



# Making the Transition to Universal Credit

EVH Conference  
October 30<sup>th</sup> 2016



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Put a Name to the Face,  
Put a Role to the Name

















# Universal Credit

- Comes in 2 flavours:
  - Live Service
    - Introduced in 2013
    - Cost overruns
    - Lots of problems – dependent on manual interventions
  - Full service
    - Pilot in 2015
    - Full as in fully digital, with claimants having online accounts with journals, to do lists etc
    - Can be accessed on smart phone



## UC Live Service

- All across Scotland
- Gateway Criteria
  - Single claimants
  - Not expecting children
  - Fit for work
  - New claims

# UC Full Service

- In 2 Job Centres so far:
  - Musselburgh (March)
  - Inverness (June)
- 3 More in November:
  - Port Glasgow
  - Kirkintilloch
  - Greenock
- No gateway criteria

# Universal Credit





## Long way to go

- May 2016, number of UC Claimants in social housing with housing costs:

**5,900**

- May 2016, number of working age social housing tenants in receipt of housing benefit:

**244,612**

# Revised Roll-out Schedule

- 5 Job Centres a month until June 2017
- 30 Job Centres a month from July 2017
- (After summer break) 55 a month October – December 2017
- 65 a month from February 2018
- Completion of roll-out September 2018
- Contingency September 2018 – June 2019
- Migration July 2019 – March 2022

# UC Work Allowances

		Before April 2016		After April 2016	
		WITHOUT HOUSING COSTS	WITH HOUSING COSTS	WITHOUT HOUSING COSTS	WITH HOUSING COSTS
Single	NO DEPENDENT	£111	£111	ABOLISHED	
	WITH DEPENDENT	£734	£263	£397	£192
	WITH DISABILITY	£647	£192	£397	£192
Couple	NO DEPENDENT	£111	£111	ABOLISHED	
	WITH DEPENDENT	£536	£222	£397	£192
	ONE OR BOTH WITH DISABILITY	£647	£192	£397	£192

## Benefit cap

- Reduction in cap from £26,000 to £20,000 (£384.62 per week)
- Introduction later this year (November)
- If in breach of cap, excess taken from Housing Benefit/Housing Costs.

# Family with 3 children

	ESA	JSA
Personal Allowance	£143	£114
Child Tax Credit	£170	£170
Child Benefit	£48	£48
<b>TOTAL:</b>	<b>£360</b>	<b>£332</b>
'Surplus' left for Housing costs	£24.61	£52.61

# Welfare Cuts 2017/18 onwards

- Removal of entitlement to Housing Benefit for the under 22s
  - Coupled with “Youth Obligation”
- Removal of Child Element of tax Credit and Universal Credit awards for third and subsequent children born after 06/04/2017
- Lone parents on UC will need to prepare for work when child 2, find work when 3.



## LHA Cap

- Applies to new general needs tenancies since April 2016
- May apply to ALL supported accommodation tenancies from April 2019 (Going out to consultation anytime now)
- From April 2018 maximum housing benefit/UC housing cost awards will be limited to the relevant local housing allowance maximum.

# LHA Cap

- Housing association rents in the main below LHA maxima, but:
  - Shared accommodation rate hit for single under 35s
  - Will apply to all claimants – not just working age and award based on bedroom need
  - Supported accommodation rate generally above LHA
  - LHA frozen for 4 years



# Scotland Act 2016 and Social Security Bill

- Scotland Act UC Housing Costs
  - Section 29 – can make regulations to amend way housing costs are calculated
  - Section 30 – can make regulations for the way APAs are administered.
- Scotland Bill consultation on UC flexibilities and devolution of DHPs
- Deadline for consultation responses 28/10/16

## A note of caution

- Focus has been on UC flexibilities – direct payments to landlords, frequency and splitting of payments.
- Flexibilities will – in practical terms – only be implemented in full service, so:
  - What of those on ‘live’ service
  - What of those on legacy benefits?
- Need to have mitigation during interim

# The Road Ahead

- **Years of transition:**
  - Continued roll out of full service to 2019
  - Migration of legacy benefits to 2022
  - Introduction of Scottish Government devolved powers
  - Policy/legislative changes e.g. LHA
- **The challenge:**
  - Guiding tenants/claimants through the transition, ensuring they are on the right benefits.



# Communication, co-operation and support – an example

- Medium sized housing association (2,500 units) operating in one local authority area
- 31 tenants on Universal Credit, 19 in arrears
- Average arrears of UC Claimant £444
- Average arrears all tenants in arrears £222

## Co-operation

- Engage with local DWP offices prior to UC roll out to discuss closer working
- Reciprocal visits to JCP and housing office to learn about services offered to tenants and to see what UC means for DWP staff at front line.
- Exploring possibility of basing a DWP staff member in housing office to enhance “one stop shop principle”
- Exploring digital training support.

# Communication

- Production of Universal Credit guide
- Regular articles in tenant magazine
- Use of social media
- Repeating the message in mass mailings such as rent statements
- Most importantly – individual home visits to discuss personal circumstances and referral onto a variety of support.

# Support

- Promotion of “one stop shop” concept with services available at housing office:
  - Exclusive CAB money advice and welfare benefits advice
  - Fuel poverty advice
  - In house council HB officer
  - Referral service for employment support
  - IT support and Wi-Fi
  - Starter packs/school uniform project