

## Universal Credit Expansion into Scotland



### Universal Credit - Welfare That Works

You may have already heard that the Government's flagship welfare reform benefit Universal Credit, is being expanded into Scotland from February 2015. The expansion will see new claims from single people seeking employment being directed towards a Universal Credit claim where appropriate. This follows the successful expansion of Universal Credit right across the North West of England where it is already 'live' in over 90 Jobcentres.

Universal Credit is being introduced in stages. It is available to single people, couples and families in some areas of the country. It is being rolled out to single claimants nationally from February 2015.

There will be a staggered approach to implementation and Glasgow will be taking Universal Credit claims from single people from the 8 June 2015 from the Jobcentres in Anniesland, Bridgeton, Castlemilk, Drumchapel, Easterhouse, Govan, Langside, Laurieston, Maryhill, Newlands, Parkhead, Partick, Shettleston and Springburn covering the whole of Glasgow.

#### **Government policy on Universal Credit: an introduction**

Universal Credit is a new benefit that supports people who are on a low income or out of work, and helps ensure that they are better off in work than on benefits.

Universal Credit will give them the support needed to prepare for work, move into work, or earn more. In return for this support, it is their responsibility to do everything they can to find work or increase their earnings.

Universal Credit will help claimants and their families to become more independent and will simplify the benefits system by bringing together a range of working-age benefits into a single payment and will replace:

- income-based Jobseeker's Allowance
- income-related Employment and Support Allowance
- Income Support
- Child Tax Credits
- Working Tax Credits
- Housing Benefit

#### **The differences between Universal Credit and the current system**

The main differences between Universal Credit and the current welfare system are:

- Universal Credit will be available to people who are in work and on a low income, as well as to those who are out of work
- most people will apply online and manage their claim through an online account
- Universal Credit will be responsive – as people on low incomes move in and out of work, they'll get on-going support, giving people more incentive to work for any period of time that is available
- most claimants on low incomes will still be paid Universal Credit when they first start a new job or increase their part-time hours
- claimants will receive just 1 monthly payment, paid into a bank account in the same way as a monthly salary
- support with housing costs will go direct to the claimant as part of their monthly payment

### Claiming Universal Credit

Universal Credit is usually claimed online, which means people can make a claim at a time that is convenient for them. Claims can be online at [Universal Credit - GOV.UK](https://www.gov.uk/universal-credit)

Support is available to help people get online. Local Jobcentres can provide access to the internet or tell people about local places where they can use the internet for free. If people cannot claim online, face to face and telephone support will be available until they can get access to the internet.

### Universal Credit payments

Universal Credit is paid monthly directly into the account people have chosen. If they are part of a couple, living in the same household, and both of them are claiming Universal Credit they will receive one monthly payment. This will be paid into a suitable account of their choice, which could be a joint account or a single account in either their name or partner's name. Other adults living in the same household who are claiming Universal Credit will be paid separately.

Monthly payments match the way most salaries are paid. This will help people to move into work, as they will be used to managing a monthly budget. If people are not used to managing their money in this way, a range of support services are available to help them budget successfully.

In exceptional circumstances different arrangements can be made such as twice-monthly payments or splitting payments between two people. Wherever possible, these alternative arrangements will be time-limited and support will be offered to help people move successfully to normal payment arrangements.

### How does Universal Credit make work pay?

We have changed the rules to help make sure work pays. Universal Credit can top up earnings so people are better off in work than on benefits.

The amount of Universal Credit people get will gradually reduce as they earn more, but unlike Jobseeker's Allowance payment won't stop when they work more than 16 hours a week.

The more they earn, the higher their total income from earnings and Universal Credit will be. Most Universal Credit claimants agree that it does more to support them financially when they start work than Jobseeker's Allowance does.

The Universal Credit claim continues when people start work, so you don't have to go through the hassle of making a brand new claim if that work comes to an end. There won't be a gap between their last payday and your next Universal Credit payment, so they can take temporary jobs without worrying what it will mean for their benefits.

