



UNIVERSAL CREDIT DELIVERY MODEL

Introduction

The current policy direction of the government is that the delivery of Universal Credit will be 'digital by default'.

It has continually been stated that the Universal Credit will be delivered using existing resources. As a consequence, Local Authorities would strongly contest that, as they have been a major part of the existing resources infrastructure since 1981, they would continue to add value and capacity during both the transition and fully integrated stages of the Universal Credit implementation.

During recent years the delivery of Housing Benefit has become ever more efficient following the improved joint working between the DWP and Local Authorities. This has been in no small part due to an overall change from a culture which was previously focussed upon case load, process and systems control to a system now, rightly, focused upon access, accuracy, compliance and outcomes. This success has been delivered due to the adoption of a multi-agency approach, combined with a strong localised customer-focused approach, with many Councils adopting ICT and processes to engage with their customers, in particular, the most hard to reach and vulnerable. It is our belief that a further culture change towards simplicity, self-service and independence is only feasible and possible if the successful joint agency approach is supported, extended and preserved.

In addition, many Local Authorities adopt a systems thinking approach to delivering their services which focuses on staff designing their service, systems and processes around the requirements of their customers. 'Waste' in the system is removed and the various ways in which we respond to customers is understood and controlled. This leads to a reduction in costs, as well as improved performance. This type of thinking and approach has resulted in progressively aiding complex decision-making for both clients and providers. In particular, it has in many cases improved decision-making, efficiency and supply in the key areas of safeguarding, landlord and tenants' behaviours and liaison with specialist providers.

This paper attempts to identify and provide evidence and a road map of how Local Authorities could actively be involved in the delivery of Universal Credits during the transitional and steady state phase.

Local Authorities believe, therefore, that they should be an integrated part of the solution, particularly in respect of our involvement with customers and their related housing, social care, health and advice needs and can extend their experience and best practice to support the core agencies responsible for delivering the Universal Credit, whilst reducing the risks of non-compliance, confusion and fragmentation of service.

In particular, Local Government is currently in the best position to facilitate, co-ordinate and deliver early intervention programmes, customer service infrastructure and skilled and efficient customer service and processing staff. This combination should, on its own, present a compelling case why Local Authorities are best placed to incentivise and educate customers regarding the new service and its simpler (on-line) access channels.

However, there remains a major doubt and concern that a failure to give clear indications of the intentions to use local government as a key partner within the delivery arrangements will lead to a reduction in future infrastructure and capacity and future intervention programmes.

There is currently capacity to undertake this function within local authorities. However, councils are taking decisions on the future of services now. If decisions on this are left until 2015, it might be too late to preserve a substantial and necessary capability in much of local government. The risks of this approach would be considerable and would be highly likely to result in the fragmentation of organisations responsible for providing early intervention programmes and incentives to access employment.

This paper attempts to identify and provide evidence and a road map of how Local Authorities could actively be involved in the delivery of Universal Credits during both the transitional and the steady state phases.

Delivery of Universal Credit

Experience has shown that major Government change projects focused upon centralised services have experienced difficulties which have impacted upon the public perceptions of the reliability, experience and efficiency of the service. Local Authorities firmly believe that this risk can be significantly reduced if they are entrusted with the responsibility to collaborate to deliver the desired outcomes on behalf of the DWP.

It is often an overlooked fact that the core business of Local Government includes the key aspects of advocacy, regulatory and enforcing functions. The key to our success is where we have learnt how to work collaboratively in the best interests of the Authority or organisation we represent whilst being empathetic but realistic with the customer or citizen we serve.

Local Government is currently in the best position to facilitate, co-ordinate and deliver early intervention programmes, customer service infrastructure and skilled and efficient customer service and processing staff. This combination presents a compelling case why Local Authorities are best placed to incentivise and educate customers regarding the new service and its simpler access channels (on-line).

Local government is also uniquely equipped to tackle worklessness and raise skills through its links with local partners and agencies. As a facilitator of local partnerships, local government is well placed to ensure coordination and integration of all activities that impact on worklessness.

