

# Universal Credit

Local Support Services Framework

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## Ministerial Foreword

Universal Credit will make work pay – so that people are better off in work than claiming benefits. It will improve and modernise the benefit system and bring the experience of claiming and receiving benefit into line with the world of work.

The majority of people will make their claim online and payments will be made monthly and direct to the household – reflecting the 75 per cent of people in work who are paid that way.

Most people on low incomes manage their money well and regularly use the internet to carry out everyday activities such as shopping, banking and carrying out job searches. But the introduction of Universal Credit and Universal Jobmatch provides us with an opportunity to look again at the support households may need in this new environment.

This includes making sure that claimants who are not yet ready to budget for themselves on a monthly basis, or are unable to use the internet, are protected and assisted onto the new system.

For example we want to ensure that claimants who have debt problems or other vulnerabilities such as poor numeracy skills, drug addiction or mental health issues are given practical support at the onset of their claim through a network of local services.

We have been working closely with local authorities and other organisations to form a comprehensive view of the type of services that may be required. Partnership working is essential and we are looking to local authorities, as key partners, to help us to provide targeted local support.

This Local Support Services Framework, produced collaboratively with local authorities, sets out the principles for that support.

It covers the type of support that DWP would be willing to fund, how current partnerships work and how a partnership approach might work in the future, as well as outlining areas that require further development such as the funding model.

Insight from staff and organisations that support claimants with additional needs has also been used to develop our strategy and shape our proposals. We have received contributions from social and private landlord representatives as well as many charities and we have worked with the Social Security Advisory Committee and heard from managers and front line benefits staff from Jobcentre Plus and Local Authorities to ensure that people who need additional help to achieve independence receive better support under Universal Credit than ever before.

We will introduce Universal Credit in phases, beginning with Phase 1 in the Greater Manchester and Cheshire regions in April this year (the Pathfinder). However, the focus of this framework is on Phase 2 of our implementation plan which starts in October 2013.

This framework is the start of a conversation which will evolve over the coming months following feedback from potential delivery partners; learning from 12 local authority-led Universal Credit pilots and 6 direct payment demonstration projects; and our experience of Phase 1 operations.

This is the beginning of an exciting journey. I look forward to working in partnership with you to deliver a local, tailored service for those Universal Credit claimants who need support to get to a position where they can manage their Universal Credit claim independently and prepare for work, or more and better paid work.

I welcome your comments on this framework and how you expect to respond to it in your area. I would be grateful if you could send any initial views to me by 15 March 2013. As I said, this is the start of a conversation, and we will continue to engage with you in the run up to implementation of this framework and beyond.

Please send your comments to me via [localservices.framework@dwp.gsi.gov.uk](mailto:localservices.framework@dwp.gsi.gov.uk)

A handwritten signature in black ink that reads "David Freud". The signature is written in a cursive, flowing style.

Lord Freud  
Minister for Welfare Reform

## Local Authority introduction

Local government has a key role to play in identifying, leading, facilitating and commissioning partnerships to deliver. The voluntary sector and social housing providers often have a lead role in local delivery partnerships, and in particular in identifying who needs help and in what form.

The case for working in partnership to support claimants is twofold. In the first place, it reduces complexity whilst improving the quality of service and outcomes to individuals and families. The evidence is that joint working stands a better chance of successfully equipping people to be independent and self-supporting in the long run.

Secondly, joint local working reduces duplication, inefficiency, conflicting interventions that negate each other, bureaucratic overheads and public sector transaction costs. The evidence is that it gives taxpayers a better deal.

The value the government attaches to partnership working is recognised in its Social Justice Strategy, which recognises that some of the most effective solutions to complex social problems can be delivered at a local level, and through partnerships between different agencies and across sectors.

At local level, there are already in many places well-developed delivery partnerships that bring organisations together to support claimants – [Annex A](#) shows some current examples. The joint task force that prepared this document would like to build on those where they exist; reinforce them where necessary to deal with what is new and different about the UC environment; and help to further develop a culture of service integration across different delivery organisations at the local level.

Local government is ideally placed to be a key partner in delivering an approach based on flexible working to achieving better outcomes for individuals and families, increasing independence, and reducing demand on the welfare system. It aims to create incentives both to reduce the number of transactions and processes claimants have to navigate, and to reduce claimants' dependency on publicly-funded support. The framework recognises differing approaches to partnership working in devolved areas.

In Wales, the public service approach to improving outcomes for people and communities is through the single integrated plans of Local Service Boards (LSBs) which are led by local government but have multiagency membership. Most LSBs are already considering how best to support claimants impacted by welfare reform.

The delivery landscape differs in Scotland due to the long standing Community Planning Partnership. DWP is in discussion with the Convention of Scottish Local Authorities (COSLA) and the Scottish Government to establish how the Local Support Services framework can best be delivered in this context.

This document was prepared in partnership between DWP and councils. As in all partnerships, there has been give and take in producing it, and it is the start, not the end of a conversation between central and local government about how we will work together in future. The Local Government Association, Welsh Local Government Association, and COSLA hope as many individual councils as possible will now put their own views forward in response.



Sir Merrick Cockell  
Chairman – Local Government Association

## Executive summary

Universal Credit (UC) is the single most important Welfare Reform in a generation.

The current system is complex, inefficient and has poor work incentives. UC will simplify the benefits system by bringing together a range of working-age benefits into a single streamlined payment that is flexible to accommodate personal circumstances, simple to access and administer, and ensures that people are better off in work. It is designed to promote digital and financial inclusion and smooth the transition between welfare and work.

It will be rolled out incrementally, testing, learning and improving the service as it expands.

The current system involves a large number of delivery and advice organisations working locally and nationally to support people in accessing and managing their benefits. Under UC much of the support activity aimed at helping people navigate the benefit system and understand their entitlements will no longer be required.

UC creates the opportunity for support organisations to focus more of their resources on higher value-added activity aimed at helping people overcome their barriers to becoming self-sufficient and independent of State support.

This is a significant change but Ministers believe that evidence from previous reforms, together with data now emerging from the Direct Payment Demonstration Projects, indicates that most people will be able to cope with the new features of the UC system.

However, we know that some people will need extra support, including while they transition from the current benefit system to UC. In particular, we know that some claimants will require support with:

- Triage and explaining the new services, particularly while they are being introduced in incremental stages;
- Assistance with making claims online and managing their UC account online;
- Advice to help them manage their money under UC's monthly payment arrangements and ensure that rent and cash flow is well managed.

DWP has been working closely with Local Authority (LA) representatives to identify the services that may be required and the best means of providing these.