### Getting ready for Universal Credit

The Universal Credit Personal Planner can help people prepare for the changes the new service brings, such as paying rent direct to their landlord. People can prepare for Universal Credit by doing things such as:

- opening a bank account if you don't already have one
- finding out where you can access the internet
- improving your internet skills

### How will Universal Credit affect private sector landlords?

Most private sector landlords will not see any change with the introduction of Universal Credit. This is because most working age claimants in the private rented sector are already used to receiving their Housing Benefit/Local Housing Allowance payments directly and are responsible for paying their rent to their landlord.

We encourage those private sector landlords who currently receive a managed payment from the local authority to familiarise themselves with the changes and look at how they can prepare themselves.

### **Landlords can get ready for Universal Credit by:**

- familiarising themselves with the changes and looking at how they might need to adapt their policies and processes
- engaging with their tenants early, to start assessing their needs, and ensure they understand their responsibilities and the support available

### **What support is in place to help tenants with budgeting?**

A number of safeguards are in place to support tenants and help them manage their money. Budgeting support will be offered when claimants first move onto Universal Credit; this can be money advice or, depending on their individual circumstances, an advance of benefit.

### **What do landlords need to do to ensure that rent is paid?**

Claimants will be expected, where possible to arrange their own rent payments as they would if they were in full-time work. Landlords need to think about how this will fit with their own payment calendars. If landlords have previously received a managed rent payment from the local authority, they will need to speak to their tenants to agree arrangements for collecting rent from them. In a minority of cases Alternative Payment Arrangements can be put in place to support claimants.

### **When will a claimant get their first Universal Credit payment?**

Universal Credit is assessed monthly and paid monthly in arrears.

### **How will DWP check rent and tenancies under Universal Credit?**

The claimant will be asked to provide the appropriate evidence to support their Universal Credit claim. If a tenant doesn't have a copy of their tenancy agreement DWP may accept a landlord letter confirming the current rent and service charge.

### **How will monthly rent be calculated if a claimant's rent is paid weekly?**

Universal Credit will be paid monthly. Weekly rents will be calculated using the following formula: weekly rent multiplied by 52 and divided by 12.

### **What about other payment frequencies, for example, four weekly?**

Other payment frequencies will be calculated as follows:

- Four-weekly payments are multiplied by 13 and divided by 12
- Three-monthly payments are multiplied by 4 and divided by 12
- Annual payments are divided by 12

### **Will service charges form part of Universal Credit and how will they be paid?**

Any eligible service charges will be paid directly to tenants as part of the housing element of their Universal Credit payment.

### **Further additional information**

Further details about Universal Credit are contained in the following links which are available on the GOV.UK website (this provides access to a considerable amount of Universal Credit material) for those who want more detail.

#### **Partner Toolkit**

Universal Credit toolkit - Detailed guidance - [GOV.UK](https://www.gov.uk/universal-credit-toolkit)

#### **Universal Credit and rented housing FAQ's** [universal-credit-and-rented-housing.pdf](https://www.gov.uk/universal-credit-and-rented-housing)

#### **Universal Credit and service charges a guide for landlords** [universal-credit-service-charges-guidance-landlords.pdf](https://www.gov.uk/universal-credit-service-charges-guidance-landlords)

#### **Social Landlord support pack** [uc-social-landlord-support-pack.pdf](https://www.gov.uk/uc-social-landlord-support-pack)

#### **Direct Payment Demonstration** [Direct Payment](https://www.gov.uk/direct-payment-demonstration)

#### **YouTube Link** <http://www.youtube.com/watch?v=E7GUu7Xa7Nw>



## HMO Enforcement Update



The Council's Licensing & Regulatory Committee in May 2015 agreed a report outlining a series of increased enforcement measures to be undertaken as part of the wide ranging activities undertaken by the HMO Unit. These will affect properties subject to a licence application, already licensed and those found to be operating without a HMO license.

HMO license applicants will now be required to submit details of their buildings insurance details (for tenement properties) and their Energy Performance Certificate (EPC) at the point of application. Participation in any communal repairs and maintenance programmes will also be scrutinised. In addition, a programme of random mid-term licensing inspections is to be undertaken to ensure that licensing conditions are being adhered to. Owners of properties whose standards have been allowed to deteriorate to an unacceptable standard or where other licensing conditions are found to have been breached will be the subjects of reports to the Licensing & Regulatory (Complaints) Committee.