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Therefore, this document attempts to move the debate forward by proposing an effective model of how Local Authority staff could be engaged to deliver services required in the contact and support centres during both the transition and steady state stages of the project. It also identifies ten reasons why it is essential that Local Government is utilised in the delivery of Universal Credit and provides an insight into the sector's concerns, if it is not engaged at an early stage.

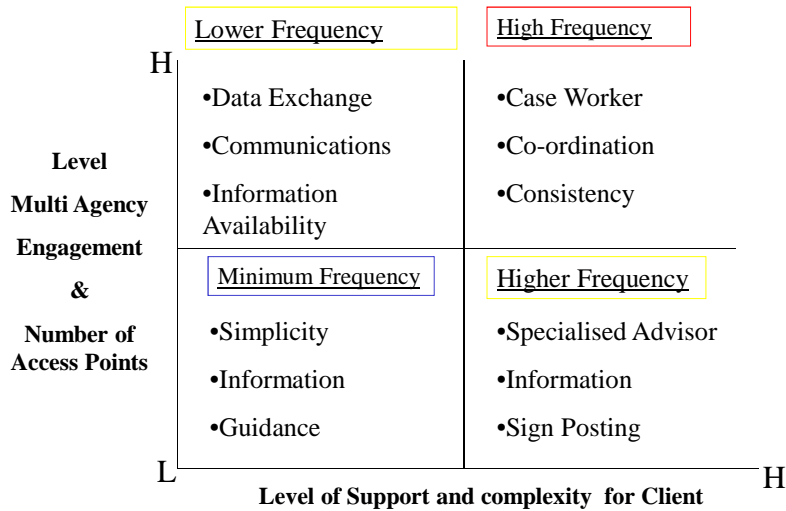
Joint Delivery Model

It is currently understood that it is proposed that Job Centres will be the primary channel for local, face-to-face support. However, it is contested that failing to recognise that there will be a wide variety of claimants with different capabilities is misguided. In reality, claimants are likely to have different abilities to transfer on to Universal Credit without personal explanation, assistance and guidance and are highly likely to follow previous patterns of behaviour or habits for gaining access to their entitlement.

It is also generally recognised that the more vulnerable the client is the more likely that a number of agencies will be engaged in supporting that person; and that, as a result, this complexity and duplication increases the likely number of access points that they will choose to use.

Local Authority offices are designed not only to be near our customers but are deemed points of access by our customers where a variety of issues may be resolved at first point of contact – providing access to services specialising in adult social care, supporting children and housing. In addition, Local Authorities provide valuable outreach services within the community including visiting vulnerable customers and support centres in local villages.

Multi Agency Support



This citizen-centred diagram attempts to show the types of support that different agencies will need to focus upon with:

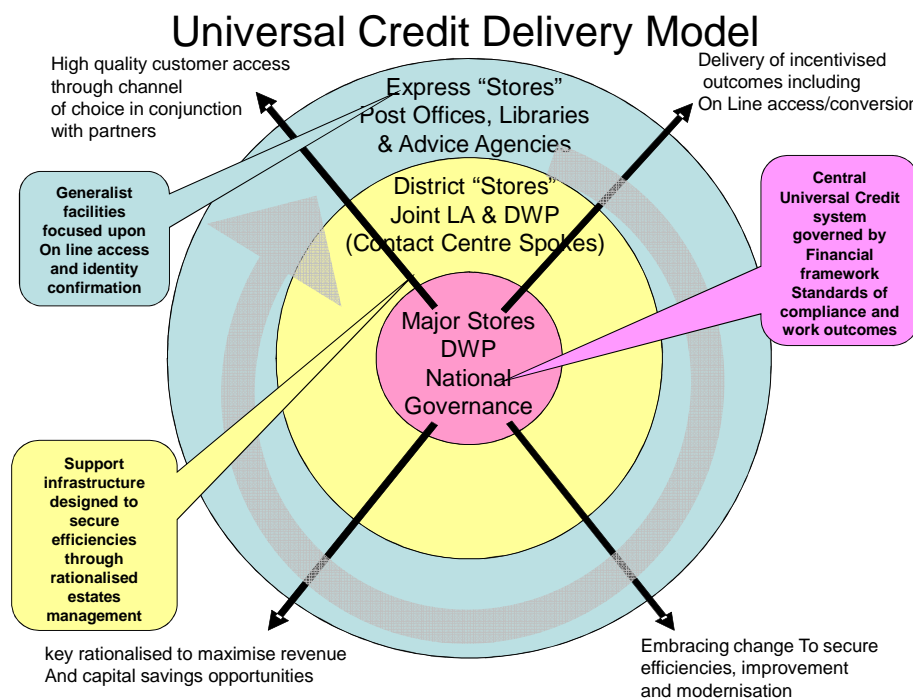
- Less engagement and frequency for information required for the citizens who are able to act independently and/or who only need to interact with one agency;
- More engagement and co-ordination required for clients with complex needs and support requirements or who are required to liaise or interact with multiple agencies.

