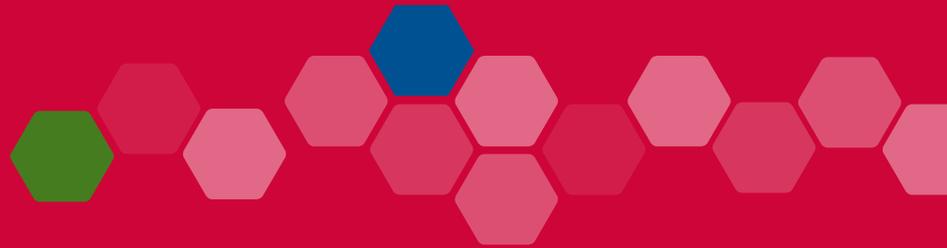




Evaluation of Universal Credit Scottish choices: Annex B: Qualitative research



EQUALITY AND WELFARE

Evaluation of Universal Credit Scottish choices: Annex B: Qualitative research

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Ipsos MORI Scotland

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All responsibility for this report lies with the authors.

Diana Bardsley, Kate Glencross, Rachel Ormston & Maggie Pollok

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Glossary

Advances on Universal Credit – people who have applied for Universal Credit but are still waiting for their first payment are able to apply for an ‘advance’, which is then paid back out of future Universal Credit payments.

Alternative Payment Arrangements (APAs) – arrangements agreed by the Department for Work and Pensions whereby someone’s Universal Credit housing allowance can be paid direct to the landlord, their Universal Credit payment can be split into more frequent payments (rather than paid once a month), or payments can be split between partners. They are intended for claimants who need additional support – unlike Scottish choices, they are not automatically available to everyone on Universal Credit, and they require the DWP’s approval. They can be requested by claimants or landlords.

Arrears / rent arrears – the money owed to a landlord when rent payments are missed.

Assessment period – The personal circumstances of people on Universal Credit are assessed each month to work out the amount of Universal Credit households will get. Earnings are passed to the Universal Credit system by HMRC’s Real Time Information System, so payments should take account of fluctuations in earnings. The first monthly assessment period starts on the date of someone’s claim. They should receive their first payment seven days after the end of the first assessment period.

Deductions from Universal Credit – deductions are money taken off Universal Credit payments when the claimant is in debt. Reasons for deductions include rent arrears, council tax deductions, energy and water debt, or paying back a Universal Credit advanced payment. Deductions can also be made for sanctions imposed by the DWP, when a person is deemed in breach of their Universal Credit claimant commitment (for example, for failing to attend meetings with a Work Coach).

Department for Work and Pensions (DWP) – the UK Government Department with responsibility for UK social security policy, including Universal Credit.

Direct Payments to Landlord – a flexibility within Universal Credit which applies only in Scotland, and allows anyone on Universal Credit in Scotland who receives a housing element to opt to have this paid direct to their landlord. This is one of the ‘Scottish choices’.

The ‘five-week wait’ – the period that applicants for Universal Credit wait before receiving their first payment. As noted above, claimants usually receive their first payment seven days after the end of their first monthly assessment period – so roughly five weeks after submitting their claim.

Full-service claim – a ‘full-service claim’ is a Universal Credit claim that is managed online, through a Universal Credit online account.

Journal notification – a notice in a claimant’s Universal Credit online account, informing them of something or asking them to do something. Scottish choices options are currently flagged through a journal notification or ‘to do’ in people’s online account.

Legacy benefits – the six means-tested benefits for people of working age which are replaced by Universal Credit. These are: Income Support, Income-based Jobseeker’s Allowance, Income-related Employment and Support Allowance, Working Tax Credit, Child Tax Credit and Housing Benefit.

More Frequent Payments – a flexibility within Universal Credit which applies only in Scotland, and allows anyone on Universal Credit in Scotland to opt to receive their payments twice a month rather than monthly. This is one of the ‘Scottish choices’.

Scottish choices - flexibilities within Universal Credit, available in Scotland only and implemented by the Department for Work and Pensions on behalf of the Scottish Government. These flexibilities have been possible since the devolution of various elements of social security in the Scotland Act 2016. The two Scottish choices available at the time of writing were Direct Payments to Landlord and More Frequent Payments (see definitions above).

Technical arrears – rent arrears arising as a result of delays in receiving payments from the DWP. These arise when a tenant has opted to have their rent paid directly by the DWP to their landlord, and the money will come through, but is paid behind the date rent is due.

Universal Credit – a benefit for people of working age who need help with their living costs. It was introduced by the UK Government and rolled out from 2013 as part of a wide-ranging set of reforms to social security. Roll-out is currently forecast to be complete by September 2024. Universal Credit replaced six means-tested benefits (sometimes referred to as ‘legacy benefits’ – see above) for working-age people with a single payment. It was originally designed to be a single monthly payment to an eligible household, paid seven days after the end of the monthly ‘assessment period’.

Work Coach – based in Jobcentre Plus offices and employed by the DWP. Work primarily with people who are unemployed to get them back into part- or full-time employment.

