

Universal Credit Transition Fund – Q & A

The original press release last November said “Funding will be available to partner organisations, including charities, from April 2020 to help vulnerable people claim Universal Credit” – so isn’t this Transition Fund just duplicating the Help to Claim support provided by Citizens Advice?

The initial announcement in November from SoS implied that this fund is *solely* about supporting people to make a claim for UC. This is not the case.

Citizens Advice are funded specifically to provide Help to Claim to support all people to make a new claim to UC up to their first payment of UC. CA can and do take referrals from any organisations.

The Transition Fund is aimed at funding any organisations who have the community links to support particular vulnerable groups (care leavers, prison leavers, refugees, homeless people, those with substance dependencies and any other vulnerable groups) where there is less employment focussed support, to move closer to the Labour Market.

Can organisations apply for the Transition Fund just to support people in making a UC claim?

Whilst there may be an aspect of supporting people to make a claim to UC, or pointing people towards existing support such as Help to Claim, two things are important to note for the organisations looking to bid:

- 1) If support to make a claim to UC is provided, it should not be the entirety of support offered by organisations. Rather, there must be wider activity focussed on moving people towards or into work.
- 2) This fund is also intended for people **already** claiming UC, as a means for moving them closer to the labour market.

Who can apply for a Grant?

Not for Profit Organisations like Charities, Community Interest companies, Community and Social Enterprise organisations.

What if the organisation wants to work with other partners?

This is fine as long as they are also not for profit, charities and/or Community Enterprise companies etc. the main applicant would be the Lead Accountable body (LAB) and accept the responsibility for ensuring the funding is managed appropriately.

Are there any assessment criteria to be accepted?

The basic assessment criteria for LAB's are as follows:

The LAB is established as a formal entity;

The LAB is a "not for profit" organisation; and

The most recent two year's annual accounts for the LAB are available

Evidence/information will be requested:

Proof of existence - Certificate of Incorporation, Charities Registration, VAT registration certificate or alternate form of incorporation documentation;

Not for profit objective - stated within the Memorandum and Articles of Association or statement of the LAB's constitution, the LAB is a CIC (Community Interest Company), the LAB is a charity or the LAB is limited by guarantee therefore profits not distributed via dividend.

Proof of trading - Financial Accounts/Statements for the most recent two years of trading including, as a minimum, Profit and Loss Account and Balance Sheets. Are there any restrictions on an award?

Are there any restrictions on an award?

Grant funding is State Aid, there are limits in monetary terms, so the applicant has to complete a declaration (part of the application form) listing what state aid they have received in the last 3 years. The amount must not exceed 500,000 Euros. The form also gives examples of state aid they may have received.

Is there anything else I need to consider?

You need to consider the market test. We need to consider if what the organisation is offering is available to DWP already including for free and then to be eligible for grant funding the service must satisfy all the following conditions:

- Will the service allow access and reintegration into the labour market?
- Has the service been delivered via grant funding or contract less than three times before?
- Is this something we could get from DPS or that a commercial contractor?
- Has this been delivered through a grant or ad-hoc procurement less than three times before anywhere?
- Google the service to check whether there are less than three providers who are delivering the service;
- If the provider is a not for profit organisation with a niche/unique selling point. For example, do they have unique partnerships which the market could not establish? Are they offering investment from their own resources which the market would fail to provide?

Is there help to complete the form?

There is guidance within the application form and there is an extra guidance sheet.

What is the charity applying for?

We are looking for organisation's to support customers such as care leavers, prison leavers, refugees, those that are homeless and people with substance dependencies but this is not an exclusive list and an organisation can bid if they have innovative ideas which can make a difference to the lives of other vulnerable people.

Districts may have specific needs in particular areas and will communicate those needs to potential bidders. Minimum requirements should be devised by the district and the application form is completed to demonstrate how the bidder would deliver those requirements to help our vulnerable citizens

Is there any restriction on the types of thing that can be paid for within a bid?

The applicant must give a full breakdown of costs and calculations within the form, there is guidance in the form as to what can and cannot be paid for e.g. We can pay for short term hire of rooms but not rent, we can pay for refreshments but not hospitality. It is quite usual to pay for delivery cost of the provision such as staff salaries and stationary for the duration of the grant, but not towards the overall running costs of the organisation such as heating/Lighting/percentage of HR salaries etc. We can pay for staff travel and allow for the purchase of IT e.g. a laptop or mobile phone if one is needed – we can allow up to £1000.

Is there anything else to take into account?

The work needed here would mainly be about support, engagement etc. - anything or any methods the Charity may use to achieve this must pass the tabloid test i.e. must not be a potentially novel or contentious use of public funds. Value for money is also a consideration when using public funds.

What is the process for considering the bid?

All complete applications will be assessed in a panel against the minimum requirements, if there is more than one application for the same thing then the highest scoring applicant would be put forward. These possible bids would be finally agreed by the Minister.

How will the organisation know they are successful?

They would be contacted via the third Party team to notify they have been awarded and they will receive a terms and conditions letter which they must accept and return.

How will it be paid if the application is successful?

Grants are paid monthly in arrears for the duration of the delivery. If there are some start-up costs, these can be considered to pay up front if delivery cannot start without them but generally speaking DWP does not pay in advance.

Are there any other requirements from the supplier once awarded?

Third Party Teams will monitor the grant with meetings and any agreed MI from the providers. Suppliers should be supported about keeping the required information.

Are there any requirements from anyone else?

The Minister will be expecting MI on the success of the use of the funding, Districts and partnership managers may be required to support the reporting requirement.