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### **Local authority chief executives**

I wrote to you on 1 August to let you know that we would soon be developing our plans for the wider roll out of Universal Credit, and for the implementation of the Local Support Services Framework (LSSF), published in February this year.

I am very pleased to tell you that the progressive national roll out of Universal Credit is well underway now. Seven Jobcentres are now taking claims, with 3 more due to do so by next spring. We are rolling out the Jobseekers Allowance claimant commitment for new JSA claims to all Jobcentres by March 2014; and we are delivering 11 in work progression pilots.

On 5 December, the Secretary of State announced plans for the next stage of implementing Universal Credit; and I have great pleasure in enclosing with this letter an update and trialling plan for developing local support services during that period. This is another important milestone resulting from very close and productive working over the last few months between DWP, the local government associations of England and Wales, and the Convention of Scottish Local Authorities; as well as some individual local authority representatives from throughout Great Britain. I am very grateful for the support and co-operation of all these bodies.

### **Universal credit – further information on rollout**

As part of the wider transformation in the development of digital services, the Department will further develop the work started by the Government Digital Services to test and implement an enhanced online digital service, which will be capable of delivering the full scope of Universal Credit and make provision for all claimant types.

Meanwhile, we will develop the functionality so that from next summer we progressively start to take claims for Universal Credit from couples and, in the autumn, from families. Once safely tested in the 10 live Universal Credit areas,

we will also expand the roll-out to cover more of the Northwest of England. This will enable us to learn from the live running of Universal Credit at scale and for more claimant types, including more of those who may need help from local support services.

Our current planning assumption is that the Universal Credit service will be fully available in each part of Great Britain during 2016, having closed down new claims to the benefits it replaced. As a result, the service will go live in all local authority areas during 2016, with the majority of the remaining caseload moving to Universal Credit during 2016 and 2017.

Previously, it was planned that pension age Housing Benefit claimants would move to Pension Credit in each area, at the same time as working age claimants moved to UC. However, plans to include housing costs in Pension Credit are paused while we introduce single tier pensions. Local authorities will therefore need to continue to run Housing Benefit services for pension age customers beyond the current planning assumptions for the introduction of UC for working age.

### **Update on local support services**

I am sending you with this letter an update and trialling plan for local support services. I sincerely hope this will help to further reinforce the co-operation and partnership that I can see developing between Jobcentre managers and local authorities around Great Britain. In the period leading up to the implementation of 'live' Universal Credit, I expect that the LSSF will be a focus for partnership activity locally.

As well as summarising our joint work today with the local authority associations to enhance and refine the original LSSF - including our current plans around funding - the update also sets out a prospectus for how we wish to trial aspects of the LSSF model over the coming months. We will be looking to local authority colleagues to help make sure that the partnership models, as well as the kinds of services we expect to expand or develop, will work in practice.

I hope that many of the local authorities that we have been able to support to date to undertake project and pilot work, will want to build on this important groundwork and continue to work with us. At the same time I would also like to encourage other authorities to get involved in the trialling, taking the opportunity to initiate partnerships and service development that will help us make a smooth transition to Universal Credit and ensure that all claimants get the help they need.

I am pleased to tell you that the update also contains dozens of examples of good practice by local authorities, DWP and other agencies. These provide a very rich learning source and include innovative ways of addressing many of the challenges – particularly around digital and financial inclusion – that may arise in supporting claimants to make the transition. Our intention is to foster and support these developments as Universal Credit rolls out.

## **Next steps**

We will continue to work directly with the 10 local authorities where Universal Credit is already live, or due to go live by the spring. Where further rollout is planned in the North West of England during the next stage of roll-out, we will be liaising with these authorities in the New Year to work through how we do that. We will also work with all these authorities to make sure that they are in a position to implement local support services in line with LSSF. We will continue to work with the local authority associations to publish another version of the LSSF in Autumn 2014.

I do understand that all local authorities need a level of certainty for planning purposes and I hope this document provides further clarity about our future plans. I would like to reassure you again that we will maintain the level of funding required to manage the full administration of Housing Benefit in 2014 to 2015. In discussion with local government representatives, we will be considering the implications of our roll out plans on funding for 2015-16 onwards.

In the meantime I fully appreciate that local authorities will have a busy agenda taking forward a number of welfare reforms, as well as managing the migration of Housing Benefit claimants to Universal Credit, all in the context of increasing pressure on resources. Local authorities are very important to the successful delivery of Universal Credit and I look forward to working with you to ensure the effective implementation of local support services.

*Yours sincerely,  
David*

**Lord Freud**

**Minister for Welfare Reform**