

Committee: Overview and Scrutiny Commission

Date:

Wards: All

Subject: Universal Credit Update

Lead officer: Caroline Holland

Lead member: Councillor Tobin Byers

Contact officer: David Keppler

Recommendations:

1. For Overview and Scrutiny Commission to note the contents of the report and advise of any further information required
 2. For Overview and Scrutiny Commission to consider for its next update to invite one of the Job Centre Managers to the meeting for a verbal update/presentation.
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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. To provide Overview and Scrutiny Panel an update on Universal Credit in Merton.

2 DETAILS

- 2.1. The implementation of Universal Credit was always planned to be a phased and controlled roll out that only affected new claims to the benefits that were replaced by Universal Credit. The initial phase was for single claimants only, then families and households and then at a later stage the transfer of all other claimants that had not transitioned to Universal Credit.
- 2.2. Universal Credit is only for working age claimants and pensioners are not affected by the change.
- 2.3. Universal Credit has to be claimed on line and every claimant requires an on line account.
- 2.4. Initially Universal Credit was to be paid direct to the claimant including the rent element of Universal Credit. Early pilots saw increase in rent arrears and alternative measures were put in place so that the rent element could be paid direct to the landlord.
- 2.5. Universal Credit was implemented across Merton for single claimants only in January 2016. These claimants had no rent liability and were classified as the simplest types of claims to move on to Universal Credit.
- 2.6. By the summer of 2018 all new claims in Merton of working age claimants would have to be for Universal Credit rather than Housing Benefit. There are two exceptions to this rule, claimants in temporary accommodation and in supported accommodation still claim Housing Benefit.
- 2.7. Housing benefit live case numbers have reduced since Universal Credit was introduced –

January 15 – 13,136
January 16 – 12,682
January 17 – 11,633
January 18 – 11,078
January 19 – 9,463
January 20 – 8,181
January 21 – 7,278

- 2.8. Universal Credit is re-assessed every month for claimants and their entitlement will vary depending on their income and circumstances.
- 2.9. Universal Credit is administered by the Department of Work and Pensions via Job Centres. The Manager at Mitcham Job Centre has provided the latest figures for Universal Credit claimants in Merton as at November 2020. See appendix A.
- 2.10. These figures show numbers for residents within Mitcham and Morden and Wimbledon and show the increases in the past year and past five years. It also shows Merton's figures compared to London and Great Britain. It shows a breakdown for 18-24 year olds and all residents.
- 2.11. In Merton there was a 180% increase in claimants aged between 18–24 over the past year. Although the Manager advised that this increase was in fact from March 2020 to November 2020. This was lower than the London average of 204%, but for all claimants, the change in Merton was higher, 154% compared to 146%.
- 2.12. The Mitcham Job Centre Manager also provided a list of main developments. See appendix B
- 2.13. There is no indication yet as to the timeframe for the transfer of all remaining Housing Benefit claims that need to transfer to Universal Credit.

3 ALTERNATIVE OPTIONS

- 3.1. None for the purpose of this report

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. None for the purpose of this report

5 TIMETABLE

- 5.1. None for the purpose of this report

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. None for the purpose of this report.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. None for the purpose of this report

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

8.1. None for the purpose of this report

9 CRIME AND DISORDER IMPLICATIONS

9.1. None for the purpose of this report

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. None for the purpose of this report

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

Appendix A – Claimant Claim numbers in Merton

Appendix B - Job Centre developments

12 BACKGROUND PAPERS

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