

Scottish Government Updates

Housing and Welfare Reform

Discretionary Housing Payments

- Responsibility for DHPs devolved on 1 April 2017.
- DHP funding in 2019/20
 - Bedroom Tax Mitigation: Estimated £52.3m
 - Other DHPs: £10.9m
 - Admin: £1.2m
- Play an important role in preventing homelessness and reduce child poverty
- The Social Security (Scotland) Act 2018 gives Local Authorities the power to run DHP schemes, and Minister's the power to issue guidance on those schemes.
- The SG Guidance will be published to coincide with the commencement of the relevant section of the Act.

Bedroom Tax

Mitigation & Abolition

- The Scottish Government has committed to abolishing the bedroom tax using devolved powers on social security - currently mitigates through DHPs
- Budgeted £52.3m to mitigate the bedroom tax in 2019/20.
- UK Government has delayed the ability to abolish the bedroom tax at source – May 2020 earliest.
- Mitigation will continue until abolition in place and full migration of existing UC caseload – 2023 (UC statement 7 June 2018).

Programme for Government

- Work with Local Government to make sure care-experienced young people receiving a qualifying benefit are supported with DHPs from April next year giving them greater choice in their housing options they have and more security in their tenancies
- As well as providing affordable homes, we will continue to support people in Scotland sustain their tenancies through DHPs.
- This year we will provide more than £63 million in DHPs to help 70,000 households and protect them from the impact of the UK Government's bedroom tax and other welfare cuts

Guidance and Monitoring

- DWP guidance & Scottish Government Interim Guidance Note - issued 2017 remain in place

- Scottish Government statutory guidance:
 - Scottish Government is currently drawing up in conjunction with stakeholders
 - It is too early to say how this might differ from the current DWP guidance as it is still in the development stages however as we are working with a number of stakeholders we are content that any changes will be fully consulted on.
 - Publication

- Monitoring Returns
 - Mid-year request
 - End year

Universal Credit – Scottish choices

- Live since October 2017, offers of:
 - Payment of housing costs directly to landlords (social and private sectors); and
 - Twice monthly payments to people in receipt of Universal Credit.
- Aim to provide more choice for people to manage their Universal Credit account and their finances, protect tenancies, and reduce build up of rent arrears.
- Where are we now?
 - Delivery through the UC online account, active offer for new claims;
 - 46% of people who are offered a choice, take up one or both;
 - Known issues to be resolved; and
 - Evaluation of the policy and the future.

Universal Credit – split payments

- Scottish Government aim to provide all people in receipt of Universal Credit with access to an independent income which is based on their individual needs, and to promote equality, dignity and respect in the social security system.
- User research, stakeholder engagement.
- Where are we now?
 - Regular discussions with the DWP on the feasibility, operational and cost implications.
 - Engaging further with stakeholders.
- Next steps?
 - Define one “agreed” delivery option.
 - Ministerial and cross-Government agreements required.
 - Timetabling, legislation and design work.

Other Scottish Government work relating to benefits reserved to the UK Government

- 2019 Annual Report on Welfare Reform published 13 September 2019 – available here: <https://www.gov.scot/publications/2019-annual-report-welfare-reform/>
 - Covers effects on social security spending, the two-child limit, and the benefit cap.
- EU exit – managing risk to devolved benefits but also pushing for changes at UK level:
 - Advances and deductions;
 - Conditionality;
 - Work allowances;
 - Take up campaigns;
 - Benefits freeze;
 - Benefit cap;
 - Two-child limit;
 - Mixed age couples; and
 - Five week wait.

Questions



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