



Consultation on Universal Credit (Claims and Payments) (Scotland) Regulations 2017

Response from Crisis

About Crisis

Crisis is the national charity for homeless people. We work with politicians, policy makers and the Scottish and Westminster governments to bring about change and share good practice, using our expertise from working with single homeless people and our understanding of the issues they face to shape policy and practice. We provide learning and coaching support to single people who are homeless or at risk of homelessness to enable people to move on with their lives. We work with local authorities across Scotland to improve access to the private rented sector for people threatened with homelessness.

Overview

Crisis strongly welcomes the draft regulations which will allow Universal Credit claimants in Scotland to request for Universal Credit payments to be made twice monthly, and to request that rent payments are made directly to their landlord, irrespective of whether the tenant is in the social or private sector.

Crisis called for the Scottish Government to make use of its new power to administer Universal Credit payments flexibly through more frequent payments and payments of housing costs direct to landlords. These powers will empower people who are homeless or at risk of homelessness to manage their incomes more effectively and protect tenants from homelessness where they might otherwise have fallen into rent arrears.

Our experience supporting Rent Deposit Guarantee Schemes across Scotland suggests that the ability for tenants to request direct payments in the private rented sector is particularly valuable as it may mean that some landlords are more open to renting to people on low incomes who they might otherwise have had reservations about.

We welcome that the flexibilities are being created as an option for claimants to request and that there will be a requirement that all Scottish claimants are advised of this option.

Q1. Do the draft regulations meet the policy intent of offering a choice to applicants on having their UC payments made twice monthly?

Yes

Q2. Do the draft regulations meet the policy intent of offering a choice to UC applicants on managed payments of rent direct to landlords?

Yes

Detailed comments

Regulation 2, paragraphs 3 and 4 – providing reasons for refusal

Paragraph 3 gives the Secretary of State the ability to override the claimant's ability to request twice-monthly payments in any case or class of case. Paragraph 4 requires him to provide a reason for that refusal. It should be clear that this applies to refusals applied to both individual cases and to classes of case, so that it is clear that access to more frequent payments are not being unreasonably withheld.

Regulation 3 (2) – advice on the implications of a more frequent payment

Where the Secretary of State has made other arrangements, this regulation disapplies the requirement to advise claimants on the ability to request a twice monthly payment, and inform the claimant of the implications of such a choice. We would not want this regulation to cause claimants to miss out on advice about the implications of changes to the frequency of payment because the Scottish flexibility is overridden by the Secretary of State. The mechanism for advising claimants should ensure that all claimants in Scotland are aware of the implications of change in the frequency of payments where this is relevant.

Frequent changes of circumstances

Regulations 2(2b) and 4(3b) allow Scottish claimants to make requests for flexibilities at any time, such as switching between rent payments to themselves and direct payments to their landlord. In most situations we would expect that people should not need to change their use of flexibilities more than once in a few months, but people who are homeless inevitably experience much more fluid circumstances and may not be predict their circumstances in the same way. For example someone may stay in a B&B for a couple of weeks, followed by a further period in a hostel and then a move to supported accommodation, all within the space of a few months after becoming homeless.

We would not want to see someone unable to benefit from the flexibilities through repeated changes of circumstances outwith their control, such as having to deal with a number of different landlords in a short period. We suggest that the circumstance of being homeless should generally be considered as exceptional circumstances for making multiple requests for flexibilities.

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