

# Chairman's Announcements

<b>Subject:</b>	<b>Universal Credit – background and update on steps to roll out the scheme</b>
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## Summary of announcement:

Universal Credit will begin in Wiltshire on 16 March 2015, following an announcement by the Wessex branch of the Department of Work and Pensions (DWP)

Many people on benefits believe that the financial risks of moving into work are too great. For some, the gains from work, particularly if they work part-time, are small, and any gain can easily be cancelled out by costs such as transport.

The government believes that:

- the current benefit system is too complex
- there are insufficient incentives to encourage people on benefits to start paid work or increase their hours

Through Universal Credit the government is aiming to:

- make the benefit system fairer and more affordable
- reduce poverty, worklessness and welfare dependency
- reduce levels of fraud and error

The intention of reforming the welfare system is to help more people to move into and progress in work, while supporting the most vulnerable.

Universal Credit (UC) is the latest national welfare benefit which will eventually replace six other benefits provided by the DWP and HMRC. UC will eventually replace Income Support, Income Based Job Seekers Allowance, Income based Employment Support Allowance, Child Tax Credit, Working Tax Credit and Housing Benefit.

Claimants will always be encouraged to apply on line and report any change in circumstance, on line. The completed claim will not be processed locally but in a Service Centre in either Glasgow or Bolton. (A slide set entitled UC Welcome Pack is attached)

It is important to note that in this initial phase, which runs from 16 March 2015 to May 2016, only single, unemployed people will qualify for UC. Couples, families with children and those in work but entitled to any of the benefits listed above, will either be transferred or asked to apply for UC from May 2016 onwards. Based on the qualifying criteria it is estimated 3,000 residents could qualify for UC in Wiltshire 2015-16. Every UC award will be paid monthly, in arrears, and claimants will receive their payment direct, approximately five weeks after the claim is registered.

Some support will be available to those who either struggle with the delay in payment, through an advanced payment made by the DWP, which will then be recovered from on-going payments. When rent is not paid on time a landlord can apply to the DWP for an alternative payment arrangement (known as an APA).

Whilst support in terms of budgeting will be made available through the council, management of complex debt may require referral to agencies better equipped, in this case the Citizens Advice Bureau. The council's role will be to ensure that residents are supported in the initial stages of their claim and:

- To provide access to computers,

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- Assistance to get on line and apply on line
- Budgeting support and money advice
- Supporting vulnerable claimants and providing access to discretionary funds and local welfare provision.

A great deal of work has already taken place to provide agencies with information about the transition to universal credit. The DWP and the council have spent considerable time in negotiations to develop a Delivery Partnership Agreement which includes a framework for payment to meet aspects of our service delivery. Wiltshire is therefore well placed to be one of the first local authorities in the west to support the roll out of universal credit and set out below is some of the preparatory work.

- The Wiltshire Online project and the provision of 180 new computers in our libraries.
- The council's corporate research team produced an extensive report entitled Universal Credit: analysis of risk.
- Joint working between the DWP and librarians in conjunction with other voluntary groups to support people to access information and apply for benefits online.
- Undertaken a project to replace the current paper based housing benefit application form with a web based E-form.
- The provision of training through children's centres to stakeholders and voluntary sector in conjunction with Wiltshire Money.
- The involvement of Wiltshire staff working with the DWP at the highest level in terms of project planning and attendance at Technical Working Groups in London.
- A track record of delivering change, particularly welfare reforms, through partnership working across Wiltshire.
- Robust and carefully managed discretionary schemes (Local welfare provision, Discretionary Housing Payments and the latest discretionary council tax reduction) that can be used to support those in the most difficult financial circumstances

There are details on the next page of the eligibility criteria and details of the information claimants will need to make a claim online.

For further information about any of the research papers or details regarding any of the projects above please contact either Ian P Brown, Head of Revenues and Benefits, Julie Higinbotham, Benefits Manager at Wiltshire Council or Jackie Tuckett, Partnership Manager at the DWP.

There is extensive information made available on the government's own [website](#).

### **Universal Credit Expansion Eligibility**

Claimants must:

- Be single.
- Must have a National Insurance Number.
- Be aged between 18 and 60 and six months.
- Not own or partially own the home they live in.

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- Not be homeless or live in support or exempt accommodation.
- Not live in the same household as a member of the regular or reserved army who is absent from home on duty.
- Be a British citizen, resident in the United Kingdom (UK) for the last two years (not absent outside the UK during those two years for four weeks or more).
- Not have a child or qualifying young person (QYP) living with them some or all of the time.
- Not be an adopter with whom a child is expected to be placed within the first two months of the UC claim or a foster parent.
- Not be liable to pay child support maintenance.
- Not be responsible for providing care to a person with physical or mental impairment, unless on a paid or voluntary work basis.
- Must not have a fitness for work note or applied for a fitness for work note. Claimant must declare themselves fit for work.
- Must not be considered as having limited capability for work.
- Not be pregnant, or have been pregnant in the last 15 weeks.
- Not require a person acting on their behalf e.g. Personal Acting Body (PAB) or Corporate Acting Body (CAB).
- Not be in education or training of any kind.
- Not be self-employed.
- Not be a company director or part of a limited liability partnership.
- Be unemployed or declared earned income for the first month of the UC claim is not expected to exceed £330.
- Capital must not exceed £6000.
- Must have a bank, building society, post office or current account with a credit union.
- Must not be entitled to old rules Employment and Support Allowance (ESA), old rules Jobseekers Allowance (JSA), Income Support (IS), Incapacity Benefit (IB), Severe Disablement Allowance (SDA) , Disability Living Allowance (DLA), OR Personal Independence Payment (PIP).
- Must not be awaiting a decision on a claim for old rules ESA, old rules JSA, IS, Child Tax Credit (CTC), Working Tax Credit (WTC) or Housing Benefit (HB).
- Must not be awaiting the outcome of an application to revise a decision of non-entitlement to old rules ESA, old rules JSA, IS and HB.
- Must not have an undecided appeal against non-entitlement to old rules ESA, old rules JSA and IS.