

TITLE OF REPORT: Implementation of Universal Credit in Gateshead

REPORT OF: Darren Collins, Strategic Director Corporate Resources

SUMMARY

This report updates Corporate Resources OSC on the implementation of Universal Credit within Gateshead and the issues arising to date.

Dr Mandy Cheetham of Teesside University will provide a presentation to the committee on the research undertaken into the impact of the roll out of Universal Credit in Gateshead.

Background

1. The Welfare Reform Act 2012 introduced a number of changes:
 - Universal credit to replace 6 main benefits
 - Housing Benefit reductions for under-occupation
 - Cap on overall benefit of £26,000 (£18,200 for single persons)
 - Council Tax Benefit replaced by Local Council Tax Support Schemes
 - Disability Living Allowance replaced by Personal Independence Payments
 - Responsibility for Discretionary Social Fund transferred to local authorities
2. Universal credit has been implemented in Gateshead in 2 phases. In 2015 “Live” service was introduced (for single, non-householder, no children, new Job Seeker Allowance claimants), followed by the rollout of “Full” service in October 2017 (for new claims and changes of circumstances). All Universal Credit claims are made via an online application resulting in a single household payment paid monthly in arrears.
3. The migration of existing Housing Benefit claimants to Universal Credit is now scheduled to be completed by June 2024.

Support arrangements

4. To support this implementation of Universal Credit, the Council agreed a Delivery Partnership Agreement with DWP upto 31 March 2019 to provide Universal Support, which mainly included assisted digital support and personal budgeting support. As part of this agreement the Council together with the Gateshead Housing Company provide a range of services offering support and advice to claimants.
5. With effect from 1 April 2019, Citizens Advice has become responsible and is funded by DWP for “Help to Claim” support, which is to assist claimants with their on line claim to the first payment stage. Citizens Advice has not been funded for Personal budgeting support. The council and The Gateshead Housing Company continue to work with Citizens Advice Gateshead to optimise the use of resources to provide the necessary support to claimants.

6. Dr Cheetham's presentation to committee will outline the findings of the research into the impact of Universal Credit on Gateshead residents. In particular, the mental and physical health of claimants and the associated social, financial and employment-related issues affecting claimants.

Recommendation

7. The views of the Corporate Resources OSC are sought on:
 - The issues arising from the implementation of Universal Credit in Gateshead.