

Universal Credit Inverness Live Site – Impact on Housing Update

June 2014

DWP Update

- Universal Credit (UC) went live in Inverness from 25 November 2013.
- To date 450 UC claims have been made through Inverness Jobcentre Plus (JCP) either online or by phone. The number of people continuing with their claim for UC is unknown. This could be due to a variety of reasons, e.g. they have commenced employment or have not agreed to their claimant commitment.
- 8-10% of cases nationally have housing costs; although data relating to the exact number of cases locally is not available.
- The staff at the Inverness JCP, are building a degree of expertise in UC and getting used to the IT system.
- UC ‘Lobster Pot Effect’ – some UC claimants have already reported changes in circumstances to their claims. This includes household and personal changes. E.g. they are now claiming for a partner and/or children or they are no longer job seeking.
- There are also a number of cases where the UC claimant has now moved to another area. At present the claimant will continue to deal with the Inverness JCP until UC has rolled out to other job centres.
- Universal Credit **may** be extended to couples from June 2014. The exact date is yet to be confirmed. It is anticipated that conditionality will apply to both members of the couple which will mean that if one partner is working, the other will be required to claim Job Seeker’s Allowance rather than Universal Credit. The number of cases affected is likely to be minimal at the present time.
- Further training for Work Coaches is due to commence at Inverness JCP.
- UC will be extended to additional single and couple claimants from June 2014? – This will allow claims for UC even if the claimant has previously received legacy benefit in the last two weeks.
- Personal Budgeting Support (PBS) – Very low take-up at present, DWP are exploring and trialling alternative arrangements. This is including the questions that are being asked in relation to PBS, the timing of the questions and co-location of DWP & advice agencies.
- During the expansion of UC sites, the DWP will dedicate a specific team to deal with queries relating to housing costs and Alternative Payment Arrangements (APA’s). This will include a dedicated email and telephone number but will not be an avenue to apply for an APA. The longer term sustainability of such a team is unknown at present.

Landlord Issues – Main Points

- The length of time being taken by the DWP to make a decision on “Alternative Payment Arrangements” (APA’s) continues to be a concern at the present time. Anecdotal evidence suggests that some payments are taking up to 12 weeks for a decision to be made. However we are reassured by the ongoing engagement between DWP, social landlords and the Scottish Federation

of Housing Associations regarding a number of landlord-related matters including arrangements for “APA’s”.

- **Payments in some cases are reverting to tenants** even when a ‘switchback payment’ has been put in place. This is due to manual intervention being required every month by UC staff to manually override the payment to the landlord. Where this happens, the only recourse is by third party deductions as there is no ‘official error’ in UC, so the payments cannot be reversed.
- **Direct payments to the landlord** - DWP are using the tenant’s national insurance number as the unique identifying reference rather than the landlord’s unique reference number in correspondence. This is being investigated by DWP as it breaches their data protection and makes it difficult for landlord’s to allocate the payments to the correct rent account if they do not hold national insurance numbers.
- **UC payments** are not being received on the date stated on the UC notification letter, in some circumstances the payments have been received a number of days later.
- **If a claimant has been sanctioned**, or their entitlement is reduced by third party deductions, the amount of UC payment on the notification letter is not the amount that is being received.
- **Third Party Deductions** – Payments for deductions are not included with the UC payment, they are issued separately and at different times of the month. Again, this makes it difficult for landlord’s to allocate the payments to the correct rent account if they do not hold national insurance numbers.
- The **online claim** process takes 30 to 90 minutes. Public access to the internet is proving to be problematic with some claimants being cut off at the end of their session before the claim is complete. With no ‘save and return’ function, the claim is lost and has to be completed again.
- **Claimants showing signs of vulnerability are not automatically offered PBS.** – DWP hopes to commence trials which would refer clients straight to local PBS rather than through the Service Centre.
- **Verification of housing costs** – including issues over the calculation of housing costs. DWP have commenced a 4 week pilot in the North West of England to trial a housing cost template with landlords. This will still require the tenant to provide the landlord and DWP with the information.
- **Trusted Partners** – There is ongoing work (although not imminent) to introduce ‘Trusted Partner’ status for Social Landlords. If implemented this would allow landlords to verify documentation for UC and act as an interested party on the tenants behalf.
- **Data Sharing** – The DWP have been tasked to look at data sharing.
- **UC Advance Payments** – Some claimants are refusing advance payments due to the recovery rates from ongoing benefit. Evidence in the North West of England has seen payments recouped over 3 months rather than 6 months leading to hardship.
- **Scenario planning** – There is insufficient information available as to how certain circumstances will be dealt with, e.g. where someone moves mid-month and there is a difference in housing costs and direct payment to the landlord is in place. Highland Social Landlords will produce a list of scenarios that will be issued to DWP to respond to.