The framework is the result of close collaboration between DWP and LAs and listening to feedback from a wide range of relevant organisations including: the Social Security Advisory Committee<sup>1</sup>; Support and Exceptions Working Group<sup>2</sup>; Claimant Champions<sup>3</sup>; Local Authority Working Groups and DWP District Managers.

It sets out a high level approach to building local delivery partnerships and to providing funding to cover the incremental costs of supporting the transition to UC and incentives for local partners, working together, to help claimants move towards self-sufficiency and independence.

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1 The Social Security Advisory Committee (SSAC) is a **statutory** body that provides impartial advice to the **UK government** on **social security issues**.

2 The Support and Exceptions Working Group, is a Universal Credit working group to look at the design and delivery of support needed to help claimants adapt to Universal Credit.

3 Claimant Champions are a group of "critical friends" from partner and external organisations using their insight of claimant groups to challenge universal credit service delivery and identify where some claimants may experience difficulty. The Claimant Champions are involved in a personal capacity rather than as representatives of their organisations (although many organisations are already a part of established communications and stakeholder engagement). The group was put together at the request of the Secretary of State in Summer 2012, to achieve increased external challenge.

## Section 1: Overview and purpose

Although accessing the support provided through Universal Credit (UC) is intended to be straightforward compared to the current benefit system some people may need extra help, just as they do today.

This framework has been developed to meet those additional needs and to acknowledge that central government's delivery partners have a central role to play in providing existing and future delivery services to support both claimants and UC implementation at a local level.

It provides a structure, developed by DWP in collaboration with Local Authority (LA) colleagues, for planning holistic and integrated localised claimant support for people who need extra help to make or maintain a claim for UC to support their journey towards self-sufficiency and independence.

The shared objective for DWP, LAs and other delivery partners is to effectively and efficiently move claimants to a position where they can independently use the standard UC service, whilst ensuring that we have adequate services in place to support the minority of claimants who may need extended support. Whilst we recognise that some claimants will continue to need support throughout their claim, the overall aim is to move towards a reduction in claimant volumes, and the demand for local support, over time.

Ultimately, this government's longer term vision is that of a more open delivery model which, it is hoped, will involve a much wider community of local providers. Initially however, local authorities, as DWP's key partners, are being invited to take a lead in supporting claimants to increase their capability and become independent and socially included.

This framework sets out our current understanding of who will need local support; describes what services should be provided to these claimants under the framework; and describes the means by which local support will be provided, allowing for targeted solutions to meet the needs of individuals and different local regions.

We recognise that UC will introduce some changes that mean there will be a number of new service requirements. This framework will address these new requirements and any incremental costs and shared rewards.

It offers delivery partners the opportunity to consider and review the proposals and invites their feedback on all aspects of the framework.

## Section 2: Context and background

### UC Principles

The purpose of UC is to create a system which strengthens work incentives so that it better supports and encourages work, and reduces benefit complexity, both through its structure and through its approach to delivery.

### UC Goals

Reform of the welfare benefit system is a key priority for this government. The introduction of UC replaces much of the benefits and tax credits system for people both in and out of work.

UC is intended to deliver a fairer and more affordable welfare system that tackles poverty, worklessness, welfare dependency and helps people into work. It must be a high quality and responsive service that delivers in and out of work support and incentives effectively and efficiently. It has three main goals:

- To help claimants and their families manage their benefits and wages independently, and where possible to become independent of the state;
- To close the gap between the experience of being out of work and that of being in work and receiving a wage; and
- To make work pay so that people are always better off in work.

UC will create the opportunity to increase digital and financial inclusion to help claimants and their families become more independent.

It is intended to support people in finding work, increasing the amount of work they do and staying in work. It will also provide them with the financial support appropriate to their circumstances when their ability to work and to support themselves is constrained.

To meet its strategic goals, UC needs to:

- Maximise the number of people claiming UC with an employment focus;
- Remove barriers to employment in the operation of the welfare system;
- Inform the delivery of services post 2013

- Move claimants towards self service and automation and away from face to face delivery;
- Move claimants towards self-sufficiency and financial independence;
- Reduce administration costs; and
- Reduce fraud and error.

### Which claimants will need extra support?

For most people Ministers believe the introduction of UC will pose no difficulties. The standard claimant process will take the claimant through a series of steps required to make and maintain a claim.

See [Annex B](#) for an illustration of the UC Claimant Journey.

In making a claim to UC, the claimant will experience a series of key steps:

- Learn about UC;
- Create a UC account;
- Provide details for the claim;
- See likely payment amount;
- Submit claim;
- Prepare for an interview;
- Attend an initial interview;
- Prove ID
- Sign a Claimant Commitment; and
- Receive award notification and payment.

In maintaining a claim to UC, a claimant will need to:

- Budget monthly and pay rent;
- Demonstrate “actively seeking work” (where appropriate);
- Take up work;
- Seek to increase their earnings from work; and
- Update their details.

For some claimants however, just as in today’s system, accessing our service and dealing with the changes UC will bring will not be as straightforward. Some claimants will need extra help to adjust to the new model of claiming that UC involves or because they face a particular temporary issue. Others may need help for longer. [Annex B](#) shows the potential role of local support services across the end to end claimant journey.



Some claimants in certain circumstances, for example those with mental health issues, learning difficulties, drug or alcohol addiction, and homeless claimants might require more help with the standard process than claimants whose circumstances are more straightforward. We have identified the claimant types we expect to be most likely to need additional services. These claimant categories can be found at [Annex C](#).

But our approach is not based on labelling claimants but on being able to understand specific needs outside the standard claimant process, rather than making assumptions based on labels, and on creating services to meet those needs, because belonging to a particular group is not necessarily an indication of need.

These needs could be very simple (like needing public internet access) or relate to more complex individual needs and may be short term, long term or recurring. The focus is on ensuring that we identify everyone that needs support, when they need it and we provide that support.

While we aim for claimants with additional needs to be identified and assisted as soon as possible through our triage process, UC claimants may follow the standard claimant process, unless or until, they have difficulty in dealing with the demands of our processes, at a time when they need to access a service. Helping claimants with additional needs to be able to self-navigate the UC process is essential for their self-sufficiency and independence.

Although UC will be digital by design, telephony and face to face services will continue to be available for those who really need them.

### Phased introduction of UC

DWP is planning to introduce UC in phases, beginning in April 2013 in the Greater Manchester Pathfinder. Initially, UC will replace new claims from single jobseekers of working age in certain defined postcode areas. During Phase 2, from October 2013 to March 2014, we plan to extend the service to include jobseekers with children, couples and

owner-occupiers, gradually expanding the service to locations across Great Britain. The migration of existing claimants from the old system to the new is planned to be completed by the end of 2017.