Executive Summary

Introduction and methods

This report presents findings from research conducted by Ipsos MORI Scotland on behalf of the Scottish Government to inform evaluation of Universal Credit Scottish choices. Scottish choices are flexibilities implemented by the Department for Work and Pensions (DWP) on behalf of the Scottish Government. The two current Scottish choices options allow people on Universal Credit in Scotland to:

- Opt to have their housing element (if they are entitled to this) paid directly to their landlord by the DWP (the 'Direct Payments to Landlord' option), and/or
- Opt to receive their Universal Credit Payments twice a month, rather than as one monthly payment (the 'More Frequent Payments' option).

The research aimed to explore experiences of Scottish choices among both people on Universal Credit and landlords.

The approach was largely qualitative in nature, involving in-depth telephone interviews, conducted between May and early September 2020, with:

- 45 people who were claiming Universal Credit in Scotland
- 20 Landlords (including a mix of private and social landlords), and
- 14 key informants, working with either landlords or people on Universal Credit.

In addition, a short online survey was completed by 260 landlords, including 178 private and 81 social landlords.

Perceived impacts of Scottish choices for people on Universal Credit

People on Universal Credit described a range of positive impacts from having their rent paid direct to their landlord, including: simplifying their money management; ensuring their rent was paid; and reducing their worries about their housing and money. The impact of direct payments in reducing worry was particularly evident among those claimants who had previous negative experiences of housing insecurity, and among those with health issues that meant they were more susceptible to serious negative impacts from stress. Direct payments were viewed as a means of removing the risk of arrears, eviction and homelessness particularly – though not exclusively – by those with experience of these issues.

However, although there were clear examples of the positive impacts the Direct Payments to Landlord choice could have, issues with the payment system had created significant unexpected negative impacts for some claimants. In particular, problems around 'technical arrears' had created considerable emotional and financial stress. Further examples of issues experienced after opting for direct payments also related to features of how it had been operationalised (for example,

people falling into arrears in the first assessment period, before they are allowed to opt for Scottish choices), or how it works in practice for particular groups (such as those whose income is variable month to month).

People on Universal Credit reported that the positive impacts of more frequent payments including making it easier to make their money last and helping people manage their money in a way that suited them, which in turn helped them to worry less. As with the Direct Payments to Landlords option, where more negative experiences were reported these tended to relate to features of how this policy has been operationalised – specifically, the fact that payment dates fluctuate.

There was also a strong view that, while Scottish choices can help some people to manage their low incomes, they cannot overcome all the perceived problems with the Universal Credit system – in particular, they cannot address the overall level of Universal Credit payments (which falls outwith the power of the Scottish Government to change).

Perceived impacts of Scottish choices for landlords

Social landlords were divided in their opinion of the impact of the Direct Payments to Landlords option on arrears. Those who were positive indicated that it had helped mitigate the increase in arrears some reported seeing since Universal Credit was introduced. Those who were more negative largely traced problems back to the system the DWP used to make payments to landlords.

The new updated payment system was described as a ‘game changer’. However, it was also suggested that it would not address every problem around the administration of Scottish choices. There was criticism of the ‘data flow’ from the DWP to landlords around Scottish choices, which was reported to make it difficult both to keep on top of rental income, and to intervene quickly when tenants might be at risk of arrears. The fact that tenants were not able to access Scottish choices until the start of the second assessment period was also viewed as reducing its potential impact on arrears, since tenants might fall into arrears before reaching this point.

Private landlords were much more positive about direct payments. However, this was not always based on direct experience of them: social landlords reported far higher levels of awareness and understanding of Scottish choices compared with private landlords. One view among private landlords was that it ought to be compulsory for rent to be paid direct to landlords for tenants on Universal Credit.

Unsurprisingly, landlords had less to say about the More Frequent Payments option, generally seeing it as having no impact for them one way or another. However, some concerns were raised about whether it could make it difficult for people to retain enough money (across the two payments) for rent.

Decision making around Scottish choices

Reasons for taking up Scottish choices

A desire to reduce stress by ensuring that rent was always paid was a key driver for taking up the Direct Payments to Landlord Scottish choice. This was particularly true for groups who were not used to paying rent, those who were in poor mental or physical health, and those experiencing crisis.

More frequent payments were viewed as helping with money management by making it easier to spread direct debits or other payments across the month, and by providing claimants with the security of knowing more money would be coming in sooner, should they spend their income too quickly or experience an unexpected outgoing. Those who were used to budgeting on a more frequent schedule were particularly likely to cite these as reasons for choosing this option, including those who had previously received income fortnightly from legacy benefits and those who used pre-payment meters for their gas and electricity.

Reasons for not taking up Scottish choices

Claimants who chose not to have their rent paid direct to their landlord were typically already used to paying their own rent (including those currently or recently in work) and saw no need to change how they managed this. Those whose housing element did not cover their full rent or whose Universal Credit payments fluctuated month on month also felt that this option would not benefit them, since they would still have to pay an element of rent themselves.

