

To: UC Programme Board Members

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Paper Title: Universal Credit Future Support Offer – Update on Grant Award

Issue:

To provide Universal Credit (UC) Programme Board (PB) members with a summary of the outcome of the Future Support Offer (FSO) Grant Competition. FSO will replace 'Help to Claim' which is delivered by Citizens Advice and Citizens Advice Scotland (CA/CAS) and provides support to new Universal Credit claimants.

Recommendations/Decisions required:

No decision required.

For UC PB members to note the contents of this paper, including next steps **to seek approval** from the Secretary of State (SoS) and the Minister for Welfare Delivery (MfWD) to the successful applicant, before seeking approval of the Full Business Case from HMT by 3rd December 2021.

Timing: No timing implications.

Background / Introduction

1. The Future Support Offer (FSO) will be the successor to the current Help to Claim (HtC) offer, provided by CA/CAS, and will be in place from 1st April 2022. FSO will provide support to anyone making a new Universal Credit claim, including those moving over from legacy benefits as a result of a change in their circumstances. This support is provided up until their first full correct payment of Universal Credit.
2. There are two key differences between the FSO and HtC. The first is that: the FSO will be delivered through a competed grant award (where previously CA/CAS were directly awarded a grant to deliver HtC). The grant funding period is for 1 year (1st April 2022 – 31st March 2023) with the potential to extend for a further 1 year. The second difference is that the FSO will only provide support and advice via telephony and digital channels.
3. Due to the fact that CA/CAS have put forward a strong application and are the successful applicant, we are advising Ministers that we will be seeking to retain the name, Help to Claim, to describe this support and will have this discussion with CA/CAS. The name has been in operation for three years with CA/CAS and is a known brand externally amongst claimants and external stakeholders. It also pops up quickly on any online searches and describes the support offered.

Key Information and Discussion

4. The grant funding competition for the FSO launched 9th September and closed to applications on the 15th October 2021.
5. We received interest from 20 organisations in total, with a number of those seeking additional information and clarification. However, we received just two applications for the grant funding - one from Glasgow Life and a combined bid from Citizens Advice and Citizens Advice Scotland. Unfortunately, we were unable to take the Glasgow Life bid further as they had responded to say that they were unable to provide support nationwide, therefore, they were non-compliant with the specification.
6. The low number of applications received may be due to the requirement to provide a nationwide service (albeit remotely through telephony and digital channels), the restriction that organisations are not allowed to make a profit from delivering the grant and that TUPE liabilities would likely be in scope.
7. We conducted a thorough evaluation of the remaining application (CA/CAS) to assess each aspect of their application against our published criteria and specification, drawing on a range of expertise across the Department including finance, commercial and analysts. The evaluation panel considered aspects such as operating model, telephony and digital infrastructure, quality of outcomes, customer satisfaction, marketing and set-up and operating costs before agreeing final scores for each.
8. **At the moderation meeting, the evaluation panel all agreed that the bid from CA/CAS had met all of the required standards. We have therefore recommended to the MfWD and to SoS that the grant to deliver the FSO is awarded to CA/CAS.**
9. On the 10th November, UC PDE provided their agreement to the project to write to Ministers to seek their approval to the successful applicant; as well as advise them that we are considering keeping the HtC name. On the latter, we will discuss this with CA/CAS once we have notified them that they are the successful applicant. We will update further on this in due course.

Overview of CA/CAS offer

10. CA/CAS's bid has a forecast maximum expenditure of **£21.973m**. This is a **40% reduction** in costs when compared to the HtC costs (£37-39m per year).
11. The application is to provide digital and telephony based support. In terms of the digital offer, CA/CAS will provide a webchat option and have also included a proposal to facilitate video calls with advisers where needed. As face-to-face support is not included in the FSO, the video call option is a particularly valuable option to ensure the most vulnerable can access more intensive support (either via their own devices, or through local CA/CAS bureaux).
12. The delivery model CA/CAS have proposed delivers significant efficiencies by **reducing the number of bureau delivering FSO from the current 325 local bureaux for HtC to**

37 for the FSO. This has led to a reduction in costs related to estates, IT and resource, while also making it easier for CA/CAS to ensure high quality, consistent service provision nationwide. The transition to a remote delivery model also enables efficiencies to be delivered through centralised delivery and harnessing technology to balance the supply of adviser support with localised peaks in demand.

13. The number of local CA/CAS offices will vary and will be based on a ‘district level needs-based’ approach. The final partnership in each district will be the result of an objective assessment using a transparent selection process.
14. The CA/CAS application also builds on their work delivering HtC in terms of having strong training, assurance and accreditation processes in place to ensure quality of support provided and associated outcomes. They have plans in place to continue monitoring customer satisfaction and measuring the value provided both to individuals and wider society of the support offered and have committed to working with the Department to ensure they are meeting our policy objectives.
15. One of the key strengths of CA/CAS’s application is their partnership working, with strong and established links to a diverse range of other organisations, including charities, local authorities and Jobcentre Plus. This will enable them to ensure that people are effectively signposted to the FSO where needed as well as signposting FSO customers onwards to further support where identified, for example where other issues are present such as debt, mental health, housing or unemployment. CA/CAS are also in a strong position themselves through their wider advice services to signpost to other advice and support where required.

Governance and Next Steps

16. The key governance timeline is outlined below. As you can see, the timetable is very tight in order to ensure we are in a position to sign the grant agreement at the start of January and provide sufficient implementation time for CA/CAS ahead of the FSO go-live on 1st April 2022. In order to expedite clearance, we have already negotiated with HMT to more than halve their usual clearance times on the Full Business Case.

Step	Date	Status
Successful bidder recommendation	1 st November 2021	Complete
Grant Approval Board	4 th November 2021	Complete – to return to GAB in December to update
UC Programme Delivery Executive approval	10 th November 2021	Complete
Update UC Programme Board on progress	15 th November 2021	In progress
Ministerial Approval	By 17 th November 2021	In progress
Investment Committee approval of Full Business Case	By 17 th November 2021	In progress
HMT approval of Full Business	3 rd December 2021	

Case		
Return to Grant Approval Board	8 th December 2021	
Notify successful bidder	8 th December 2021	
Grant negotiations with successful bidder complete	By 31 st December 2021	
Grant agreement signed	By 11 th January 2022	
Help to Claim ends	31 st March 2022	
Future Support Offer starts	1 st April 2022	
Mid-point evaluation	November 2022	

17. We are actively working with analytical colleagues on evaluation requirements for the FSO and how to build this into the grant agreement to ensure buy-in. We will update UC PB on the outcome of these discussions in due course.

Decision / Recommendation

18. This paper is for information only. There is no decision required.