The owners of properties found to be in HMO use without a HMO license will continue to be the subjects of reports to the Procurator Fiscal. In addition to this they will be served with a "Suspension of Rent Order" suspending the tenants' rent liability. Such Orders prohibit the landlord or others acting on their behalf from collecting rent on the property. The order can only be removed where the Council is satisfied that the property is no longer in HMO use or a license has been granted.

Councillor Chris Kelly, Chairman of the Licensing & Regulatory Committee commented that *"It is only right that we take a tougher line on enforcement of licenses for houses in multiple occupation. So we are making it very clear to license holders who fall short of an acceptable standard that we will intervene against them to the fullest extent possible. Powers are also available to prohibit rent from being collected by a landlord where the property is used as a HMO and they do not have a license."*

Councillor Kelly further commented that *"we want to protect those landlords who uphold housing standards by targeting those who do not."*



At this time there are over 41,000 landlords registered in Glasgow and they own and let over 54,000 properties in the City.

Enforcement action is taken where landlords fail to register, or renew their application for registration. This has resulted in many landlords being charged a late application fee (£110) and issued with rent penalty notices which prevent them from obtaining rent on their properties.

The PLRU also continue to challenge poor practice and character which has resulted in a number of landlords being refused registration or removed from the register. These steps have been taken to support the vast majority of landlords who meet their legal responsibilities and are of good character, by removing the worst landlords from the market.

Many landlords have now come to the point that their application is due for renewal and we write to all landlords and agents before their application has expired, reminding them of the need to renew. It has been found that many applicants have moved address during the period of their registration and some have not updated their contact details. This can lead to additional fees being charged and rent penalty notices being issued where the application is allowed to expire.

It is therefore important that you check that the details we hold in respect of your application are up to date to ensure that you receive communication from us and reduce the risk of any penalty.



# Tenancy Deposit Scheme

Landlords will often have a valid reason to withhold a deposit, or a share of it, at the end of the tenancy – but, with the arrival of tenancy deposit schemes, the process of claiming has changed dramatically, especially if the tenant disputes the claim. If you present your claim well, you can significantly improve your chances of success.

When a dispute reaches adjudication, an adjudicator's starting position mirrors that of the courts: the deposit is first and foremost the tenant's money, unless the landlord can justify their claim to it. In this respect, the onus is on the landlord to show why they are entitled to claim money from the deposit. This is why documentary evidence is essential to prove a case.

The importance of the tenancy agreement cannot be overstated. The adjudicator must be able to establish the contractual obligations that apply to the landlord and tenant. What does your tenancy agreement say the tenant must do? Bring the relevant clause to the attention of the adjudicator.

It is also essential that the inventory process is thorough and clearly documented at both the start and end of a tenancy – if there is a dispute, an adjudicator must be able to establish if the condition and cleanliness of the property has deteriorated during the tenancy. Completing the full inventory process normally consists of:

- Recording the condition of the property, together with any fixtures, fittings, contents and decoration, and with relevant meter readings (the 'inventory'), immediately before the tenancy starts;

- Getting the tenant's agreement to this record of condition (often by visiting the property with the new tenant to make sure they agree with the property's condition (the 'check in')); and
- Recording the condition of the property when the tenancy ends in order to identify what has changed (the 'check out').

Photographs are best used as an addition to, not a substitute for, the written word. To be considered useful as evidence, photographs should be of good quality and are best embedded into the check in and check out report, but if presented separately they should be clearly dated and signed.

You must also show what loss/cost arose as a result of the tenant breaking the terms of their tenancy agreement. Landlords do not have to have work done or buy replacements before they can submit a claim – an estimate or quotation, instead of an invoice, can be provided as evidence. The report should be on the contractor's headed paper, be dated and refer to the property address.

Please note that this is not an exhaustive guide. Each tenancy deposit scheme in Scotland has published guidance on how to present your claim and the type of evidence that can be provided. Further information can be found on the Scottish Government website.

## Money & Debt Advice for People Living and Working in Glasgow

Money and budgeting issues are experienced by many people at different stages of their lives. Landlords in the city may find it useful to provide information to their tenants on the free and independent money and debt advice available in the city.

