

Department for

**Communities**

[www.communities-ni.gov.uk](http://www.communities-ni.gov.uk)

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Your Ref:  
Our Ref: PSC 1001.17  
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Mr Henry Downey  
Democratic Services Officer  
Belfast City Council  
Belfast  
BT1 5GS

Dear *Henry*,

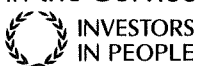
Thank you for your letter dated 10 November 2017 on behalf of Belfast City Council requesting a meeting to discuss the concerns your members have with regard to the rollout of Universal Credit in Northern Ireland. In line with extant political agreements, Universal Credit is being introduced in Northern Ireland for new claims, on a phased geographical basis, from 27 September 2017 until September 2018.

The Department for Communities has worked closely with the Department for Work and Pensions (DWP), learning from their experiences and applying this knowledge to the introduction of Universal Credit in Northern Ireland. Consequently, we have adopted a phased approach, launching Universal Credit for new claims over a period of 12 months on a postcode basis, aligned to the current office structure. Universal Credit will initially roll out to smaller offices to ensure that claimants and staff have the support they need to adjust to the change to a new, digital service.

Universal Credit was introduced on Wednesday 27 September 2017 for new claimants living within the area served by Limavady Jobs and Benefits and in Ballymoney Jobs and Benefits office on Wednesday 15 November 2017. Universal Credit will rollout to the Jobs and Benefits offices in Belfast towards the end of this transition period, in May and June 2018.

### **Support for Claimants**

The Department for Communities has invested additional resources to ensure that claimants are fully supported through the rollout of Universal Credit and beyond. This support includes Digital Zones in the Jobs and Benefits offices, where claimants can access the new digital service through Department for Communities computers or their own digital devices using free wifi. Staff will be available and trained to support claimants in setting up and maintaining their claim online, both in the local offices and in the Service Centre.



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claimants in setting up and maintaining their claim online, both in the local offices and in the Service Centre.

Additional support is available for claimants with complex needs, to enable them to access and use the Universal Credit service. This support is tailored to meet the claimant's needs and may be on a one off basis or on a short, medium or long term basis. Support may include making alternative payment arrangements, easements to work related requirements, arranging interpreting services, setting up regular interventions with the claimant's Work Coach or arranging home visits. This list is not exhaustive, and support will be tailored to meet each individual's needs.

Assisted Digital support is also available for those claimants who require assistance in accessing and maintaining their claim online. Universal Credit staff will provide tailored assistance to claimants based on their individual circumstances, and the support will be available for as long as it is required by the claimant. This support includes:

- Support from family and friends
- Telephone support when using the online channel
- In-house coaching in the local office
- Home visits
- Agent as proxy (in exceptional circumstances only)

### **Financial Support**

Universal Credit Advances are available to support claimants in financial need who cannot manage until they receive their payment of Universal Credit. When a claimant submits a claim to Universal Credit and verifies their identity, they will be advised that if they need financial support until their first Universal Credit payment, they can apply for an Advance Payment. Advance Payments will be discussed at the claimant's initial interview and we also provide information on NI Direct, through the new 'Universal Credit and You' guide for claimants and in any claimant information leaflets that we develop.

Discretionary Support may also be available if a claimant is in financial hardship.

### **Northern Ireland Flexibilities**

Northern Ireland payment flexibilities have been introduced to ease the transition from the existing legacy benefits to Universal Credit.

- Twice monthly payments are the default payment option for Universal Credit. This reflects the frequency of current benefit payments and is intended to help support to some of our most vulnerable claimants in managing their finances. Claimants will be able to opt out and request a monthly payment if they wish.
- Universal Credit will be paid directly to the claimant as a household payment. The claimant (or claimants if a couple) provide details of a bank account (can be a single or joint account) at the initial claim stage, but couples will also have

the option of split payments once their claim to Universal Credit has been set up. There are 3 ways to receive payments:

- One payment into the bank account of one or other of the Universal Credit claimants (if in a couple);
  - One payment into a joint bank account; or
  - A split payment into separate bank accounts (if in a couple).
- The housing element of Universal Credit will be paid directly to landlords as the default option for rented properties. Claimants will be able to opt out and have the housing element paid to them if they meet certain criteria.

## **Universal Credit Mitigations**

The Welfare Reform Mitigations Working Group recommended that people claiming Working Tax Credit / Universal Credit and in employment should be entitled to supplementary payments. These payments, known as a 'Cost of Work Allowance', are intended to provide financial assistance to people in 'working poverty'. The Cost of Work Allowance will be paid as a single annual payment. One payment will be made to eligible claimants in each year of the scheme.

Further to this, the Welfare Reform Working Group, led by Professor Eileen Evason, recommended that £2 million be set aside from the commencement of Universal Credit on 27th September 2017, to make emergency payments where hardship occurs as a result of difficulties which are not due to any fault on the part of the claimant.

I can advise that the Department plans to deliver this additional hardship fund for Universal Credit claimants as part of the existing Discretionary Support Scheme. This will provide appropriate financial support to Universal Credit claimants experiencing financial difficulties. The payments will be in the form of a grant which will not have to be repaid and will be available to those Universal Credit claimants who have already applied for a Universal Credit Advance Payment. It is considered that this approach will ensure that this limited additional financial support is made available to those claimants considered to be in the greatest need.

## **Autumn Budget 2017**

Universal Credit is assessed on a monthly basis and paid in arrears, with Northern Ireland claimants receiving twice monthly payments.

## **Waiting days**

Following receipt of a claim, claimants generally serve seven Waiting Days. The first Assessment Period will then begin and run for one month. The Universal Credit award is calculated based on claimant circumstances at the end of the Assessment Period. The Universal Credit award is then processed within seven days, and payment issued to the claimant. It will therefore be approximately five to six weeks from the date that the claim is submitted until the claimant receives payment. This period is bound by legislation and not caused by a delay in administration.

Following the Autumn Budget statement, it was announced that from February 2018 Waiting Days will be abolished.

## **Advances**

Universal Credit Advances aim to support claimants in financial need who can't manage until they receive their payment of Universal Credit.

Following the Autumn Budget statement, it was announced that from January 2018 Advance payments available to claimants will be increased from up to 50%, to up to 100% of the estimated Universal Credit entitlement, and the repayment period will be extended from up to 6 months, to up to 12 months.

In addition, claimants who move from Housing Benefit to Universal Credit will be paid an additional two weeks of their Housing Benefit award from April 2018.

These budget changes will also be applied to Universal Credit in Northern Ireland and will be fully implemented by the time Universal Credit rolls out to the offices in the Belfast region.

## **Universal Credit analysis to date**

To date, the Universal Credit service is working as anticipated with all claims being made online, ID verification completed both online and in the local office, and claimant commitments being agreed. At 28 November 2017, over 350 claims have been received.

Approximately 75% of claimants have made their application online without any assistance with approximately 25% of claimants choosing to make their claim in the local office with support from staff. Early evidence shows positive feedback from both staff and claimants in terms of using the new service.

Approximately 40% to date have requested an advance payment, all of whom have received their payment on the same day.

Approximately 25% of claimants to date have reached the end of their First Assessment Period and payment has been made in full and on time for all claims to date. This means that the first Universal Credit payments have been paid within 5 weeks, where Waiting Days are not required to be served and within 6 weeks where Waiting Days are served.

I hope this information is of assistance to you.

Yours sincerely,



**LEO O'REILLY**  
**PERMANENT SECRETARY**