Date	Phase	Implementation Activity
April 2013	Phase 1 Pathfinder	UC starts in the four pathfinder authorities with single jobseekers: Tameside, Warrington, Oldham and Wigan
Oct 2013 – March 2014	Phase 2 Staged	Extended coverage of UC rolled out, staged across GB
April 2014 – 2017	Phases 3+ General coverage	UC national implementation due to be completed by end of 2017

This framework is intended to provide a basis for DWP and LAs to start to plan services, resource provision, and workforce requirements during phase 2 of the implementation programme. During this period, UC will be rolled out for many out of work claimants across all parts of Great Britain. All local authority areas will be involved in the rollout, but for the majority, the impact during the 2013-14 financial year will be limited as volumes will be low.

### How the framework relates to the UC programme phases

We are publishing the framework now to give time to plan for Phase 2. We expect lessons learned from the Pathfinder to inform future versions of the framework but we do not intend this current framework to apply to Phase 1.

#### April 2013 - October 2013: UC Phase 1 (Pathfinder)

Phase 1 (Pathfinder) individual partnership arrangements have already been agreed between the UC programme pathfinder team and the four participating authorities (Oldham, Tameside, Warrington and Wigan).

These are based on a tailored menu of services put forward by each local authority, and on predictions and monitoring of volumes and service levels. Planning and funding agreements are already in place for these services to get underway in April and they are **not affected by this framework**.

**October 2013 – March 2014: UC Phase 2 (staged rollout)**

This framework will provide a basis for planning for Phase 2. DWP locally, and LAs, will use the information in this framework to plan and develop partnership working for the period October 2013 to March 2014. During this period coverage of UC will begin to be extended across GB.

**Developing the framework**

We will use learning from the Pathfinder, and from other pilot and testing activities. These include the direct payment demonstration projects<sup>4</sup>; the LA led pilots<sup>5</sup>; live innovation trials, customer insight research, and the Claimant Champion initiative. We will also continue our dialogue between the government, local authorities, housing providers, advice agencies and other bodies.

We will issue a more comprehensive version of the framework (Mark 2) by October 2013, in time to inform LA budget planning for the 2014-15 financial year. This will form the basis for service planning into Phase 3 of the programme and beyond (general coverage), when UC will be fully expanded to all working age claimants.

Our current intention is to continue to revise the framework to accommodate further learning, testing and improvements, in each subsequent year to meet the October deadline. However, as noted earlier in this introduction, the government's longer term vision is to create a more diverse model of service provision. In due course this may supersede the framework.

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4 A series of demonstration projects is being run in six local authority areas to test how claimants manage their money when their housing benefit is paid directly to them rather than to their landlords. The Direct Payments Demonstration Projects started in June 2012 and will run until June 2013. The findings will be used to help shape the financial advice and support that Universal Credit will offer claimants.

5 12 LA led pilot schemes covering England, Wales and Scotland began in Autumn 2012. The aim of the pilots is to test and inform the UC delivery model from October 2013 by looking at ways in which to deliver simplicity for the claimant; promote collaborative working; test the triage process, on line access budgeting support and work focus.

## Section 3: What services will be needed?

The existing benefits system already calls for a number of services to be provided locally for claimants. Many of these will continue.

It is anticipated that the demand for services will change; some will decline, (for example the extensive advisory service needed to serve the complicated network of existing benefits); whilst others will remain at a similar level (for example, support for homeless claimants). However, because UC introduces some changes there will be a number of new incremental requirements, especially in the early transition stages, and this framework seeks to address these new requirements.

This section sets out the high level outcomes that local support services should be aiming to achieve, and the core services that are likely to be required to support UC claimants. We anticipate that all the services provided under the framework will be provided through the Delivery Partnerships Approach outlined later in this document. This means that precisely who gets funding to provide support services will be decided locally. This will ensure service provision that is flexible and sensitive to local needs, and makes the best use of existing local capacity. Local delivery partnerships may decide that more services or different services than those discussed here are required to achieve the defined Local Support Services outcomes for local claimants. The outcome-based structure of the framework should make it possible for that flexibility to be available.

### Success criteria and outcomes

Local support services have to be focussed on delivering appropriate outcomes for claimants, communities and wider society. Although individuals will present specific challenges, and so require a tailored pathway to bring them closer to the labour market, the broad criteria for success are:

- Constructing a service that claimants, agents and intermediaries view as easy to use, easy to understand and easy to access - giving them confidence in the system;
- Helping individuals, especially those who need extra support, to make and manage a claim to UC;

- Providing a joined up and holistic support service to claimants ensuring minimum hand-offs between different agencies;
- Substantially improving work incentives and the recognition that work pays; and
- Increasing the number of people in employment when compared to the equivalent point of the previous economic cycle.

The ultimate aim of those providing services under the framework will be the creation of a “single claimant journey” from dependency to self sufficiency and work readiness, as far as is possible, behind which all service providers should be aligned. To this end DWP and delivery partners will identify specific outcomes required by individual claimants to help move them closer to the labour market and financial independence.

Claimants with more complex requirements, such as people with mental health needs, learning disabilities or addictions, or who are homeless, may need more support, involving many different agencies, from the start. Services may need to vary to take account of local geography, population and infrastructure – for example, access and travel to services for claimants in rural areas. For all these claimants the proper alignment of services behind a single claimant journey will be essential to helping them to move closer to independence, workforce participation and full social inclusion.

To help achieve these outcomes, we expect local delivery partnerships will wish to include the following existing and new services in their local service offering to UC claimants, although we do not intend that partnership agreements under this framework should rule out local variation and innovation by an over-prescriptive approach to the local offer.

### **Building on existing services for supporting claimants locally**

DWP, Local Authorities, Social Landlords and/ or Voluntary and Community Organisations are already delivering a number of key services to support benefit claimants and these services will continue, and may increase.

- **Intermediary support:** Tailored, and sometimes specialist, support for claimants with complex needs, ranging from literacy problems to disability. This can also include helping claimants to access other support services and working, in a holistic and joined up way, with service providers to prepare a single claimant journey towards independence and, where appropriate, employment. Claimants who are homeless are currently supported by LAs and we expect this arrangement to continue under Universal Credit;
- **Home visits:** To support those with the most complex needs;
- **Evidence verification in support of a UC claim:** Face to face interviews to assess the risk of a claim being fraudulent will remain the sole competency of DWP. However, we are open to local agencies helping to verify evidence of a claimant's circumstances to enable a claim to be processed quickly and efficiently and are keen to further explore the possibilities around this;
- **Identifying cases where an exception to normal benefit payment rules is required:** Currently exceptions to the normal benefits payment rules are processed by LAs and the DWP. LAs can decide whether to pay the Local Housing Allowance directly to a private landlord, rather than the tenant, and the DWP can decide to pay benefits more frequently in exceptional cases. Under UC local support will still be needed to identify potential exceptions but determining which claimants are eligible for a change from the normal payment rules, and processing the change, will be the responsibility of DWP.
- **Support around housing choices:** Includes working with social landlords and mediation with private landlords at local level to ensure that they will continue to house benefit

claimants. Local support will also be needed to ensure that accommodation is appropriate and meets any special needs that a claimant may have; and

- **Urgent support for resolving an issue with a claim:** This includes the support currently provided by the DWP Access to Job Centre Services (AJCS) teams to help resolve an urgent claimant query and the equivalent support to claimants currently provided through LA one-stop-shops, Citizens Advice Bureaux (CABs), housing associations and through a range of other, locally-provided services.

