

Universal Credit Claims and Payments (Scotland) Regulations: Analysis of Responses to the public consultation exercise

About this analysis

This independent research was carried out by Craigforth and involved the analysis of written responses to the Scottish Government's consultation on the draft Universal Credit Claims and Payments (Scotland) Regulations.

The consultation received 100 responses, 70 of which were from organisations and the remaining 30 from individuals. This Research Findings paper summarises the key themes emerging from the analysis of those responses.

Background

The Scottish Government is committed to ensuring that the new powers provided for in the Scotland Act 2016 are used to give Scottish applicants more choice and control over their Universal Credit payments. Universal Credit is still reserved to the UK Government, but the Scottish Government's priority will be to use the flexibilities available to make sure that its delivery will be better suited to meet the needs of the people of Scotland. The purpose of this consultation was to ask if the Universal Credit (Claims and Payments) (Scotland) Regulations 2016 are fit for purpose, and whether there are any unintended consequences, in relation to the flexibilities that the Scottish Government is proposing to introduce.

The consultation asked two questions. The first asked whether the draft regulations meet the policy intent of offering a choice to applicants on having their UC payments made twice monthly. The clear majority of respondents (88 out of 100), thought the draft regulations do meet the policy intent.

The second question asked if the draft regulations meet the policy intent of offering a choice to UC applicants on managed payments of rent direct to landlords. Again, a very clear majority of respondents (87 out of 100) thought the draft regulations do meet the policy intent.

Each question offered respondents the opportunity to provide further comments. Although the analysis provides an overview of all responses received, it should also be noted that some of the issues raised were outside the scope of this consultation and/or relate to issues which do not fall within the powers the Scottish Government now has through the Scotland Act 2016.

General Themes

The types of issues raised within further comments at the two questions were often similar and the most frequently raised (generally by around 10-12 respondents across the two questions), are summarised below:

Payment in arrears: The most frequently-raised issue concerned the payment of UC being in arrears and, in particular, the time periods associated with the first payment being made for a new claim. It was seen as important because of the fundamental impact it can have on UC claimants, including because of the likelihood of building up significant rent arrears.

Right to appeal: A number of respondents commented on, and sometimes expressed concern about, the apparent absence of any right or route to appeal a decision.

Informing claimants about the options: The importance of making claimants aware of the twice-monthly and direct payment options was stressed by a number of respondents.

Circumstances for refusal: On a connected point, a number of respondents felt that, if there are to be circumstances when a claimant may not receive twice-monthly payments, or be able to have their rent go direct to the landlord, then these should be set out.

Implementation: In addition to commenting on specific issues around the detail of the draft Regulations, a number of respondents commented on the implementation of the changes. The timescales for implementation of the twice-monthly and direct rent flexibilities were raised by some respondents and it was suggested that there is a need for clarity around the timescales for implementation and that adoption as early as possible will be critical.

Issues raised by smaller numbers of respondents (generally between 4-7 respondents across the two questions), included:

Relationship to Alternative Payment Arrangements: A number of respondents commented on the relationship between the UC provisions and the existing Alternative Payment Arrangement provisions. In particular, clarification as to how the two separate systems will operate together in practice was sought.

Right to request only: A concern for a small number of respondents was that, as currently drafted, the Regulations only state that a Scottish claimant has the right to request twice-monthly payments or payment of rent direct to the landlord. It was suggested that these flexibilities should be framed as a right to choose.

'Scottish' claimants: A small number of respondents posed questions about what is meant by a 'Scottish claimant', and how this definition would be applied in practice.

Over and above the common issues raised across the two questions, specific issues about one or other of the flexibilities were also identified.

Twice Monthly Payments

Payment frequency: Queries included how the twice-monthly split would be applied and would relate to 2-week periods or a 5-week month. Suggestions included that weekly payments should also be offered.

Direct payment of rent to landlords

Changes of circumstance: This was the most frequently-raised issue regarding direct payments. There were concerns that the draft regulations as currently presented do not refer to or put in place safeguards for claimants and landlords. This was seen as enabling a claimant to cancel an arrangement at any time, regardless of known vulnerabilities or any arrears they may have accrued with their landlord. It was suggested that landlords should be consulted before a managed payment arrangement is cancelled.

Automatic payment to landlords: A frequently-made comment was that there should be payment direct to landlords in all cases. Those taking this view tended to suggest that allowing tenants to opt to have the rent element of UC paid to them will only increase rent arrears as some people will not pay their rent in full or will delay rent payment. However, other noted the importance of giving claimants a choice.

Landlord or Other Agency requested Managed Payments: A concern of some respondents was that the Regulations do not address a situation where the tenant is vulnerable and does not exercise the choice to have the payment made to the landlord. It was suggested that it should be possible and/or it should be made easier for landlords to request managed payments.



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