Accessibility to information and multi-agency support will still be crucial to the new arrangements. Online support or remote telephone support alone will not help clients with complex needs and, therefore, there will be a higher likelihood of face-to-face requirements to ensure the system is not discredited at an early stage. The face-to-face support will need to be capable of facilitating direct information exchange between agencies as well as resolving the clients' issues at first point of contact. Experience has constantly and consistently illustrated that where there is a failure to resolve the citizens' needs at the first point of contact, this will result in more costly systems and interventions, as more effort is required by both the citizen and agencies to ensure compliance and information is secured.

It has to be recognised that not all claimants will have access to on-line facilities and not all will be able to move to self-service models of operation without assistance, guidance and support from agencies they trust. This reinforces the need for agencies with complex and multi-agency provision to work together as one. All recent evidence from community pilots illustrates that personalised and local support can improve the service outcome with simple and innovative methods of delivery.

Even those with broadband access may not be able to utilise on line facilities. A recent survey in Wiltshire identified that 22% broadband users' internet connection was not adequate for the things they wanted to do such as completing on line applications.

Therefore, this demonstrates and reinforces the need for co-ordinated and enhanced partnership working, with national governance being at the hub of the solution. The following diagram illustrates the need for a joint delivery model as the opportunity should not be lost to converge the Government's agenda for estate/asset rationalisation, in conjunction with reducing the national deficits through minimising cost and duplication.



It is proposed that this model should be adopted as the basis for the joint delivery model and should be developed with immediate effect. By incorporating this model within the transitional arrangements, it will be possible to evaluate more accurately the best future cost and infrastructure model. It will also assist in identifying how future schemes could be deployed to incentivise Local and Central Government to deliver the benefits anticipated from the launch of the Universal Credit combined with the wider Welfare Reform agenda.

It is proposed by Local Government, therefore, that a set of local pilots should be incorporated within the transitional arrangements to develop and demonstrate the level of local capability to deliver the required support to assist people to make Universal Credit claims, whilst also securing employment. The proposal incorporates all levels of Local Government and identifies some timelines illustrating how the model can be developed to include the aims of incorporating self-service and online delivery.

Universal Credit Local Pilots

The aim of this proposal would be to commission a set of local pilots to demonstrate that a local capability will enhance and increase the success of the delivery of Universal Credit and local citizens' chances of securing employment. The pilots will produce evidence to illustrate how the existing business case can be further strengthened. In particular, it will enable a focus to be provided to assess the scope of asset rationalisation through co-location and capacity support. This will provide the necessary evidence to generate the delivery plan for the future operation of the Universal Credit after 2015.

The pilots would deliver the following components:

Required Outcome	Deliverable components By LAs 2013	Deliverable components By LAs 2014	Deliverable components By LAs 2015
Support to help people claim Universal Credit online and through telephony	<ul style="list-style-type: none"> • Account opening • Queries advice and orientation • Call backs • Data verification • Advocating and brokering for the client to ensure successful registration 	<ul style="list-style-type: none"> • Change in circumstances • Scanning and data capture 	<ul style="list-style-type: none"> • Apply conditionality
Help secure employment	<ul style="list-style-type: none"> • Sign posting • Scanning and Data Capture • Data Verification • Booking interviews 	<ul style="list-style-type: none"> • Data Verification • Debt Advice • Change of circumstances reporting • Scanning and Data Capture 	<ul style="list-style-type: none"> • Arrange medical assessments • Income date collection
Help maintain housing provision	<ul style="list-style-type: none"> • Housing Advice • Financial Advice • Debt Advice • Compliance requirements • Scanning and Data capture • Landlord liaison 	<ul style="list-style-type: none"> • Change of Circumstances reporting • Data verification as required 	
Help maintain stability during social care	<ul style="list-style-type: none"> • Housing Advice • Financial Advice • Debt Advice 	<ul style="list-style-type: none"> • Change of Circumstances reporting 	<ul style="list-style-type: none"> • Apply Conditionality

