee heard from the Chief Officer and Lead of Advice Projects at DASH. Dash was a charity that specifically supported people with learning and physical disabilities. It was explained that many people found the online platform difficult to navigate, particularly those with learning and physical disabilities and home visits were an important part of the process. A number of claimant case studies were provided to the Committee and it was highlighted that one case involved over 30 hours of support with making an application and continued ongoing support would still need to be provided.

Findings & Conclusions

Universal Credit in Hillingdon

From the evidence provided, the Committee reached the conclusion that the Council had undertaken a number of proactive steps to prepare for UC in relation to its role as Landlord. Notwithstanding this, Members concluded that there was potential room for improvement in the processes and support available by the DWP for more vulnerable groups. On reflection, the Committee found the review to be insightful and at times alarming, particularly when hearing resident case studies about having to resort to food banks due to being unsuccessful in making claims or having difficulties managing budgets arising from UC.

Overall, Members considered that the review had fully met its terms of reference in helping Members to understand the impact of UC on residents and how the Council services, housing associations and voluntary groups were supporting residents to transition to UC and manage their claims satisfactorily. The Committee therefore concluded that:

1

That Cabinet welcomes the Committee's findings and recommendations from their review into the introduction of Universal Credit in Hillingdon, a national initiative led by the Department for Work and Pensions.

The Council's preparations

Members recalled the evidence it heard about what steps the Council had taken to support the transition of UC in the Borough. It welcomed the establishment of the Universal Credit Project Group which involved collaborative working of different agencies and the emphasis on mental health training for housing/welfare benefits staff members. Furthermore, the Committee was pleased to see the Council being proactive at a preventative stage during the verification process particularly through the risk assessments in identifying claims, allocating case officers to potential vulnerable claimants and maintain a log of risk related areas. Overall, Members acknowledged that the Council had relevant and appropriate checks and balances in place to provide effective support for residents and on this basis, concluded that:

2

That Cabinet notes the good preparations, effort and staff training in place which has enabled the Council provide effective support to residents where Universal Credit rolled out by the Department for Work and Pensions has impacted on their housing and related budget management.

The Universal Credit Project Group

Members considered that the establishment of the Universal Credit Project had helpfully steered the key agencies involved to collaborate, communicate and identify challenges. Members were pleased to hear that following the work of this Committee and review, representatives from MIND had been added to the Universal Credit Project which signified a good step in the right direction to try to support vulnerable claimants with the transition to UC.

Although Members heard a great deal of positive information and a simplified explanation of the process, there were still concerns in relation to making sure that claimants “*did not get lost in the system*” and those who were more vulnerable, particularly with mental health conditions, had the appropriate support, signposting and access. It was emphasised that early intervention was key and it was important to recognise individuals as people rather than numbers, each claim on a case by case basis and not make assumptions on why a claimant had fallen into debt or were using food banks and rent had not been paid. Further, it was accepted that the roll out of UC carried risks in relation to both the Housing Revenue Account through the potential for increased rent arrears, and an increase in homelessness costs resulting from potential evictions and any reluctance of landlords to house benefit claimants

Ultimately, UC was a change to the system that had been introduced by Government. Instead of working against the system, Members understood that the DWP, Council, partners and claimants had to work with the system through trailing it out and identifying the gaps. The Committee concluded that the implementation of UC could not be applied in a holistic way, but needed to be adapted and tailored to each case and that embedding such a practice was an area. It therefore decided that more collaborative working between different agencies and further training for staff in the Council was required. Members felt whilst much work had been done, it still needed further development and refining. Therefore, mainly in respect of vulnerable groups claiming UC, the Committee recommended:

3

That Cabinet notes the Committee's concerns regarding the more vulnerable residents that apply for Universal Credit and requests that the Universal Credit Project Group considers the following areas for possible further investigation or improvement:

- 1. Maintains and strengthens the ongoing collaborative work between key partnerships such as the DWP, CA, MIND and Council Officers;**
- 2. Explore other opportunities that may lead to IT assistance for claimants who have a lack of access to IT to apply for Universal Credit and courses to develop basic IT skills;**
- 3. Develop clear processes/ procedures for signposting people to the right services and agencies through liaison and establishing key accountabilities of each organisation;**
- 4. Explore and develop further ways to increase awareness of debt management of claimants and ensuring that this is monitored by the relevant agencies appropriately; and**
- 5. Appropriate training be provided to staff across the Council so that officers are able to refer residents to the right services and agencies.**

Future updates

It was noted that the roll out of Universal Credit in Hillingdon was still in its early days and had still not been fully embedded via the DWP. There had been a phased roll out in two postcodes in 2018 and but the system had gone live in October 2018, with over 500 live applications. To continue to monitor the progress of this major welfare reform locally and its impact on claimants and their experience, the Committee therefore recommends:

4

That Cabinet requests that the Committee and relevant Cabinet Members receive a further report on the Council's efforts in 6 – 12 months, with regard to claimant statistics and their experience - this being one year on after its roll-out began.

Terms of Reference of the review

The following Terms of Reference were agreed by the Committee from the outset of the review:

1. To understand the impact that the introduction of the full Universal Credit service has had in areas where it has been rolled out. To include the cumulative impact of the introduction of UC and other welfare benefit changes.
2. To understand the impact that UC, alongside other welfare benefit changes, is having and is expected to have on local residents in Hillingdon and on the income and costs of the Council, housing associations and other local organisations.
3. To examine how the Council services, housing associations and voluntary groups are supporting residents to transition to UC and manage their claims.
4. To make practical, prudent recommendations to Cabinet (and other bodies if applicable) from the Committee's findings to support residents transitioning to UC and to manage their claims.

Witnesses and Committee activity

The Committee received evidence from the following sources and witnesses:

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| Witness Session 1 | Inderpal Mudhar, Partnership Manager, from the Department of Work and Pensions (DWP) Debby Weller – Policy and Strategy Manager (Housing) |
| Witness Session 2 | Ellen Salkeld – Income Manager at Catalyst Stuart Coleman – Head of Housing Management at The Barnet Group |
| Witness Session 3 | Rod Smith, Service Manager – Tenancy Manager |
| Witness Session – Site Visit | Member site visit to the Job Centre Plus in Uxbridge |
| Witness Session 4 | Heather Brown – Director and Barbara Maccauley – Policy Manager from the Citizens Advice Hillingdon Nigel Gee – Senior Mental Health Worker from MIND Giles Stratchan – Uxbridge College Partnership Manager from Uxbridge College |
| Witness Session – private (outside of usual meetings) | Inderpal Mudhar, Partnership Manager, from the Department of Work and Pensions (DWP) Nigel Gee – Senior Mental Health Worker from MIND |
| Witness Session 5 | Heather Brown – Director and Barbara Maccauley – Policy Manager from the Citizens Advice Hillingdon The Chief Officer and Lead of Advice Projects from DASH |

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