Other reasons for not taking up direct payments included: wanting to retain control over income and outgoings (linked, in part, to being able to withhold rent if their landlord failed to maintain the property); awareness of issues other people had experienced with 'technical arrears' (where issues with the system for paying rent directly to landlords meant rent had not been paid by the day it was due and people were contacted by their landlord about 'arrears'); not wanting people to know they were on benefits; and wanting or needing their housing allowance for other expenses.

Reasons for deciding not to opt for more frequent payments included: being used to managing with a monthly income; concerns about managing on an initial half payment after having stretched out a monthly payment prior to this; being put off by the fact the second payment date was not completely fixed; and uncertainty about how this option would interact with any deductions and sanctions.

Landlord roles in encouraging or discouraging take-up of direct payments

Most private landlords stated they would be very or fairly likely to encourage tenants to take up the Direct Payments option. In contrast, social landlords were much more divided on whether they would encourage this.

For both social and private landlords, the guarantee that landlords would receive their rent payment was the main reason for encouraging tenants to take up the

option. Social landlords who had discouraged some or all tenants from taking up direct payments explained this primarily with reference to issues with the payment system and the impact this had (for both them and their tenants) in creating 'technical arrears'.

Awareness and understanding of Scottish choices

Awareness of the term 'Scottish choices' among the people on Universal Credit interviewed for this research was very low. There was also considerable variation in: whether people had heard of one, both, or neither of the options they were eligible for; whether people recalled having seen the Journal notification offering Scottish choices as an option; and whether their Work Coach had discussed Scottish choices with them.

Although a lack of awareness was a barrier to access, opting into Scottish choices generally appeared to be straightforward among those who were aware of them. However, there was evidence of confusion around key aspects of how Scottish choices work, including payment dates and amounts, and how the Direct Payments to Landlord option works for those whose Universal Credit does not cover their full rent. There was also some confusion around how the More Frequent Payments option interacts with Universal Credit advances. There was evidence that those migrating from legacy benefits, in particular, were not always clear that the Direct Payments to Landlord option is not applied automatically, or that claimants are responsible for paying their first months' rent themselves.

People on Universal Credit, key informants and some social landlords felt there was an over-reliance on the online Journal for communicating with people on Universal Credit about Scottish choices (and in general), and that this may be affecting levels of awareness and understanding of Scottish choices among those eligible.

Suggestions for improvements to Scottish choices

There was a clear belief across all interviewees for this research that Scottish choices could be better publicised. Suggestions for improving this focused on a) improving the content and nature of notices about Scottish choices within people's Universal Credit online accounts and b) employing other communication methods instead of, or in addition to, the online Journal, to ensure that all claimants are fully aware of their options.

Other problems or frustrations with Scottish choices were rarely a reflection of the principle of the policy, but rather how it had been implemented in practice.

Suggestions for improving this included:

- Allowing everyone to apply for Scottish choices from the start of their claim, rather than requiring them to wait until the start of the second assessment period
- Improving the payment system for making direct payments – although this is already in hand, there was a desire to ensure this also enabled people to align direct payment dates with the date rent was due

- Making payments fortnightly rather than twice a month.

Finally, although not the focus of this research, it is important to note that participants spontaneously mentioned various improvements to the Universal Credit system that they felt would significantly improve people's lives.

1. Background and introduction

This report presents findings from research conducted by Ipsos MORI Scotland on behalf of the Scottish Government to inform the evaluation of Universal Credit Scottish choices. This introductory chapter sets out the background to Scottish choices and this research, explains the methods used, and summarises the structure of the remainder of the report.

Background to Universal Credit Scottish choices

Universal Credit

Universal Credit was introduced by the UK Government as part of a wide-ranging set of reforms to social security. It was first announced in 2010, and the phased roll-out of the scheme across the UK began in 2013 (roll-out is currently forecast to be complete by September 2024). Universal Credit replaced six means-tested benefits¹ (sometimes referred to as ‘legacy benefits’) for working-age people with a single payment. It was originally designed to be a single monthly payment to an eligible household, paid seven days after the end of the monthly ‘assessment period’².

Universal Credit entitlements are made up of different elements. A ‘standard allowance’ is included in all claims (but varies depending on whether the claim is for a single person or a couple), with additional elements to which people may be entitled to depending on their circumstances covering housing costs, costs associated with any children in the household, caring responsibilities, and additional payments for those assessed as having limited capability for work due to illness or disability.

According to figures from the DWP³, there were 466,417 people on Universal Credit in Scotland in August 2020⁴.

Scottish choices

Universal Credit is a UK Government scheme administered by the DWP. However, since September 2016, the Scottish Government has had the power to vary certain aspects of Universal Credit, as a result of social security powers devolved by the Scotland Act 2016. Specifically, the Scottish Government can:

¹ Income Support, Income-based Jobseeker’s Allowance, Income-related Employment and Support Allowance, Working Tax Credit, Child Tax Credit and Housing Benefit.

² Personal circumstances are assessed to work out the amount of Universal Credit households will get each month. Earnings are passed to the Universal Credit system by HMRC’s Real Time Information System, so payments should take account of fluctuations in earnings.

