



Scotland's Housing Network Welfare Reform Forum

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Are we nearly there yet?

- SRS Households on UC (December 2017):

24,368

- Working age (65 and under) SRS households on Housing Benefit:

229,212

(9.6%)

Increase in claimants

Musselburgh	<ul style="list-style-type: none">• March 2016 460• March 2017 3,260• 707% increase
Inverness	<ul style="list-style-type: none">• June 2016 939• June 2017 3,670• 391% increase
Greenock	<ul style="list-style-type: none">• November 2016 526• November 2017 4,241• 806% increase

SRS Households claiming UC

Musselburgh	<ul style="list-style-type: none"> • March 2016: 82 • March 2017: 1,278 • Increase: 1,459%
Inverness	<ul style="list-style-type: none"> • June 2016: 343 • June 2017: 1,515 • Increase: 342%
Greenock	<ul style="list-style-type: none"> • Nov 2016: 76 • Nov 2017: 1,448 • Increase: 1,805%

UC Issues

- UC claimants pushed into debt if they had Working Tax Credit overpayments – often stretching years back
- Iain Duncan Smith at W&P Select Committee May 23rd:

“One of the arrangements was that the DWP would have to restore non-reconciled debt when it came over to UC”.

Sanctions

- Minister of Employment Alok Sharma announced that early warning trial to be ended
 - “Given the additional burden placed on the departmental resources and marginal gains achieved, the trial did not appear to be an effective use of the Department’s resource.”

Sanctions

- Trial did not reflect Oakley recommendations “to pilot a new approach using warnings and non-financial sanctions following a first failure to comply with conditionality.”
- Welfare Conditionality Project: “Benefit sanctions do little to enhance people’s motivation They routinely trigger profoundly negative personal, financial, health and behavioural outcomes.”

Abolition of bedroom tax at source

- Scottish Government and DWP working on solution
- DWP letter to Cabinet Secretary: cannot implement solution before May 2020 – in middle of managed migration
- Concern over split responsibility between DWP calculating housing cost entitlement and DHP award

Scottish UC Choices

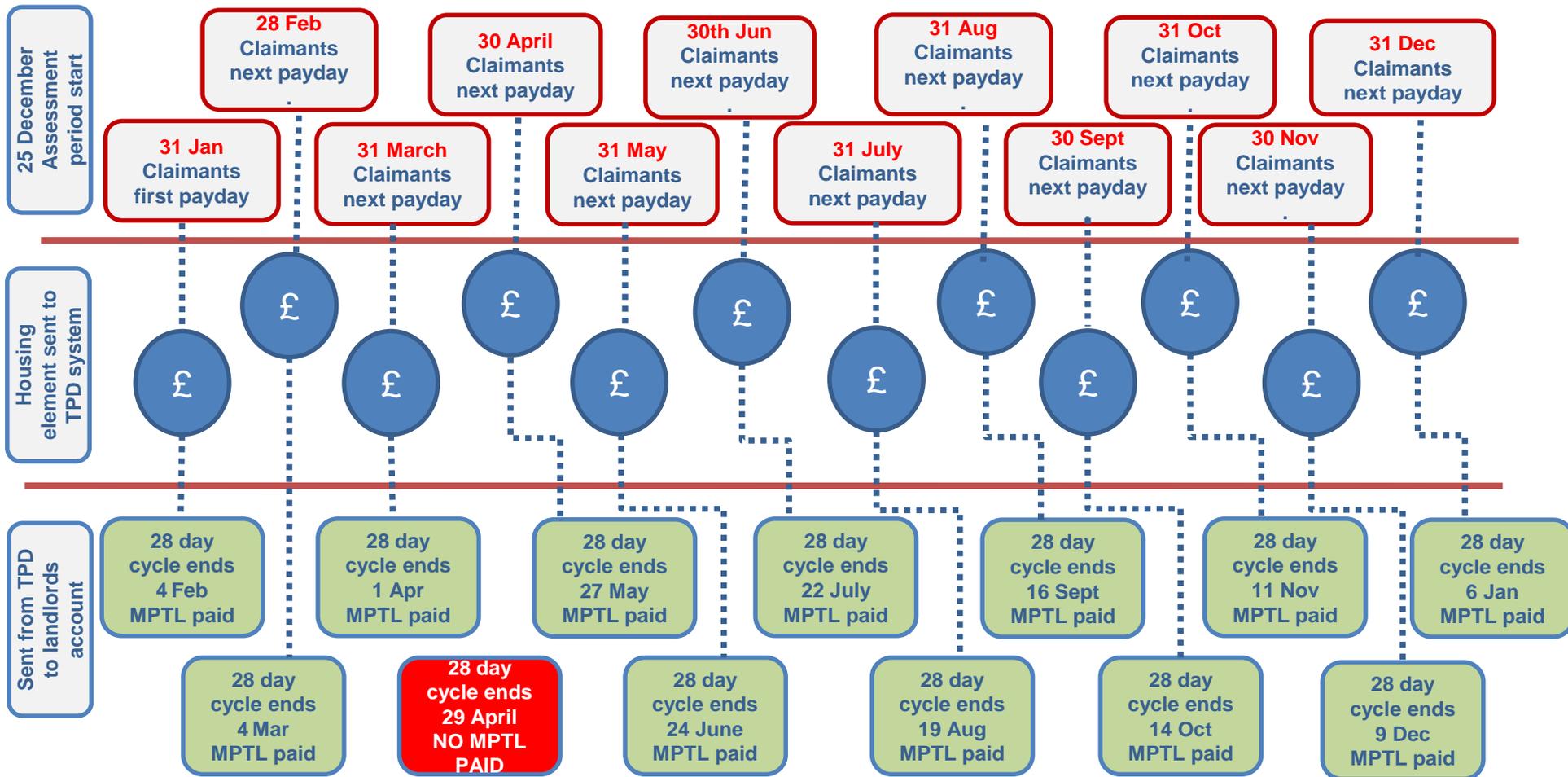
- Universal Credit is reserved to the UK Government, but Scottish Government given administrative flexibilities
- More frequent, twice monthly payments, but only available after the first monthly assessment
- Direct payment to landlords; implemented
- Split payments – not yet implemented