Required Outcome	Deliverable components By LAs 2013	Deliverable components By LAs 2014	Deliverable components By LAs 2015
intervention or support	<ul style="list-style-type: none"> • Compliance requirements • Scanning and Data capture • Landlord liaison 	<ul style="list-style-type: none"> • Data verification as required 	

Components not included in the pilots as they would be undertaken directly by the DWP include:

- Appeals;
- Complex Decision Making;
- Sanctions.

The local pilots will be predicated upon:

- Integrating and personalising public services to achieve better outcomes at less cost by taking the opportunity to co-locate Jobcentre Plus with its Local Government partners. This will produce the opportunity to rationalise the public sector infrastructure and asset base;
- Identifying the opportunities to assist families and client groups with complex needs and high levels of multiple agency dependency so that a multi-agency approach can be achieved to deliver both the worklessness and personalised budgets agenda;
- Ensuring there is a primary face-to-face reach option within rural and isolated communities especially where there is not a physical presence of Jobcentre Plus in the locality;
- Providing additional capacity to the DWP, so that the intended support and responsiveness to the citizen is delivered. Telephone support will be a key component to the initial perceptions of the client base. The pilots will be capable of providing additional support in the locality and act as a spoke/overflow to the intended telephone support centres.

There would be a number of key requirements for Local Authorities to meet to be included within the pilots, these would include:

- Integrated, well-developed arrangements for customer handling – a joined up front office with robust and transparent performance management arrangements demonstrating a high standard of footfall and customer resolutions and satisfaction;
- Strong track record in Benefits performance with low processing times, strong data verification and scanning capabilities, evidence based

decision-making capability and performance management arrangements;

- Strong track record of implementing major change on time and with short notice;
- Strong local partnership with Jobcentre Plus and, where relevant, County Councils, new Work Programme and health providers.

Ideally the pilots would include different labour market characteristics and different types of council within different parts of the United Kingdom and socio-economic areas including the following:

<u>Types of Pilots Required</u>	<i>Known Examples which may fit Criteria</i>
Rural/Urban with no Jobcentre Plus locality within X miles and therefore requires link to local urban centres	<ul style="list-style-type: none"> • Sevenoaks and Kent County Council • Somerset County Council • South Norfolk District Council
Urban/Market Town with scope to rationalise and merge facilities and have a required outreach capacity to support identified areas	<ul style="list-style-type: none"> • North Warwickshire Borough Council and Warwickshire County Council • Central Bedfordshire Council • Newcastle Under Lyme District Council • Colchester Borough Council • Welsh/Scottish Authorities to be identified
City and Conurbation with opportunity to converge estate and with a requirement for a local presence and multi-agency approach to provide identified training or back to work initiatives	<ul style="list-style-type: none"> • Nottingham City Council and Broxtowe, Gedling and Rushcliffe Borough Councils • London Borough of Harrow • Birmingham City Council • Leeds City Council • Welsh/Scottish Authorities to be identified

It will be essential to:

- Explore funding the pilots through a payment by results mechanism, especially in relation to promoting online registration and maintenance, accuracy, data notification and cost efficiencies;

- Encourage the market to develop new delivery models; for example, the new service could be delivered by a social enterprise spinning out from Jobcentre Plus or the Local Authorities.

It is recognised that the pilots would need a period of joint support and governance through (say) the Health and Wellbeing Boards or alternatively the Total Place pilots, if applicable. This will be essential to work collaboratively to build the business case at a local level, whilst feeding into the national project to ensure outcomes and objectives are being met. This approach would also ensure that the pilots would be able to:

- Allow places to tackle difficult issues together, developing and sharing learning;
- Provide a single communications and co-ordination channel to and from DWP;
- Take on the cross pilot issues, for example developing the evidence base and evaluation.