³ See <https://stat-xplore.dwp.gov.uk/>

⁴ This was the most recent month for which figures were available at the time of writing. In March there were 264,117 people on Universal Credit in Scotland – so this represents an increase of over 200,000 in the months following the national lockdown to control the COVID-19 pandemic in late March 2020.

- vary the amount of the housing costs element for claimants renting their home
- change the frequency of payment of Universal Credit
- change the person to whom Universal Credit is paid.

The Scottish choices scheme allows people on Universal Credit to choose to do the second and third of these – to opt for more frequent payments, received twice a month rather than monthly (referred to in this report as ‘**More Frequent Payments**’, or MFPs), and to have the housing element of their Universal Credit paid directly to their landlord (referred to in this report as ‘**Direct Payments to Landlord**’ or DPLs). These two options are referred to as Universal Credit Scottish choices.

Prior to the introduction of Scottish choices, the DWP did already allow for Alternative Payment Arrangements (APAs) – including payments direct to landlords and more regular payments. However, these APAs are intended to be the exception rather than the norm and DWP officials have the right to decide not to apply an APA, even if requested by the claimant or landlord. The Scottish choices policy extended these options to everyone on full-service Universal Credit in Scotland (full service means Universal Credit claims are made online). It is intended to give people greater flexibility about how they manage their money, and to help reduce the risk of rent arrears and debt (identified as issues in early research on Universal Credit roll-out⁵).

Scottish choices was implemented from October 2017 for new full-service Universal Credit claims. DWP delivers Scottish choices on behalf of the Scottish Government. Those who already have an equivalent APA in place with the DWP are not eligible for Scottish choices, while those who do not receive the housing element of Universal Credit are not offered the direct payment to landlord Scottish Choice. Eligible new claimants, or eligible claimants transferring to ‘full service’, are offered Scottish choices via a digital notification (a ‘to do’ or ‘Journal notification’) in their online Universal Credit account. They may also request or be offered Scottish choices via other channels – for example, by phone or face-to-face. Scottish choices are offered at the start of their second assessment period – that is, around a month after their Universal Credit claim starts, after the value of their first monthly payment has been determined.

Between October 2017 and the end of March 2020 (the most recent time point for which Scottish choices management data was available at the time of writing), 168,030 people had taken up one or both Scottish choices⁶. Among those who had taken up at least one Scottish choices option, more (77%) had taken up More Frequent Payments than had taken up Direct Payments to Landlord (40%). This is primarily because it is more common for individuals to be ineligible for the latter,

⁵ For example, see SPICe (2017) *SPICe Briefing: The Introduction of Universal Credit* and ARCH (2016) *Universal Credit – One Year On*, National Federation of ALMOs

⁶ Scottish Government (2020) *Universal Credit Scottish choices – management information to end March 2020*, available at: <https://www.gov.scot/publications/universal-credit-scottish-choices-management-information-to-end-march-2020/>

either because they do not receive the housing element of Universal Credit, or because they already have an APA in place with the DWP.

Research aims

Scottish choices have now been in place for three years. The Scottish Government commissioned this research to explore how they are working in practice and to inform the scheme's future development. The main aim of the research was to **explore experiences of Scottish choices among both people on Universal Credit and landlords**. In particular, it was intended to examine: awareness of Universal Credit Scottish choices; reasons for choosing (or not choosing) to use the flexibilities; the impact of Universal Credit Scottish choices on claimants' ability to manage household budgets; and any related impacts on rent arrears or evictions.

Overview of the research design

This report is based on interviews with people on Universal Credit, landlords, and key informants from organisations who either worked with landlords or supported people around financial and/or housing issues. Interviews were primarily qualitative in nature. Unlike quantitative research (such as surveys), qualitative research typically involves longer and more in-depth discussions with interviewees, with a more open questioning style. Qualitative research was particularly suited to the aims of this project, to understand in detail how people make decisions about, and experience Scottish choices. In addition to these qualitative interviews, the research also included a short online survey of landlords in Scotland. This was designed to provide both an indicative snapshot of landlord views of Scottish choices, and to provide a sample frame for the qualitative interviews with landlords.

Sample design

The purpose of qualitative research is to ensure that interviews capture as much breadth and depth of opinion and experience as possible. As such, qualitative samples are not designed to be statistically representative, but rather to ensure a range of different people and perspectives are included.

People on Universal Credit

For this study, the sample of people on Universal Credit was recruited through two different routes. First, re-contact details from people who had participated in the Scottish Household Survey (a large, nationally representative survey conducted on behalf of the Scottish Government), and had identified that they were on Universal Credit and agreed to be re-contacted for future research were provided to the research team. The research team contacted this sample by phone and email to introduce the research, and to screen them for eligibility⁷. Second, a number of 'gatekeeper' organisations, who work with people on Universal Credit, were

⁷ See Appendix A for the questionnaire used in screening/recruitment. This included a requirement that they had been on Universal Credit for at least three months. This was specified both to ensure that people had been on it long enough to have been offered/experienced Scottish choices, and so that the sample was not dominated by people who had newly signed up for the benefit since the COVID-19 crisis in March.

approached for help in identifying and recruiting potential participants. Those identified were then contacted and screened over the phone by the Ipsos MORI research team to check their eligibility and explain the research in more detail.

