

Update January 2018 – Further information about the Universal Credit Scottish choices for people living in Scotland

- The new Universal Credit Scottish choices were made available from 4 October 2017 to people living in Scotland making a new Universal Credit claim in full service areas.
- **From 31 January 2018** the Universal Credit Scottish choices will also be available to people who:
 - were already receiving UC in a full service area prior to 4 October 2017; and
 - transfer from a live to full service area after 31 January 2018.
- The choices are:
 - be paid monthly or twice monthly; and
 - have the relevant housing costs in the Universal Credit award paid to themselves or to their landlord.
- These choices are sometimes referred to as “The Scottish Flexibilities”.
- Full service is where people receiving Universal Credit both make and maintain their claim online.

Alternative Payment Arrangements

- Alternative Payment Arrangements (APAs) operated by the Department for Work and Pensions (DWP) will still be available for all people who satisfy the relevant criteria.
- APAs will continue to be the first consideration for people with complex needs or rent arrears. The process and operation of Alternative Payment Arrangements is not changing as a result of the new Universal Credit Scottish choices.

How Universal Credit Scottish choices work

- People who make a new claim in a full service area will be offered the choices after they have received their first payment of Universal Credit.
- This means the offer will be made at the start of the second assessment period. At this point, the person’s award, including housing costs, has been assessed and the amount will be known.



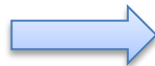
- The choice will be offered in the online account in two stages:
 - one for choosing to be paid monthly or twice monthly; and
 - one for choosing to have the relevant housing costs in the Universal Credit award paid to themselves or to their landlord.
- The person can choose to take up just one or both choices.
- Those transferring from live to full service will be offered the choice following their first payment on Universal Credit full service.
- People in receipt of Universal Credit from before 4 October 2017 will not be automatically offered the choice, however, they can request the choices via their online account, by telephone or face to face with their DWP work coach.

How payments will be made – twice monthly

Example: A person who has made a new claim, or a person transferring from a live to full service area, receives their UC payment on the 20th of the month. A person who makes the choice to be paid twice monthly will receive payment following the process described below.



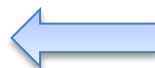
- Their payday is 20 March 2018. The person receives their full Universal Credit award for assessment period 14 February 2018 to 13 March 2018.



- On 21 March 2018, the person is offered the Universal Credit Scottish choices and chooses to be paid twice monthly.



- **15 days later** on 5 May 2018, the person receives the second half of the award for assessment period 14 March 2018 to 13 April 2018. **This repeats for each assessment period.**



- **The next payday doesn't change** – 20 April 2018. The person receives half of the award for assessment period 14 March 2018 to 13 April 2018.

How payments will be made – housing costs

- Payment of relevant housing costs to landlords will be made as described for existing Alternative Payment Arrangements in the [Universal Credit and rented housing guide for landlords](#)
- Please note that the process is different for social and private landlords – the above guide explains these differences.
- If the person chooses to have their relevant housing costs to be paid directly to the landlord, the landlord will be notified by the DWP.
- The DWP will pay the calculated Universal Credit housing costs which may not meet a person's full rental liability.

Confirmation of the choice

- If the person makes a choice, it will be confirmed in the journal in their online account.
- If the person does not make a choice within 60 days of the offer being presented, then the offer will be removed from their online account, but they will still be able to request the new Universal Credit Scottish choices at any time.
- If the person does not make a choice, Universal Credit will continue to be paid as standard in a single monthly amount direct into their bank account.
- DWP staff will remain impartial in this choice.
- A person will be able to change their mind and should request a change using the journal in their online account.



Frequently asked questions

Q1. I am a landlord and my tenant has chosen for me to be paid directly. How will you do this?

A. The Universal Credit and rented housing guide for landlords explains in detail how you will be paid – it is available on Gov.uk. The payment method will be as described for existing Alternative Payment Arrangements.

Q2. I am a landlord and my tenant chose for me to be paid their housing costs, but they are not paying the shortfall in rent. What will you do?

A. The DWP notifies the person that what it pays may not meet their full rental liability and that it is the person's responsibility to pay you the shortfall. It is also your responsibility as a landlord to ensure payment from your tenant as the DWP are only able to pay you the relevant housing costs in the Universal Credit award.

Arrears of rent and service charges for the property the tenant is currently living in are included in the list of deductions that can be made from a Universal Credit payment. More information is available in the Universal Credit and rented housing: guide for landlords – available on Gov.uk.

Q3. How will the Universal Credit Scottish choices affect Trusted Partner status and the Landlord Portal?

A. At the current time there is no impact. The DWP will communicate in future if this changes.

Q4. I am a landlord and my tenant chose for me to be paid their housing costs direct, but I don't want this. Can I cancel it?

A. No. Only the person who claimed Universal Credit can make this choice and landlords should engage with their tenants if they wish to be paid differently.

Q5. Can a person receive both a DWP APA and a Universal Credit Scottish choice at the same time?

A. It is possible for someone to have both a DWP APA and a Universal Credit Scottish choice at the same time, but not for the same thing. People will only be offered the Universal Credit Scottish choice that they are not receiving as an APA, so if the DWP decide someone should have their rent paid direct to their landlord as an APA, they will not be offered the Universal Credit Scottish choice for managed payment to landlord, but they will be offered the choice of a more frequent payment.

Contact

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