We would want to maintain a joined up approach on a range of housing related issues, especially for those claimants most in need or at risk:

- Maintaining housing connections to ensure housing provision and supply;
- Maintaining and enhancing relationships with housing providers to minimise the risk of homelessness, over occupancy and inappropriate accommodation including landlord enquiries; and
- Maintaining rent payments for both claimants and landlords in a way that is timely, effective and cost effective to the public purse.

### **Services to support the new features of UC**

As well as developing existing services, UC also creates new opportunities at local level for new services.

#### **Triage and re-orientation**

To address initial contact by claimants, and any subsequent movement to appropriate services to meet their needs, we should ensure:

- There is appropriate triage to any support needed throughout the process;
- Claimants are encouraged to become self-sufficient;
- Current staff are trained and developed to identify and look after claimants who may need additional help;
- Claimants with a mental health condition, learning need or memory problem can be easily identified throughout the process; and

- Claimants are helped to access the UC service through a channel that is appropriate for their needs, bearing in mind the goal of digital inclusion.

Successful positive outcomes could include:

- Claimants will gain confidence and trust in the co-ordinated support that we provide so that they will more readily carry out other future social, business and work interactions;
- Claimants will feel that we are genuinely interested in assisting them through our process. They will increase their skill in navigating our processes and will be happier to interact with us when we try to support them into work; and
- Claimants will be able to access support from a variety of channels and from people/ organisations that they will trust, giving them the information they need to progress through the process increasing their self-confidence and paving the way for self-sufficiency. It will also help to investigate what further support is available to help them improve their lives.

#### Online assistance

Most people claiming UC will be able to navigate the internet. A survey of existing claimants found 78%<sup>6</sup> already use the Internet, although only a small proportion yet use it to make benefit transactions. However, we recognise that some will need help. Enabling claimants to make and maintain their claim through online access, we should ensure that:

- Claimants are helped and encouraged to choose the online channel;
- Claimants are helped to gain access to computers and broadband where they do not have a private connection at home. Rural areas where broadband is not yet widespread may also present a special challenge here that will need to be managed with local support;
- Claimants can get direct help when making online claims, for example, telephone or face to face support when making transactions; and
- Claimants are supported to increase their confidence enabling them to manage their UC account and make transactions online;

Successful positive outcomes could include:

- Claimants will have the increased motivation to make online claims. They will have improved competence and navigational skills, which will help them when they are required to use IT skills for other purposes;
- Claimants will have the motivation and skill to access learning and development opportunities to improve their IT skills to bring them closer to the labour market; and
- When claimants 'get it right' using online support they will gain growing confidence in managing their own accounts. This will lead to an improved confidence and competence when dealing with Universal Jobmatch, other training courses etc.

#### Money Advice

Under Universal Credit claimants will need to manage their own budgets in order to prepare them for moving back to work. However, some claimants will require extra help and support to enable them cope with the financial changes that UC will bring. This help will ensure that:

- DWP identifies claimants needing money advice that can be met through signposting or referral to an external provider;
- DWP identifies claimants who will need to be considered for alternative payment arrangements from the outset;
- Local partners make recommendations to money advice services for claimants who choose to self-serve in developing improved budgeting and financial management skills; and
- Local partners include local money advice services to help claimants needing additional support to become more competent.

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<sup>6</sup> Work and the welfare system: a survey of benefits and tax credits recipients, Department for Work and Pensions research report 800

### Alternative payment arrangements

Exceptions to the normal payment rules will be managed and administered centrally by DWP, for example:

- Payment of the housing costs element of a claim to a landlord;
- The splitting of the personal allowance element of UC between two adult members of a household where there is financial abuse; and
- More frequent payments of UC to help with budgeting.

Local Delivery Partners could have a role in:

- Helping to identify cases where an exception to the normal UC payment rules may be appropriate;
- Referring claimants to the alternative payments service to have their claim considered under the rules for alternative payments;
- Support to move off exceptional payments; and
- Mediating, at local level, between landlords and claimants to help a claimant to retain a tenancy.

DWP will deliver:

- Identification of claimants who appear to meet the criteria for alternative payment arrangements from the outset of a claim and referring these claims for alternative payment arrangements; and
- Decision making on alternative payment arrangements (wherever the referral comes from) setting a review date and periodically reviewing exceptions that have been granted.

Successful positive outcomes for claimants could include:

- Claimants will be able to manage their money on a monthly basis and no longer need any (or further) payment exceptions;
- Claimants will have the confidence and motivation to manage their finances and be able to complete and maintain a budgeting action plan relevant to their circumstances;
- Claimants will understand the UC financial changes and what they mean to them in terms of managing their money and be able to answer

a few questions to check understanding and learning e.g. what are the three key changes (single monthly payment which includes rent where appropriate), what do they mean for your family finances; what would you do differently – a 'knowledge check'; and

- Claimants will know about the types of bank accounts available, what they do, and where they are available locally, and the benefits of each of those bank accounts to help them manage their money; and be able to set up a bank account and submit details to UC.

Further information about Personal Budgeting Support can be found at [Annex D](#).

### Work related support

Improved work incentives, and work focus, are at the core of the Government's welfare reforms and the availability of work focussed support at the local level will be key to helping claimants to get closer to the labour market and, ultimately, into work.

This framework does not include statutory work services support (assistance and interventions to maintain the claimant commitment and conditionality requirements). This will continue to be provided by DWP and Work Programme (WP) providers under their contracted provisions.

This framework does, however, recognise the value of local, and community level, projects and programmes to help claimants back into work, especially for claimants with complex needs and DWP is keen for delivery partnerships to be able to consider how complementary job-related development, over and above that provided through statutory work services support, can be provided to claimants as part of the single claimant journey.

Partners' activities to assist claimants to move closer to the labour market may be aimed at claimants who do not qualify for the Work Programme or may be special initiatives targeted at developing appropriate skills to meet local labour market demand.