In total, **45 people on Universal Credit were interviewed for this research** – 31 of whom were recruited via Scottish Household Survey re-contacts, and 14 through seven gatekeeper organisations. Recruitment quotas were set to ensure variation in the sample in terms of both individual experiences of the two Scottish choices options, and demographic characteristics that might impact on the effect those choices had for them in practice. Table 1.1, below, shows the breakdown in terms of whether or not people had opted to take up either or both Scottish choices, and whether they had remained on them subsequently. The researchers deliberately oversampled those who had experience of Scottish choices, in order to explore their perceived impacts. Appendix B includes a full breakdown of the demographic profile of participants.

Table 1.1 – Sample profile by Scottish choices status

Scottish choices Status (overlapping categories – so do not sum to 45 or 100%)	Number in the sample	Percentage within the sample	Proportion of all people on UC⁸
Never taken up either option	18	40%	55%
Still on DPL	18	40%	14%
Discontinued DPL	3	7%	3%
Still on MFP	15	33%	28%
Discontinued MFP	2	4%	9%

Landlord survey and qualitative interviews

A link to the online survey of landlords was disseminated through a variety of routes, including through the Scottish Association of Landlords bulletin, posts in the Scottish Federation of Housing Associations online forums and newsletters, an article in Housing Scotland Today, and via emails to members of the Scottish Housing Network. Local Authorities were also approached to ask if they would be willing to disseminate it to the private landlords they work with or who are registered with them through the Landlord Registration process. Overall, **260 landlords responded to the survey**, including 178 private landlords, and 81 social landlords (one landlord identified themselves as ‘other’).

⁸ Figures derived from Scottish Government (2020) *Universal Credit Scottish choices – management information to end March 2020*, available at: <https://www.gov.scot/publications/universal-credit-scottish-choices-management-information-to-end-march-2020/>

As noted above, the landlord survey was intended to provide an indicative snapshot of landlord views of Scottish choices, as well as providing a sample frame for the qualitative interviews with landlords. It was not designed to accurately represent the profile of landlords across Scotland: the lack of a publicly available and comprehensive sample frame of landlords rendered this impractical within the scope and time frame for this research. It is also worth noting that the sample of private landlords includes a large number (132 out of 178) with properties in a specific local authority⁹. While the findings provide an indication of the views of landlords, they should not, therefore, be seen as precise estimates of landlord opinion.

Landlords who participated in the survey were asked whether they would be willing to be contacted for a further interview about their views on Scottish choices.

Twenty landlords subsequently took part in in-depth telephone interviews, including 10 social landlords (six from Housing Associations, four from Local Authorities), eight private landlords, one private letting agent, and one participant who worked for a local authority but in a role that largely involved liaising with private landlords (and who therefore focused on private landlords' perspectives). Eight were small landlords (with under 20 properties in their portfolio), and 11 were large (with over 100 properties). This division largely reflected the private/social division – all the social landlords were large, and most of the private landlords were small.

Key informant interviews

In addition to interviews with people on Universal Credit and landlords, the researchers also interviewed 14 'key informants', selected for their ability to provide different perspectives on the impacts of Scottish choices. These included professionals from:

- Three national organisations representing landlords in Scotland
- Four national organisations working around housing and/or benefit issues in Scotland, and
- Seven local organisations working with people on Universal Credit and/or tenants (three of which were housing focused, and four of which focused either on money or consumer rights more generally).

Interviewing

Qualitative interviews with people on Universal Credit, landlords and key informants took place between May and early September 2020. Interviews were conducted over the phone, by the authors of this report. Topic guides were used to guide interviews, but these were flexed to the individual circumstances and experiences of participants (topic guides are included in Appendix C). Interviews were audio

⁹ This reflects the fact that the local authority in question emailed the link around all the landlords in its register. Most other local authorities said they were not able to do this for research purposes. Note that the 132 includes some landlords with properties in other local authorities too, since landlords could code multiple local authorities where they held properties.

recorded (with permission from participants) for subsequent analysis. Participants who were on Universal Credit and private landlords were given £35 to thank them for giving up their time to take part.

The online survey of landlords was scripted and hosted by Ipsos MORI over a six-week period from July to mid-August. The questions asked are included in Appendix D.

Analysis

Qualitative interviews were summarised into thematic matrices¹⁰ developed by the research team and drawing on the research questions. These thematic matrices were then reviewed to identify the full range of views and experiences on each issue. Survey data was analysed in SPSS to produce frequencies and crosstabulations by landlord type (social and private).

Challenges and limitations

All research is subject to challenges and limitations. On this project, the research team encountered a number of challenges around recruitment – in particular, younger people and people who had experience of the More Frequent Payments option proved particularly difficult to recruit. Working closely with gatekeepers (including a number who worked particularly with young people) ensured that the final sample did include 10 people under 30. However, it was very time consuming to reach this target, and ideally the sample would have included a few more in that age band (reflecting the profile of people on Universal Credit in Scotland, which is skewed towards those under 30).