MPTL and UC Choices

- Disconnect between deduction of housing costs from individual's UC award and payment to landlord via four weekly payment run.
- Payment schedules prone to error which makes a manual reconciliation even more arduous
- DWP has not yet prioritised solution

Third party payment cycle explained

The claimants assessment period for Universal Credit is calendar monthly.
 Managed payments to landlords are sent to the Third Party Deduction system monthly.
 Third party payments are on a 28 day cycle therefore there are thirteen cycles each year
 Payments are released from CPS into landlords accounts at their next 4 weekly cycle date, so there will always be one 4 weekly cycle in which a third party is not paid.





Universal Support, Delivered Locally

- Two elements: Personal Budgeting Support (PBS) and Assisted Digital (AD), with funding provided by DWP to local authority.
- Once support level agreed, up to local authority to publicise details
- Concern that level and quality of support varies from one local authority to another
- Limited scope of USDL

What can housing associations do?

- Practical support to get online:
 - Access to computers – either to borrow or to buy (low cost, refurbished)
 - Access to the internet:
 - Wi-Fi in public spaces, broadband access
 - Maintain list of public access points
 - Digital skills training
 - Informal – digital buddies
 - Formal – courses and qualifications

Consent

- With legacy benefits and UC 'Live' Service, DWP allowed implicit consent
- With UC full service only explicit consent:
 - Claimant has to make request via online journal
 - Has to say what the consent is for
 - Has to say who the consent is for and the organisation that they work for
 - Only lasts for the month's assessment period, after which it lapses

June 7th Written Statement

- Written statement from Secretary of State to House of Commons
 - Claimants on Severe Disability premium to stay on legacy until managed migration
 - Incentives for parents to take up short term work
 - Short term increase in earnings not to affect transitional protection
 - 12 month disregard for capital of claimants on tax credits transitioning to UC
 - UC completion deadline extended to March 2023

Four Federations, Five Asks

- Campaign by Housing Association Federations in Scotland, Northern Ireland, Wales and England
 1. Restore Implicit consent
 2. One claimant, one payment
 3. Reform Universal Support Delivered Locally
 4. Protect children from poverty
 5. Improve transitional protection