

# UNIVERSAL CREDIT NEWSLETTER

Issue 02 | July 2018



## UC FULL SERVICE LIVE DATE

UC Full Service is now scheduled to go live in West Dunbartonshire on **28th November 2018**.

From that date no new claims will be accepted for the six means-tested benefits replaced by UC.

## MANAGED MIGRATIONS

DWP have revised their plans for the transition of legacy benefit claimants over to UC, they now expect this process of 'managed migration' to begin during July 2019 and carry on until at least March 2023.

This means that claimants currently in receipt of benefits who do not report a major change in circumstances after November 28th can expect to be moved to UC by the DWP during this timescale.

DWP have also advised they plan to move current 'live service' UC claimants within West Dunbartonshire over to Full Service UC from 28th November. Previously Live Service claimants have not been moved over until three months into the full service rollout.

## TRANSITIONAL PROTECTION OF SEVERE DISABILITY PREMIUM

A recent statement released by the Government has outlined planned changes to transitional protection offered to legacy benefit claimants who are in receipt of the Severe Disability Premium (SDP).

Presently claimants moved over to UC will lose their SDP unless they are part of the Managed Migration process due to be carried out by DWP (see above).

The government have announced they do not intend to move claimants over to UC until they qualify for transitional protection of their SDP. Individuals who have already been moved over to UC and have lost out as a result of loss of SDP will be granted an on-going payment to mitigate this loss, this will include an amount to cover the period since they were moved to UC.

These changes are planned to come in to effect later in the year, so potentially they may be in place before November which may prove beneficial for current benefit claimants in West Dunbartonshire who are already in receipt of the the Severe Disability Premium.

## UC LEADING TO INCREASED RENT ARREARS AND HARDSHIP

Research carried out by Housing Federations in the UK has revealed that UC claimants living in social housing are more than twice as likely to be in rent arrears than those not in receipt of UC.

A survey of 118 housing associations across England, Scotland and Wales has shown that UC tenants are in £24m worth of rent arrears as a direct result of being placed on UC.

More specifically, in Scotland two-thirds (65%) of UC tenants are in rent arrears, with a total of £1.2m arrears being reported.

Late payment of rent to landlords by DWP and a lack of clarity regarding the claimants rent being included in the UC payment are leading to tenants accruing rent arrears.

The two child limit within UC is also leading to increased hardship for UC reliant families who have more than two children, they do not receive a child element for additional children.

These issues have led to significant increases in demand on foodbanks and advice agencies who are helping UC tenants to stay in their homes.

The full article can be found here:

<https://www.housing.org.uk/press/press-releases/flawed-universal-credit-causing-debt-hardship-families-in-social-housing/>

## SCOTTISH CHOICES

UC claimants in Scotland have some additional options which can help them manage their UC payments, these are referred to as Scottish Choices.

UC claimants who receive help with their rent have this money paid directly to them, Scottish UC claimants now have the option to request this money be paid directly to their landlord if they feel they will struggle to manage payment to their landlord themselves.

The other option open to Scottish claimants is to request that they receive payment of UC twice a month if they feel this would help them better manage their money. By default, UC is paid monthly to claimants.

Both these choices are open to Scottish claimants via the UC journal following their first payment of UC.

## DIGITAL BY DEFAULT

Universal Credit has been designed to be a fully digital benefit. This will mean that when someone claims UC they will be expected to make the claim online and following some initial interviews at their local JCP, will be expected to maintain their claim online via their personal online journal

## COUNCIL TAX REDUCTION

Council Tax Reduction (CTR) is not one of the benefits being replaced by UC. Claimants who require help towards their rent and Council Tax will have to ensure they still lodge a separate claim for CTR.

Current UC Full Service areas have reported a rise in claimants who have failed to make a claim for CTR as they have been unaware of the separation of the Housing Benefit and Council Tax Reduction elements.

If you have any questions, feedback or suggestions we can be contacted at [david@wdcab.co.uk](mailto:david@wdcab.co.uk)