Similarly, although the final sample included 17 people with experience of More Frequent Payments, ideally it would have included a few more with experience of this Scottish Choice. Those who had opted to receive more frequent payments but subsequently decided to go back to receiving their Universal Credit monthly proved particularly difficult to identify. As such, findings on reasons for reverting from this option are based on a small number of people with direct experience of this, supplemented by the views of social landlords and key informants.

A further challenge experienced during interviews was that people on Universal Credit were not always completely clear whether they had been on a Scottish choices Direct Payments to Landlord option or an APA. In most cases, it was possible to establish which was most likely through probing (for example, around whether they were able to opt out of direct payments – which is possible with Scottish choices, but not an APA). However, in a small number of cases it remained unclear which option applied, even after extensive probing. In these cases, the interviews explored the perceived impacts of having their rent paid directly to their

¹⁰ Using Excel, with each column representing a theme and each row an individual interview, so that the data can be sorted in different ways for further analysis.

landlord, even though it was unclear which scheme this had been arranged through¹¹.

Report structure and conventions

The remainder of this report is structured as follows:

- Chapter 2 discusses **awareness and understanding** of Scottish choices among people on Universal Credit
- Chapter 3 explores the **decision-making process** that people go through when deciding whether or not to opt for one, or both, Scottish choices and the factors that influence their decisions
- Chapter 4 examines the **perceived impacts** of Scottish choices **for people on Universal Credit**
- Chapter 5 examines the **perceived impacts** of Scottish choices **for landlords**, and
- Chapter 6 summarises **suggestions for improving** Scottish choices, made by both people on Universal Credit and landlords.

As already discussed, the majority of findings are based on qualitative interviews, which aim to establish the range of views and experiences rather than their prevalence. As such, as far as possible the report avoids the use of quantifying language (including terms like ‘most’ or ‘a few’).

The report also includes a number of boxed ‘case studies’. Interspersed through chapters, these more detailed summaries of individual experiences are used both to illustrate key points, and to show how different issues interact to impact on the lives of people on Universal Credit. Names and some potentially identifying details have been changed to protect participant anonymity.

Interviewees are identified by a reference number (and, in the case of people on Universal Credit, some basic demographic information and which, if either, of the Scottish choices they were on), in order to preserve anonymity.

¹¹ These cases were not, however, counted towards the number of participants on Direct Payments to Landlords in Table 1.1, above. Only cases where the interviewees were confident after probing that they had been on Scottish choices were counted towards quotas.

2. Awareness and understanding of Scottish choices

Key findings

- Awareness of the term 'Scottish choices' was very low. There was also considerable variation in our sample in whether people had heard of one, both, or neither of the options they were eligible for.
- There was variation in whether or not people recalled having seen the Journal notification offering Scottish choices, and whether their Work Coach had ever discussed Scottish choices with them.
- Although lack of awareness was a barrier to access, opting into Scottish choices generally appeared to be straightforward among people who were aware of them as options.
- There was evidence of confusion around some key aspects of how Scottish choices work, including payment dates and amounts, and how the Direct Payments to Landlords option works for those whose Universal Credit does not cover their full rent. There was also some confusion around how the More Frequent Payments option interacts with Universal Credit advances.
- Those migrating from legacy benefits, in particular, were not always clear that the Direct Payments option is not applied automatically, or that claimants are responsible for paying their first months' rent themselves.
- People on Universal Credit, key informants and some social landlords felt there was an over-reliance on the online Journal for communicating with people on Universal Credit about Scottish choices (and in general).

This chapter summarises findings on claimant and landlord awareness and understanding of Scottish choices. It addresses the following research questions:

- Are those eligible aware of the choices available to them?
- Do they find accessing the choices straightforward and understand how they would affect their Universal Credit award?

Awareness, access and understanding among people on Universal Credit

Awareness of Scottish choices

Awareness of Scottish choices among people on Universal Credit interviewed for this research was extremely variable. Interviews quickly highlighted that few participants were aware of the term 'Scottish choices', even if they were aware of the options they cover. And awareness of the options themselves was also inconsistent: some had not been aware of either option prior to being contacted for this research, while others had known about one option, but not the other. Case

study 1, below, highlights issues around awareness, even for people who eventually do go on to access Scottish choices.

Case study 1 – James

James is in his forties and gave up his job because of repeated health issues. He has been getting Universal Credit for about a year. His day-to-day finances are a real struggle, and he feels he has a lot of deductions coming off his living money, due to past arrears he is still paying off.

He is on both More Frequent Payments and Direct Payments to Landlord, but he had never heard of the term 'Scottish choices' prior to the interview and does not recall ever being offered either choice by his Work Coach or through his Universal Credit online journal. He first heard about the More Frequent Payments option a few months into his claim from somewhere online – he could not remember exactly where. He immediately called up the Jobcentre and asked to be switched onto this option, because he was regularly reaching crisis point at the end of the month and was having to borrow money:

“I was finding myself very difficult near the end of the month, you know, to manage, and just running out of electricity, and running out of gas, and running out of food, and having to lend off of people ...”