Other Bodies to be included

It is essential that the Government's intentions to move towards greater on-line delivery should incorporate the work and learning achieved in recent years by other programme groups. In particular, the Tell Us Once, Avoidable Contact and Total Place programmes will be able to significantly inform the debate and ensure that ready solutions are designed into the pilots and the phase. These programmes have been overseen by the Local Government Group through the Local Government Delivery Council and have resulted in many examples of best practice and an adoption of a culture in supporting and converting existing customers on to online and self-service delivery channels.

Conclusion

The recent letter received by Local Authority Chief Executives informing them that Local Government will not be involved in the initial delivery of the Universal Credit, carries significant risks of causing fragmentation, confusion and inefficiency. It would be regrettable if the significant investment and experience gained in recent years to simplify complex decision-making whilst developing joined-up customer service delivery and intervention programmes is ignored. It cannot and must not be assumed within the present climate that the current offer and commitment being made by Local Government will still be capable of being delivered in 2015.

The major professional institutes responsible for the current delivery of welfare support have worked with representatives of the District Councils' Network and the Local Government Group to identify the reasons why it is essential Local Government is engaged from the outset in the delivery of the Universal Credit, together with the concerns which currently remain

unanswered, if not included. These are set out in the remainder of this document.

We believe the methodology and pilot proposal contained in this document will significantly increase the ability to be successful in delivering the Universal Credit vision of ministers and therefore seek early confirmation from DWP and government that Local Authorities will have a role, together with Jobcentre Plus and HMRC, in the effective and efficient delivery of Universal Credit at a local level from October 2013.

This document is endorsed by the District Councils’ Network, Chartered Institute of Public Finance and Accountancy; Institute of Housing; Institute of Revenues, Ratings and Valuation and the LGA advocating the Local Involvement of the Local Government Network Infrastructure, Skills and Knowledge to deliver the Universal Credit.

Content: The document identifies the legitimate reasons and concerns of the Professional Institute and Local Government family which are committed to working with Government to deliver appropriate welfare support to its citizens, supported by a commitment and compelling argument to deliver the Universal Credit with Local Government involvement

Theme	Key Reasons to Engage local Government on Delivery	Strengths in Implementing Universal Credit	Concerns if Local Government not engaged in delivery
Delivery	1. Access to the Community through: <ul style="list-style-type: none"> • integrated Customer Service networks • Involvement of democratically elected Community Leaders 	<ul style="list-style-type: none"> • Communications • Arbiter • Deliverer of services with high level of accuracy 	<ul style="list-style-type: none"> • Jobcentre Plus is not present in each town or local accessible area. DWP has announced closure of 17 benefit processing centres and 5 contact centres affecting 20% of Jobcentre Plus staff. • Lack of face-to-face access or support with online access could lead to vulnerable people not accessing their entitlements. Councils will have a variety of access points that may be closed if footfall from benefits is removed. • District Councils have a track record of good customer interaction with many scoring highly on customer satisfaction surveys HMRC Recent Select Committee Report on customer satisfaction would be an interesting contrast in understanding what “best in

			<p>breed” means.</p> <ul style="list-style-type: none"> • District Councils benefit staff undertake the most complex benefit assessments. This takes knowledge and understanding of the different caveats of different benefits. On average it can take up to a year to fully train a Benefits’ Advisor. <u>Will</u> DWP be able to invest this sort of time and knowledge in its staff? • With a number of functions staying locally (i.e. Council Tax Benefit, potential transfer of responsibility to administer crisis loans, housing and collection), this will lead to confusion and a potential increased perception of passing customers from pillar to post!
Facilitation	2. Strength and maturity of the business network	<ul style="list-style-type: none"> • Building and monitoring relationships with registered Social Landlords • Support and facilitation of advice agencies • Working with Business Community to create a fit-for-purpose workforce 	<ul style="list-style-type: none"> • District Councils will have a network of the registered social landlords in the area or will be one of the main housing providers. A strong relationship with priorities and objectives will already be agreed with local providers. Can DWP/JCP/HMRC establish similar relationships in the time given? Will the relationship be based on the knowledge of the local area? • District Councils will be key