Glasgow's Advice and Information Network (GAIN) is a network of agencies that give free, confidential and impartial money advice to people living or working in Glasgow.

GAIN provides advice on a wide range of financial issues including debt, money management, benefits advice, and housing issues as well as providing free legal advice.

GAIN Helpline **0808 801 1011**  
Monday to Friday 9am-8pm  
Saturday 10am-2pm

[www.gain4u.org.uk](http://www.gain4u.org.uk)







## Improving the Energy Efficiency of Private Rented Housing

Whether you want to improve the energy efficiency of your rental property or are considering installing a renewable technology, there is a variety of help and support available to landlords in Scotland. This includes financial support for landlords, free advice and property assessments.

### Financial support for landlords

**HEEPS Cashback** - this Scottish Government scheme is open to owner occupiers, private and social tenants and registered private sector landlords with properties in council tax bands A to C. A rebate of up to £5,800 is available for a variety of measures such as boilers, insulation and secondary glazing.

**HEEPS Loan** - this scheme offers an interest free loan of up to £10,000. Loans are available to owner occupiers and registered private sector landlords who wish to install a variety of measures such as solid wall insulation, double glazing or new boilers. You must not start work until you have received a loan offer.

**Resource Efficient Scotland SME loans:** Funded by the Scottish Government, this scheme provides interest free loans of £1,000 to £100,000 to help private sector landlords to install measures that will improve the energy efficiency of their properties.

**Green Deal:** Landlords can apply for Green Deal finance to cover the cost of installing energy efficient measures recommended in their Green Deal

advice report, with the costs being repaid through fuel bill savings. Existing tenants will need to give their permission before a Green Deal plan is taken out, as will future tenants before they move in.

**Renewable Heat Incentive (RHI):** Landlords who install or have already installed an eligible renewable heating technology could receive quarterly payments over seven years to help cover the costs through the UK Government's Renewable Heat Incentive (RHI).

**Feed-in Tariffs:** Landlords who install an electricity-generating technology from a renewable or low-carbon source (such as solar PV or wind turbine) could get money from their energy supplier through the UK Government's Feed-in Tariffs scheme (FITs).

### Free advice and property assessments

Advisors at Home Energy Scotland can provide you with free, expert and impartial advice on how to make your property more energy efficient. They can also advise on financial support, eligibility, how to apply and what schemes can be combined.

For further advice, you can call **Home Energy Scotland on 0808 808 2282.**

More information is available at the [Energy Saving Trust](#).

## The Housing (Scotland) Act 2014 – Effect on the Private Rented Sector

Legal provisions passed through this Act place a number of responsibilities on Private Landlords. Additionally, they provide Local Authorities with enhanced powers to tackle areas with a high density of privately rented homes where there is a prevalence of overcrowding and antisocial behaviour. A summary of the main provisions which impact on [Private Landlords](#) is available. This summary includes further information on

1. Changes to the provisions within the Repairing Standard which now include additional responsibilities in respect of electrical, fire and gas safety.
2. The ability for a local authority to make a 3rd Party application to the Private Rented Housing Panel (PRHP).
3. The PRHP to be replaced by the First Tier Tribunal.
4. Time limit to be applied to decisions on applications for landlord registration
5. Enhanced Enforcement Areas (EEA's)
6. Registration and Regulation of Letting Agents.



### Bulk Refuse Disposal

The inappropriate disposal of bulk items has a direct negative impact on the environment and places a strain on Council services. The effects of this behaviour are most evident in areas where there is a high density of tenement properties, and in some areas can be attributed to the ending of large numbers of tenancies around the same time.

A bulk uplift service is provided by Glasgow City Council and advice and service requests can be made by phone on [0141 287 9700](tel:01412879700). As your tenancies near their end it would be worth considering whether this service is required and it would also be appropriate to pass this information to your tenants should they require to dispose of bulk items during, or at the end of their tenancies.

Useful Contact Numbers			
Litter	0300 343 7027	Abandoned cars	0141 276 0859
Dog Fouling		Bulk refuse uplift	0141 287 9700
Graffiti		Water mains leakage or bursts	0845 600 8855
Fly posting		Road and Lighting Faults	0800 37 36 35
Illegal dumping		Crimestoppers	0800 555 111