He has always struggled to pay for all the things he needed with his Universal Credit money – in order to pay for other essentials, he found himself getting into the habit of only paying two thirds of his rent and spending the rest. Consequently, his rent arrears had built and built. He wanted to break this habit because he believed that even if the unpaid rent money helped him pay for other things in the short run, in the long run it made things harder.

Again, James had no memory of ever being told about the Direct Payments to Landlord option. However, it was clear to him that the current system of him paying his own rent was not working, so he called the Jobcentre on his own initiative to ask whether they could send his housing element directly to the landlord rather than to his account.

At the time of interview, James had been on Direct Payments for a few months and felt it was a much better option for him. He was glad to just have his rent sorted, and to not have to worry about the possibility of further arrears. Receiving more frequent payments had also improved things for him and meant that when he started running out of money, he only had a few days till the next payment. However, he wished that his options had been made clear to him from the beginning, rather than having to ask for them himself months into his claim.

Where people were able to recall how they had first become aware of Scottish choices, they mentioned a variety of routes, including: through their Universal Credit online Journal; from their Work Coach; from their landlord; through a support organisation; through word of mouth (from a friend or family member); and via

social media (including both public forums, and pop-ups or targeted adverts). Participants' comments on whether or not they had heard of Scottish choices through Journal notifications and discussions with Work Coaches highlighted a number of potential issues around how consistently and successfully people are made aware of Scottish choices through each of these routes.

Everyone who is on Universal Credit and living in Scotland should receive a notification through their online Universal Credit account (a 'journal notification') at the end of their first assessment period, asking them if they wish to take up the Scottish choices for which they are eligible. However, the people we spoke to were not always aware of having received such a journal notification. In some instances, interviewees acknowledged that they might have just missed this, but in others, people indicated that they were checking their journals very regularly (even daily) and could not recall ever having seen a notification about Scottish choices.

One view was that information can seem a bit "hidden" within people's Universal Credit accounts – an interviewee who suggested this tried to find a reference to Scottish choices in his online account during his telephone interview but was unable to locate anything. Other participants reported that they were not using their Universal Credit Journal (either at all, or at the start of their claim), and therefore would not have become aware of Scottish choices through this route. Key informants who were working with potentially vulnerable people also observed that their clients often did not find out about Scottish choices through their Journal – there was a perception that their clients were often unaware of Scottish choices until the support organisation mentioned it to them.

Some interviewees mentioned hearing about Scottish choices from their Work Coaches, either at their first interview when setting up their Universal Credit Account, or as a result of mentioning that they were struggling to manage financially. However, in other cases participants noted that their Work Coach had never mentioned Scottish choices, or that they had only mentioned one option (although they appeared to be eligible for both). This was viewed as a missed opportunity to help people who might benefit from Scottish choices – for example, the woman quoted below said her Work Coach had told her about the Direct Payments to Landlord option, but not the More Frequent Payment option, which she felt would have benefited her (she had not been aware of this option prior to taking part in the research):

"They definitely didn't mention (More Frequent Payments). I would definitely remember that, because as I say to come from weekly pay for the last 15 years to all of a sudden going monthly. If somebody suggested something in between I would have jumped at it at that point."

(Interviewee 33, Female 45-65, on DPL)

Similar views were expressed by social landlords and key informants working with people on Universal Credit who were interviewed for this research, who also felt that Jobcentres were not always good at informing people about Universal Credit.

“I obviously attend the Jobcentres with people when they are going up for the conditionality appointments and their ID appointments and things like that, and honestly Scottish choices isn’t something that is spoke about very much at the Jobcentre. All they are interested in doing is doing their ID, get the conditionality signed so that they can get them looking for work and things like that.”

(Landlord 11, Local Authority)

Accessing Scottish choices

Among those who had heard of the Scottish choices options and decided to opt for one or both of them, accessing them was generally described as straightforward. The exact process for accessing them did vary, however, depending largely on how they had been made aware of the choices in the first instance. Those who had heard about them through the Journal notification had generally opted in themselves through their online account, whereas those who had heard about them through their Work Coach or through a support worker (either at an independent organisation or at their social landlord) were more likely to say that they had helped them register for Scottish choices. This either involved the support worker or Work Coach showing the person how to opt in through their Journal or doing this for them (particularly – though not exclusively – in cases where the person struggled with digital literacy or access).

Key informants and landlords also mentioned cases where they had requested Scottish choices for a claimant outwith the Journal notification, asking that they be put on one or both options directly with their Universal Credit Case Manager. One reason for this appeared to be a desire to try and put one or both Scottish choices options in place prior to the end of the first assessment period¹², to avoid clients falling into debt. There is already an option within Universal Credit to request direct payments to landlords or a different payment schedule via an APA (Alternative Payment Arrangement) prior to the end of the first assessment period. However, it was suggested by a social landlord that it can be easier and quicker to request Scottish choices directly than to apply for an APA, as APAs require that landlords gather a lot of information as evidence of likelihood of default. Their view was that this evidence may not be readily available for a completely new tenant, but who they feel would benefit from the Scottish choices options, and who would themselves like to opt for Direct Payments to Landlords.

