

October 2017

Further information about the Universal Credit choices for people living in Scotland – including how they will be delivered

- The Scotland Act 2016 gave the Scottish Government powers to vary how Universal Credit is paid in Scotland. The Department for Work and Pensions (DWP) retains responsibility for the delivery of Universal Credit as it remains a reserved benefit. DWP will deliver the Scottish Government's policy.
- The new Universal Credit choices will be made available from 4 October 2017 to people living in Scotland making a new Universal Credit claim, in full service areas. The choices are to:
 - 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 “Scottish Flexibilities”.
- Full service claimants are those who both make and maintain their claim online.

Alternative Payment Arrangements

- Alternative Payment Arrangements will still be available for all claimants who satisfy the relevant criteria.
- These will be the first consideration for claimants with complex needs or rent arrears. The process and operation of Alternative Payment Arrangements are not changing as a result of the new Scottish choices.



How the choice is offered

- Eligible claimants of Universal Credit will be offered the choice 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, when the expected Universal Credit award is known, and there has been time to assess the claimant's award, including housing costs if applicable.
- The choice will be offered in the claimant's 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 claimant can make just one or both choices.
- If an Alternative Payment Arrangement has been applied prior to the time of the offer, the corresponding choice will not be offered. Landlords will not be able to request the new Universal Credit choice.
- The effect of choosing to be paid twice monthly will be explained to the claimant as part of the offer – including confirmation that the next payment date will not change.

Confirmation of the choice

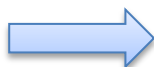
- If the claimant expresses their choice, it will be confirmed in the journal in their online account.
- If the claimant does not make a choice within 60 days of the offer being presented, then the offer will be removed from their online account, but they will still be able to request the new Universal Credit choice at any time.
- If the claimant 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.
- The claimant will be able to change their mind and should request a change using the journal in their online account.

How payments will be made – twice monthly

- Example: The claimant makes a new Universal Credit full service claim on 29 October 2017 and serves 7 waiting days.
- The first assessment period is 5 November 2017 to 4 December 2017.



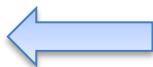
- The first payday is 11 December 2017. The claimant receives their full Universal Credit award for assessment period 5 November 2017 to 4 December 2017.



- On 15 December 2017, the claimant chooses to be paid twice monthly.



- **15 days later** on 26 January 2018, the claimant receives the second half of the award for assessment period 5 December 2017 to 4 January 2018. **This repeats for each assessment period.**



- **The next payday doesn't change.** On 11 January 2018 the claimant receives half of the award for assessment period 5 December 2017 to 4 January 2018.

How payments will be made – housing costs

- Payments 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 – available on Gov.uk.](#)
- Please note that the process differs for social and private landlords – the above guide explains.
- If the claimant chooses for the relevant housing costs to be paid directly to the landlord, the landlord will be notified.
- DWP will pay the calculated Universal Credit housing costs which may not meet the claimant's full rental liability.

Frequently asked questions

Question 1: I am a landlord and my tenant has chosen for me to be paid directly. How will you do this?

Answer: 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.

Question 2: 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?

Answer: The DWP notifies the claimant that what we pay may not meet their full rental liability and that it is their responsibility to pay you the shortfall. It is also your responsibility as a landlord to ensure payment from your tenant as we 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](#).

Question 3: How will the Universal Credit Scottish Flexibilities affect Trusted Partner status and the Landlord Portal?

Answer: At the current time there is no impact and DWP will communicate in future if this changes.

Question 4: 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?

Answer: No. Only the claimant can make this choice and landlords should engage with their tenants if they wish to be paid differently.

Question 5: When will existing full service claimants be eligible for the new Universal Credit choice?

Answer: Discussions are ongoing around existing claimants being able to access the choices from early January 2018.

Contact

If you have any queries about the content of this message please contact:
Frank McGregor (Scottish Government) – frank.mcgregor@gov.scot