## Section 4: A partnership approach

This section sets out the advantages of partnership working, explains how we expect to implement the partnership approach at local, cross authority or sub-regional level to deliver those services set out in the framework, and describes the local arrangements that will need to be established.

### Delivery Partnerships

A local support service offering from 2013 will provide a foundation on which to build an integrated service. As we have suggested previously it is our aim to ensure we work together to continually improve the services that will help support claimants with additional needs to become self-sufficient, financially independent and productive.

A culture of continuous improvement and effective and efficient use of resource lies at the heart of this, to ensure UC provides value for money and continually takes steps to improve claimant capability. This should lead to innovative ways of working for all those organisations involved in delivering local services.

Partnership working between agencies involved with providing services to claimants with complex needs is a key enabler to unlocking the potential in claimants with additional requirements. We want to deliver the services these claimants need, whilst allowing our partners to manage the details of service delivery at local level in a flexible and responsive way. We share the belief that local partners are best placed to:

- Help claimants with accessing and using the online gateway;
- Use their experience to help claimants with money advice;
- Offer flexibility – the need for support will change over time, so we need a flexible evolving solution;
- Tap into existing infrastructure to support claimants locally;
- Help local employment initiatives and DWP labour market support mesh together effectively; and
- Enable joined up holistic services with the claimant at the centre of delivery, especially for those with the most complex needs.

DWP and LAs will work together to deliver the services set out in this framework, to achieve the outcomes set out in Section 3 whilst developing further outcomes based on individual needs and the single claimant journey required for each claimant. It is the intention of DWP to work with local authority partners to decide who is best placed to deliver specific services and whether services should be delivered through other organisations, where this provides the best outcome for the claimant. The partnership approach will be flexible to ensure it accommodates changes that apply in different parts of Great Britain.

Implementing the partnership approach will be based on a three point plan:

1. DWP and LAs should identify local delivery partnerships already in place within their respective local areas. They will need to review membership and ensure DWP and LA representation. In Scotland it is likely that the community planning partnerships arrangements will be the main vehicle for joint working.
2. DWP and LAs, in collaboration with others, should ensure that these partnerships and forums can fulfil the requirements of UC delivery groups, by making sure that they have the requisite skills (for example specialist knowledge to be able to deal with claimants affected by drug addiction or homelessness); that they have the delivery capability to meet anticipated requirements; and that they are able to plan and arrange delivery of local support services for UC claimants. They will agree the terms of reference for the UC delivery partnership. In some circumstances it may be necessary to set up a new forum to act as a delivery group.

- Local delivery partnerships for UC will agree who will deliver which specific support services to claimants and include these in a delivery partnership agreement.

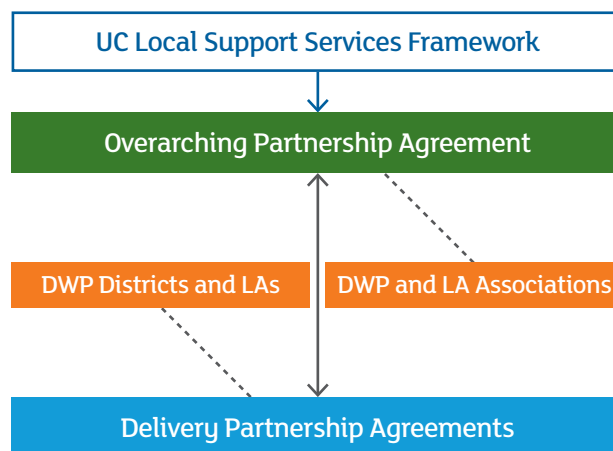
We expect local delivery partnerships will want to:

- Plan, monitor, review and evaluate the provision and delivery of local support services;
- Identify service providers and bring them together to fulfil the requirements of the delivery partnership agreement;
- Develop a 'local support roadmap' showing patterns of need and service delivery for meeting specific needs within the locality;
- Identify gaps in service provision or service provider capability or capacity;
- Improve the way services are delivered and co-ordinated; and
- Share information about UC and the development of the programme and learning from pilot and pathfinder activity.

### Partnering Construct

Where LAs have the capacity and wish to become delivery partners, the Partnering Construct will provide the means of agreeing and providing a range of local support services. Where other Third Sector Providers and/or local partners contribute additional support to the LAs in their delivery of those services this is likely to be commissioned via the LA to support local needs.

The overarching model for the Partnering Construct below has been based upon the principal points of engagement being between UC representatives (primarily at District level) and LA representatives although there are issues around how DWP's district geography maps onto councils tiers and boundaries that may need to be considered as part of this.



In determining how partnering will operate in practice, the overriding assumption is that UC and LAs will need a written partnership agreement to underpin the delivery of services and the associated funding and payment arrangements.

We intend that the Partnering Construct should be made up of:

- A common Overarching Partnering Agreement (OPA), signed at the corporate level between the DWP and LA representative bodies (LGA, WLGA and COSLA). This will set out a number of general terms, obligations and expectations that apply to all DWP and LA delivery partnerships and will encourage the development of local level Delivery Partnerships Agreements (DPA); and
- A set of local level DPAs.

DPAs should include associated funding and governance arrangements. Agreements should be communicated locally to front line staff and key stakeholders including those representing claimant groups. DWP will provide the appropriate learning and development products, which could be delivered by DWP and LAs, reflecting local arrangements.

**Annex E** shows illustrative examples of the OPA and DPA which DWP has developed to support partnering with LAs.



## Section 5: Funding model and incentive structure

### Funding model principles

We are designing our financial model with the following principles in mind:

- Affordability – covers costs and provides value for money;
- Simplicity – should be simple to understand and administer;
- Incentivises – should incentivise delivery partners to deliver a service to claimants that moves them towards self-sufficiency, independence and wherever possible, work, as part of an agreed level of service aligned to the single claimant journey;
- Outcome based – drives positive outcomes for claimants;
- Flexibility – should support flexibility in service provision (e.g. allow for local variation);
- Transparency – should have clarity around how outcomes are measured and rewarded;
- Targeted – funds new or significant changes to volumes of existing services; and
- Meets wider UC principles and goals.

### Level of funding

The total level of annual funding will be determined with reference to the estimate of total service cost. DWP is working with local authorities and local authority associations to estimate the cost of local support services. The funding will be adjusted where service interventions contribute to the achievement of shared strategic objectives common to both DWP and LAs and where central and local government funding is already provided for the provision of services. LAs will be expected to continue to provide welfare advice and support, housing advice and solutions to their residents from existing funding arrangements.

### Distribution and management of new funding

There is a requirement to deliver services to claimants based on local needs. As such, nationally defined funding should be distributed to the level at which the local partnerships are managed.