			<p>partners with CAB and possibly also key funders for Debt and Housing advice – in some areas they may commission CAB to take on certain roles. CAB is vital to vulnerable communities; changes could damage contracts, relationships and services.</p> <ul style="list-style-type: none"> • District Councils will have links with local higher education providers, will know the local business community, and be able to support establishing local successful economies. • There will be a cost to removing contractual arrangements.
Advocacy	3. Strength of our people to assist dealing with people ‘as people’ not process	<ul style="list-style-type: none"> • Our experience and capacity to identify and facilitate debt management issues • Working to set up community solutions (e.g. Credit Unions) 	<ul style="list-style-type: none"> • CAB’s/debt management advice, Credit Unions often working in partnership with District Councils often providing space in contact centres and reception areas for CABs and Credit Unions or sharing drop-in centre times - providing a holistic approach to support. • Vulnerable people may be confused by whom to approach for support. • There may be local solutions to improve support of benefits
Advocacy	4. Our role as a ‘safety net’ profession to	<ul style="list-style-type: none"> • Assisting in identifying when intervention is 	<ul style="list-style-type: none"> • People will come to the councils when their situation changes; both

	ensure people take responsibility and do not fail	<p>required</p> <ul style="list-style-type: none"> • Fulfilling our legal duties in the important and critical areas e.g. • homelessness prevention • Social care (children and older people) 	<p>positively or negatively.</p> <ul style="list-style-type: none"> • We have a homelessness duty and will provide more than housing. We will assess all their needs to help get them back on their feet and sign post where appropriate.
Facilitation	5. Our established experience and role in being the conduit for work	<ul style="list-style-type: none"> • Our network and dialogue with employers to establish: • skills request • opportunity for development • responsibility of the individual to take work 	<ul style="list-style-type: none"> • Underutilisation of a significant local resource already embedded in the community and with the individuals/networks that live there.
Delivery	6. Reducing risk of change failure	<ul style="list-style-type: none"> • Universal Credits is a high risk change scenario. Utilising Local Government will reduce the risk and failings associated with other projects including: • Child Support Agency • Student Loans • Passports 	<ul style="list-style-type: none"> • Excellent track record of change delivery. Evidence would be the changes announced in November 2010 implemented by April 2011. • We are based in the centre of our communities; when they are unsure of the changes they will call or drop in to seek reassurance from us. • Our track record is better than central government – student loans evidence would be perfect here, they have failed to make the £20m savings. And are running at higher costs than when the LEA

			administered it.
Delivery	7. Local Government's reputation for delivering change, improving performance for less cost (you know what you will get)	<ul style="list-style-type: none"> • Benefits performance-speaks for itself • Fraud and Error track record • Major change projects 	<ul style="list-style-type: none"> • Many districts have implemented systems-thinking and have dramatically reduced costs. There is evidence from districts that face-to-face contact covering everything reduces the need for follow up meetings, telephone calls. This has been a cost saving, as one contact provides better VFM. The Administration Grant reduces year on year and District Councils still provide high quality services. • Our track record of successfully and effectively addressing fraud is excellent. DWP and Jobcentre Plus do not have the same excellent results.
Facilitation	8. Value for money - we consistently deliver more for less	<ul style="list-style-type: none"> • Incentivise Local Government and it will deliver – areas that could be incentivised include increasing online take up and identifying fraud and error 	<ul style="list-style-type: none"> • Districts have a good track record of digitalising services with epayments, online form completion etc. We know our communities and are able to seek out fraud more effectively because of it. There is a fear that fraud will rise, particularly around Housing Benefit. The National Housing Framework notes that a pilot scheme run in 2004 suggested admin costs would go up by

			£300,000 for 16,500 tenants, staffing would increase ,as would arrears (from 3% to 7%)
Advocacy	9. We respect choice within the locality	<ul style="list-style-type: none"> • Local delivery points • Everyone knows us and turns to us for help • Local community leaders do represent the people 	<ul style="list-style-type: none"> • We are elected by our communities to represent their best interests. It is within their best interests to have services that know and understand the local demographics and idiosyncrasies. People expect Councils to be there and support them. District Councils represent over 40% of the population.