



Universal Credit Scottish Choices research

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and methods

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Scottish Choices



More Frequent Payments (MFPs)
– twice a month

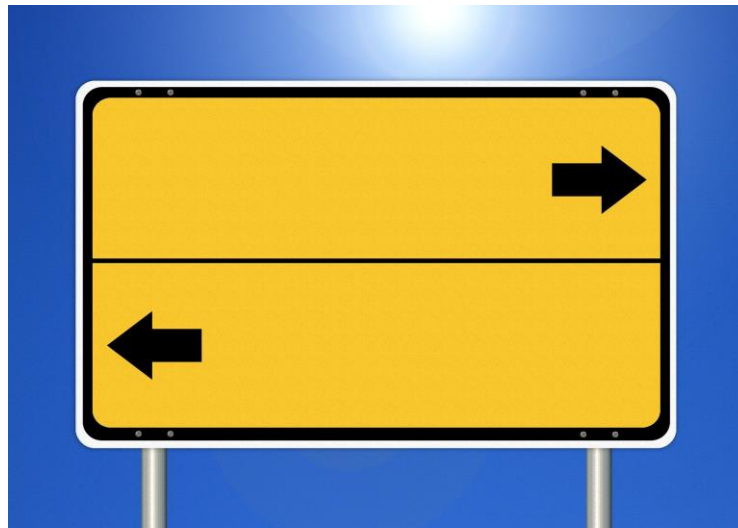


Direct Payments to Landlord (DPLs) – housing element paid direct to landlord by DWP

Aims and methods

Conducted May-September 2020

Aim = to explore experiences of Scottish Choices among people on Universal Credit and landlords



Qualitative interviews:

- 45 people on UC
- 20 landlords (mix of private and social)
- 14 'key informants'
- Plus online survey of 260 landlords

Awareness of Scottish Choices



- Few had heard of the term ‘Scottish Choices’
- Awareness of the two options was variable
- As was whether they recalled seeing the journal notification
- And whether they recalled their Work Coach discussing the options with them

Understanding of Scottish Choices

Opting in straightforward (once aware), but ...

Evidence of some confusion around key aspects of how it works, including:

- Payment dates / amounts (both SCs)
- How DPL works when UC doesn't cover full rent
- Interaction between MFP and UC advances
- DPL not automatic, and need to pay 1st month's rent self (legacy benefits)
- Perceived over-reliance on journal notification to convey info

“Even if you need to speak to them about something and it is urgent you still have to go through the computer. You have to go into your journal. ... You write a note on this journal to them and it could take up to 24 to 48 hours to receive an answer, and again it will be on the computer. So, if your computer breaks down or crashes you're stuffed.” (Interviewee on both DPL and MFP)

Perceived impacts: DPLs

- Ensures rent paid
- Simplifies money management
- Reduces worries about housing security (especially for those who have experienced insecurity)

“It made a difference to my anxiety levels and stuff like that not worrying about, basically not having to worry about having to get the rent paid and being homeless again as well.”

“When it works, it's a fantastic option. When it doesn't work, it is an absolute horror story.”
(Interviewee who had experienced significant issues with technical arrears)

- Emotional and financial stress from ‘technical arrears’ arising from DWP payment system
- Issues for those whose income varies
- Falling into arrears in 1st assessment period

Perceived impacts: MFPs

- Easier to make money last
- Helps people manage money in way that suits them
- Helps people worry less about money

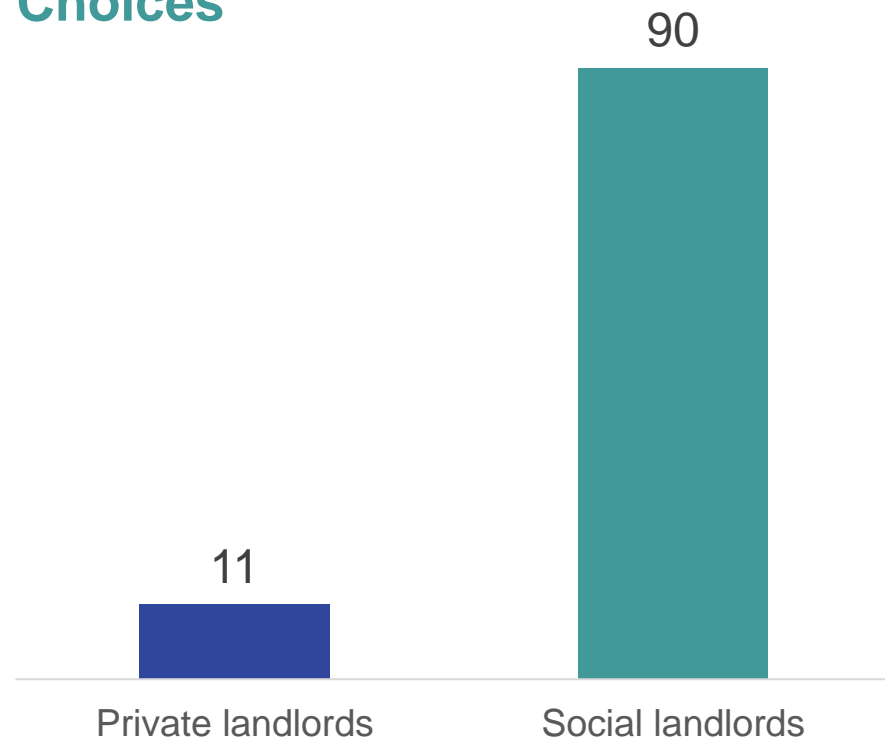
“I feel more calm, rather than just like stressed, because I was stressing out that I was going to have no electric and no gas and all that. But yes, it's chilled me out a lot more.”

“I have had standing payments set up ... I actually had to cancel that and pay for it on my own and, you know, because with that date being changed the payment wouldn't go through straight away.”

- Fluctuating payment dates causing issues
- Overall – SC cannot overcome perceived problems with UC, particularly overall low level of payments

Perceived impacts for landlords

% of landlords reporting knowing 'a lot' or 'a fair amount' about Scottish Choices



Social landlords divided in opinion of DPLs:

- Mitigates impact of increased arrears since UC, vs. negative impacts of payment system
- New payment system “a game changer” – but won’t solve every issue – e.g. data flow and not being able to opt for DPL in 1st assessment period

Private landlords more universally positive, but not always based on direct experience

- Some thought DPL should be compulsory

Social landlord views



I would say it had a huge impact on the initial arrears level accruing, because we're getting in there quickly with the Scottish choices, so the payments are coming through.



We don't get notified that there is an end of that arrangement. ... we've got £800 of rent [arrears] that we are then only starting, two weeks before the next rent is due to go in, to start and chase.



I think the difficult part of that is the fact that the first payment goes to the tenants ... so we have quite a lot of tenants who have got arrears deductions in place ... because it's taken so long to get things started..

Suggestions for improvement

Improving awareness & understanding

- Improve content & nature of notices in UC account
- Use other methods, as well as the online journal, to communicate

Improving operation of UCSC

- Allow applications from start of claim
- Improve DPL payment system (align payments with rent date)
- Allow fortnightly payments

Other

- Support for split payments
- And suggestions for weekly payments, and direct council tax payments
- Many non-SC improvements to UC

THANK YOU.

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