A number of options have been suggested for the distribution and management of funding, including local management (by DWP and LAs

either separately or alternatively through a joint arrangement), national level management, and in Scotland via COSLA or Scottish Government. We will take the opportunity to discuss these options - and potentially others as well - with LAs and other delivery partners (where appropriate) during the period of consultation on this paper, before agreeing a final decision. The DWP's current view is, as the organisation accountable for the delivery of UC, DWP should manage the local partnership funding during Phase 2, delegating the day to day management to District Managers.

As noted earlier, we intend this framework to provide information to assist with planning for phase 2 of the programme (October 2013 – March 2014). Longer term, the government's vision is to promote a more diverse model of service provision. A model which ensures that partners have the flexibility to deliver services in the manner they deem most appropriate to get the right outcomes for claimants. For the purposes of this framework however, we need to establish clear, practical and accountable arrangements for Phase 2.

### How payments will be made

An outcome based approach is being explored for the payment of local support services on the basis that it will:

- Ensure that the claimant is at the heart of local service provision;
- Incentivise and measure the relative effectiveness of the support being provided; and
- Provide LAs and their partners with the flexibility they require to deliver services to claimants in the manner they deem most appropriate, within standards set out within the OPA and the DPA tied to the provision of data and used to refine and improve the service.

Local DPAs will set out the maximum amount DWP would be willing to fund and the minimum level of funding that LAs (and their delivery partners) could expect to receive.

To ensure that resource is focussed on those claimants with the most complex needs, outcome payments may be adjusted to incentivise the provision of support to these individuals in their journey to independently manage their UC claim and finances.

DWP will work with LAs and their delivery partners to develop the appropriate management information system to measure outcomes and to understand the impact on individuals of local support services. The effectiveness of service provision should be continually reviewed by the delivery partnerships to ensure that resources are deployed optimally to deliver the service claimants need.

It will be a measure of the new arrangements' success that the overall need for funding required should reduce over time as dependency is reduced and as more households are able to independently manage their own finances.

Further collaborative work over the next few months is required to:

- define the expected outcomes for each of the local support services and to consider how these should be measured; and
- determine the level of payments for each outcome.

## Section 6: Governance, accountabilities, risk and evaluation

### **Governance and accountabilities**

Overall accountability for the delivery of the UC service rests with the Secretary of State who will work with the LA associations to identify:

- best practice;
- problems that need solving; and
- opportunities for improvement.

It is expected that a Delivery Partnership Agreement would be implemented with each of the LA delivery partners setting out the localised agreement and management arrangements. It would be managed by a lead partner who would have accountability for delivery of the performance outcomes. This approach is intended to support delivery from October 2013.

### **Risk Management**

Risks could be managed as follows:

- Nationally identified risks – these could be managed and regularly reviewed at a national level with the DWP UC Director as owner; and
- Locally identified risks – day to day management of these could be a local responsibility, managed at a local level.

We expect that an escalation process would be put in place to support the identification and management of risks.

### **Evaluation**

It is expected that there will be structured and ongoing evaluation of the local service delivery against the UC strategic outcomes and this would link directly to the critical success factors and outcomes agreed. The remit of any evaluation, arrangements for evaluation and the nature of the outcomes expected will be agreed in partnership within the framework of DWP's national agreement with the local authority associations.

## Glossary of terms

Claimant Need	Specific claimant characteristics that indicate a need for interacting with UC in a certain way and/ or with certain support in order to do so successfully.
Conditionality	The claimant must fulfil certain requirements to receive benefit. Under UC there will be four types of work related requirements: <ul style="list-style-type: none"> <li>• work-focused interview</li> <li>• work preparation</li> <li>• work search</li> <li>• work availability</li> </ul> Requirements will be tailored where appropriate to reflect a claimant's circumstances and capability.
Complex Needs	Claimant with a need which requires detailed and ongoing support and which cannot be resolved by one specific transaction or contact.
Delivery Partners	Providers of localised services who will work in collaboration with DWP and other relevant stakeholders and will have sufficient capacity, capability and flexibility to provide support and meet local claimant need.
Delivery Partnership Agreement	A local agreement between DWP and LA (or group of LAs) for the delivery and management of services necessary for the effective delivery of UC.
Evidence of Identity	The process of confirming the identity of the UC claimant (usually by face-to-face interaction with the claimant).
Home Visits	In exceptional circumstances it may be effective and efficient for a delivery partner supporting a claimant who needs additional help to make an appointment to see them at their home address. This will make sure the claimant gets the support they need and help the delivery partner provide an effective service.
Non-standard Requirements	Augmentations or alterations to the complete set of UC requirements specified by the 'standard' claimant journey, in a way that UC will define, design and build all services to efficiently and effectively support claimants.
Money advice	Money Advice will help those claiming UC learn to cope with managing their money on a monthly basis and paying their bills, including rent, on time.
Single Claimant Journey	Local arrangements for progressing individual claimants with complex needs towards independence, self sufficiency and (wherever possible) work readiness. All service providers should be aligned to this, ensuring that claimant support feels holistic and joined-up and that claimants are not given conflicting messages or instructions by different agencies.
Standard Claimant Journey	The UC standard claimant journey will be made online, enabling claimants to take responsibility for their claim and their journey back to work.
Triage	The process to assess claimant needs at the initial point of contact and to identify claimants requiring additional support at the earliest point in the claimant journey.
Work Services Support	The range of assistance and interventions to maintain claimant commitment and conditionality.
Verification Requirements	It will be necessary as part of the UC claim process to verify various items of evidence (i.e. passport).

## Annex A: Examples of current local partnership models

Local areas are currently operating a number of local partnership models.

These include:

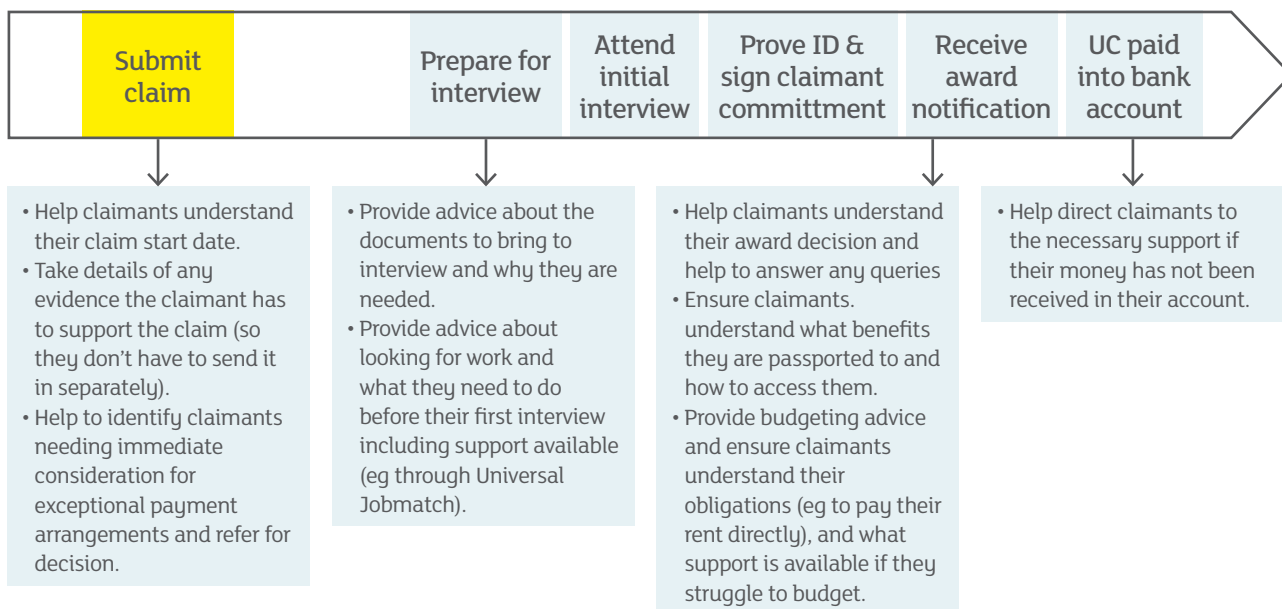
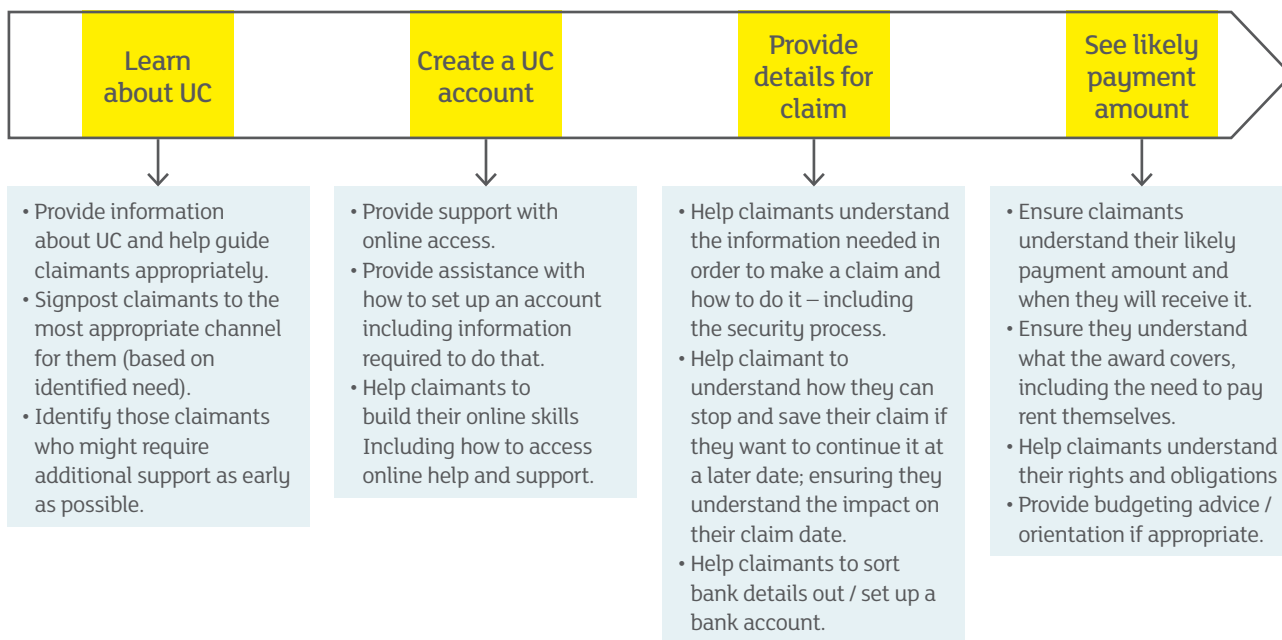
- the partnerships mobilised by the 12 LA led pilot schemes across the UK, which involve joint working such as:
  - partnership between Melton, Rushcliffe and Leicestershire and Nottinghamshire County Councils, and local voluntary sector organisations to provide financial inclusion support;
  - partnership between North Dorset District Council, a credit union, CAB, DWP and the social housing provider Spectrum to provide budget advice and job search support;
  - partnership between Newport City Council, Credit Union and CAB. All have a seat on the Pilot Steering Group with an aim to providing a collaborative approach to digitalisation and work focused activity for Newport City Council residents.
- **community budgets**, where pilot work in the Tri-borough, Greater Manchester, Essex, Cheshire West and Chester has brought together all public service providers in a place to jointly address complex social problems such as troubled families, employability and skills, and reducing reoffending; these pilots have demonstrated the significant improvements in outcomes for people, and reductions in demand for services, which are available by better coordinating multiple public sector interventions; and
- the council-led work on **troubled families** coordinated by the government's Troubled Families Unit, which is seeking to replace uncoordinated multiple interventions with a model based on a single case worker for each family.

There is also a wide range of individual local initiatives based on improving services to clients by joining up public and voluntary sector provision around the specific needs of individuals and families:

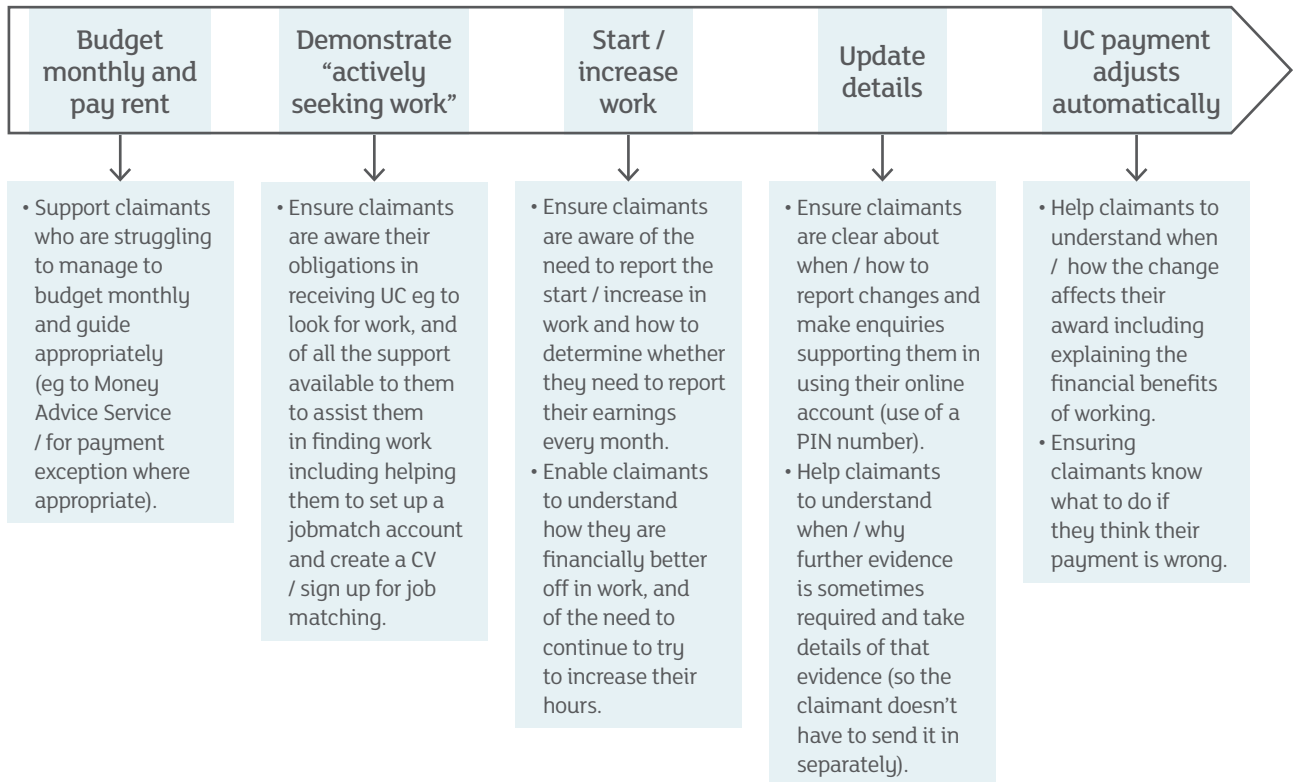
- **Solihull Community Housing's (SCH) Money Advice Team** has an arrangement with a local branch of Lloyds/TSB which allows it to make telephone referrals and set up appointments for any tenant who needs a basic bank account. In addition, prior to the appointment, SCH will check that the customer has the right form of identification to minimise any difficulties in applying for an account; and
- **Manchester City Council** has commissioned Peer Mentoring Services for people undergoing work capability re-assessment. The aim is to raise the capacity of VCS organisations by training staff to deliver support, particularly for people with mental health problems, and to support progression into employment.

## Annex B: Potential role of Local Support Services across the claimant journey

**MAKE CLAIM – yellow activities indicate current partner activity**



**MAINTAIN CLAIM**



## Annex C: Claimant categories

- Mental health issues
- Learning difficulties
- Drug or alcohol addiction
- Homelessness
- English language limitations
- Literacy difficulties
- Prisoners & Detainees
- 16 and 17 year olds
- Non EEA - including refugees
- Physical disabilities
- Working abroad
- Domestic violence victims
- Sensory disabilities
- Severely indebted
- Over 18 care leavers
- Gambling addiction
- MAPPAs claimants
- Numeracy difficulties
- Supported by the Troubled Families programme
- Rural isolation



## Annex D: Personal Budgeting Support

### Objectives

Personal Budgeting Support (PBS) is about helping claimants with the key financial changes that UC brings i.e. a standard monthly payment with three key elements - a single household payment; paid monthly; with housing costs paid directly to the claimant.

There are 2 elements to PBS:

- Money Advice
- Alternative payment arrangements

### Products

There will be range of **Money Advice** tools in a range of suitable media to support all claimants, from online through to supported “hand-holding”.

Examples include:

- Online budgeting or diagnostic tools such as those offered by Citizen’s Advice or Money Advice Service
- Money and debt advice services offered by national and local organisations
- Financial support offered by LAs and credit unions e.g. pre-paid cards, basic accounts plus.

There are three **alternative payment arrangements** i.e. payment of housing costs to landlords, more frequent payments and split payments (between members of the household). Claimants who need **alternative payment arrangements** will be identified in the core PBS business process. The set of factors are based on an assessment of the claimant’s circumstances, for example: addiction, learning difficulties, severe debt, homelessness etc.

The vast majority of claimants who have an alternative payment arrangements interview will be referred to money advice with a view to moving them nearer to full financial capability over time and removing the alternative payment arrangements when they are no longer needed.

The PBS process will be set up to filter claimants to the most suitable service and channel in the most efficient way. This means:

- Signposting claimants for self help;
- Identifying and implementing alternative payments for those who need them; and
- Referring claimants for money advice by the most appropriate provider.

## Annex E: Illustrative partnering construct

Overarching Partnering Agreement	
Outline	Contents
<ul style="list-style-type: none"> <li>• There will be one OPA agreed between Universal Credit and a representative from each of the LA associations.</li> <li>• Provides an overarching agreement for partnership working between DWP and LAs.</li> <li>• Contains a number of general sections aimed principally at ensuring clarity and consistency and setting the clear foundations for the establishment of more localised Delivery Partnership Agreements.</li> </ul>	<p>Subject to further detailed consultation it is anticipated the OPA will likely contain, but not be restricted to, the following key sections:</p> <ol style="list-style-type: none"> <li>a) Principles of DWP and LA partnering</li> <li>b) Shared Values and Critical Success Factors</li> <li>c) Local Support Services</li> <li>d) Funding/Payment and Performance Principles</li> <li>e) Service/Delivery Standards</li> <li>f) Principles of re-use</li> <li>g) Governance (inc Reporting / Review)</li> <li>h) Issue and Dispute resolution</li> <li>i) Continuous Improvement</li> <li>j) Collaboration</li> <li>k) LA Supply Chain principles and obligations</li> <li>l) Exit</li> <li>m) Signatories</li> <li>n) Delivery Partnership Agreement Template (detachable section)</li> </ol>

Delivery Partnering Agreement	
Outline	Contents
<ul style="list-style-type: none"> <li>• Consistent with the OPA, this will contain the local services agreement between DWP and LA (or group of LAs).</li> </ul>	<p>Subject to further detailed consultation it is anticipated the DPA will likely contain, but not be restricted to, the following key sections :</p> <ol style="list-style-type: none"> <li>a) Responsibilities of parties               <ul style="list-style-type: none"> <li>• DWP</li> <li>• LA</li> <li>• Joint</li> </ul> </li> <li>b) Services Provision (articulated potentially as a set of minimum services and outcomes)</li> <li>c) Funding/Payment and Performance Regime</li> <li>d) Management Information Provision</li> <li>e) Governance (inc Reporting / Review)</li> <li>f) Change Management</li> <li>g) Escalation</li> <li>h) Issue and Dispute Resolution</li> <li>i) Exit</li> <li>j) Signatories</li> </ol>





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