



Department  
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For the attention of:  
Chief Executives,  
Revenue and Benefits Managers  
GB Local Authorities

20 July 2016

*Dear Colleagues*

### **Plans for Universal Credit roll-out**

Since I wrote to you all on 11 February 2016 Universal Credit has made good progress in delivering to the announced plan. I am grateful to colleagues across Local Government who have helped make this progress possible. Universal Credit is now established in every Local Authority for single unemployed claimants and in 18 Jobcentres we are delivering a full service, for all claimant types.

You may recall that my letter set out our plan to expand the number of locations offering a full service at five jobcentres a month until February 2017, when depending on progress we planned to expand to 50 jobcentres a month. Progress has been good and to plan. We have, however, been attempting to factor into our planning the new requirements flowing from the decisions made in the Summer Budget and Autumn Statement; as amended by Parliament during the progress of the legislation. These are big changes to scope and cannot be incorporated without making changes to our plan.

Today my Ministers set out for Parliament the changes in the timetable resulting from that consideration. I am reprising that in this letter setting out the specific implications for Local Authorities in that announcement.

In order to make provision for the additional work necessary to deliver these welfare reform changes, as refined by Parliament during the legislative process we need to reshape the transition process building up more gradually. We will continue our successful rollout of five jobcentres a month to June 2017, expanding to 30 Jobcentres in July. Following a break



over the summer we will scale up to 55 jobcentres per month between October to December and then 65 Jobcentres a month from February 2018, completing the exercise with the final 57 jobcentres in September 2018.

Ministers today announced the jobcentres we will expand Universal Credit into in February and March 2017 making good on our promise to set out the plans for 2016/17 by July (These sites and a change in our plan in Scotland are set out in the attached annex). I also expect to set out the rest of the roll-out schedule in time to inform the November exercise within Local Authorities to set budgets for 2017/18.

Having listened to comments expressed by the Public Accounts Committee about the need to build contingency into the plan, the Government has also decided that the migration phase (the movement of existing recipients of legacy benefits and tax credits to Universal Credit) should begin in July 2019 and complete in March 2022. This gives the rollout of Universal Credit nine months space between the end of the transition phase for new claims and the beginning of migration to ensure we can deliver the full Universal Credit plan safely and securely.

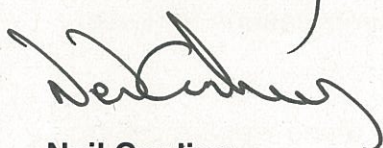
There are two other implications for Local Authorities which follow from this announcement which will be reflected in the plans for the Housing Benefit subsidy to fund Local Authorities for this work not envisaged in the original plan.

First, the Government has announced today that it will not begin the incorporation of Housing Benefit for pensioners into Pension Credit until the completion of the Universal Credit timetable. So Local Authorities can expect to be delivering Housing Benefit for pensioners into the next Parliament beyond 2020.

Second, the delivery of the two child limit for new claims to benefits envisaged in the Summer Budget will be through Tax Credits and Housing Benefit until November 2018 and not through Universal Credit until that date (other than for families already on Universal Credit who have a third child after April 2017). This means that as we rollout Universal Credit we will leave open for a small number of these claims the ability to claim Tax Credits and Housing Benefit. In the areas where access to Housing Benefit and Tax Credits has been curtailed, because they have the Universal Credit full service, we will lay regulations to re-open Housing Benefit and Tax Credits for this limited group of claimants.

I hope this is helpful. I will write again with our plans for 2017/18 in the autumn.

*Yours Sincerely*



**Neil Couling**  
Director General  
Universal Credit Programme



## Annex 1

### Changes to Universal Credit roll-out – November 2016

Previously announced	Replacement
Port William	Port Glasgow
Invergordon	Greenock
Portree	Kirkintilloch
Wick	
Dingwall	

### Universal Credit roll-out schedule - January to March 2017

January 2017	February 2017	March 2017
Firebreak	Corby	Hinckley
	Southampton	Dalkeith
	Newcastle East	Newcastle West
	Warrington	Penicuik
	Poplar	City Tower