Understanding of Scottish choices

Participants who were aware of the Scottish choices options, but had decided not to opt for one or both of them, generally indicated that they felt they had received enough information to enable them to arrive at an informed decision (reasons for deciding not to take up Scottish choices are discussed in the following chapter). However, there were exceptions to this view, where claimants indicated that they

¹² As noted in Chapter 1, Scottish choices are only offered through the Journal at the start of the second assessment period, after the person’s first monthly Universal Credit payment has been determined.

had found the Journal notification confusing and potentially misleading. For example, one interviewee said that he had thought the notification looked like a “scam” and did not want to click on it in case it affected him getting paid. Another felt the Journal had not been clear that the more frequent payments would be two half payments – it had read to him as though it could be double. In other cases, however, claimants felt that the Journal notification had clearly explained it would be half payments received twice a month.

Among those who had actually gone on to take up one or both Scottish choices options, views were more mixed on whether the information they had received at the outset was sufficient to ensure their decision was fully informed. In particular, those who had experienced problems or challenges around their Scottish choices (discussed in more detail in Chapter 4, on impacts) often felt that, in hindsight, there was important information that they did not remember receiving in advance. With respect to the Direct Payments to Landlords option, this included:

- **Exactly how much rent was covered** – a participant who ran into arrears because they had not appreciated that their direct payment only covered part of their rent was adamant that he had never been clearly told exactly how much rent was being paid (his full rent had previously been covered by Housing Benefit).
- **Information about how Direct Payments to Landlords work if a person’s Universal Credit housing element does not cover their full rent** (this was also mentioned by a participant who decided *not* to go for this option, who had assumed it would not work for her because she received fluctuating amounts of Universal Credit each month).
- **Exactly when rent will be paid via the direct payment system** – mentioned where a participant had experienced significant issues as a result of the DWP payment system not paying landlords at the same time as claimants received their Universal Credit (see Box 2, below for a brief explanation of this issue, which is mentioned at various points in this report).
- **That claimants are responsible for paying their first month’s rent themselves** (and that direct payments are not automatic) – In some cases where people were migrating from legacy benefits where Housing Benefit had been paid direct, they had assumed this would simply continue, and had not registered that they would be responsible for paying their first month’s rent themselves (since they can only opt for it at the start of the second assessment period, after their first monthly payment has already been set to come direct to the claimant).

Box 2 - Direct Payments to Landlords payment system

After Scottish choices were introduced, the DWP paid rent due to landlords in 'bulk' payments, covering all their tenants who had opted for Scottish choices. The payment schedule for this was fixed, and not designed to align with individual tenants' Universal Credit payment dates or the dates when their rent would be due. This meant that tenants could fall into 'technical arrears' if there was a gap between their Universal Credit payment date and the next date a payment was due to be made to their landlord.

At the time of writing, a new payment system was being rolled out by the DWP, under which payments would be made daily and aligned with individuals' Universal Credit payments. This was started to be rolled out in August 2020 (following earlier piloting in a small number of areas), with roll-out due to be complete in November 2020. However, the existing payment system was a recurrent theme raised by tenants and landlords that had shaped their experiences of the Scottish choices Direct Payments to Landlord option, and this is reflected in this report.

Among people who had opted for More Frequent Payments, it was suggested that, in retrospect, it would have been helpful to have clearer information at the outset on:

- **The fact that split payments would be received twice a month, and not fortnightly** – this was also reflected in interviews with landlords. It was suggested that it would be helpful for people to be given examples of payment schedules before they sign-up for this option, to help bolster understanding of how they will actually be paid.
- **The exact date that the second monthly payment will be made**– it was commented that this was not clear in the Journal from the outset, resulting in claimants having to guess when their second payment will arrive (the first payment date is set, but the second varies depending on the length of the month).
- **The fact that switching to more frequent payments would mean that, a month after their last full monthly payment, they would then get a half payment** – claimants reported finding this confusing, and in some cases had apparently expected to receive a full payment at the start of the month, followed by a half payment two weeks later.
- **Exactly how advances would be paid back for those who choose this option** – it was suggested that it was unclear whether repayments for Universal Credit advances would be split between each twice-monthly payment or would be taken out as a larger sum once a month.

There was also criticism from claimants of the content of the Journal notification they had received about Scottish choices – it was suggested that it was very basic,

and that more information (on the kinds of issues listed above) should be provided so that people can make a fully informed decision about whether or not to take up each option. This view that the Journal notification is too simplistic was echoed by social landlords and key informants, who commented that they were having to do a lot to support understanding of how Scottish choices works, as well as supporting clients to manage their Universal Credit claims more generally.

There was a strong view – from claimants, key informants and social landlords – that relying on the Journal notification to convey information about Scottish choices was not ideal for everyone. A number of the claimants we spoke to did not use the journal themselves or had not used it at the time Scottish choices would have been offered to them. This reflected both IT literacy issues (which were not restricted to older interviewees), and barriers relating to lack of home internet access. Moreover, even among those who did use their online Journal, some expressed strong preferences for other forms of communication either instead, or alongside, Journal notifications – for example, one participant said he would have preferred to receive information about Scottish choices by letter, as he struggles with technology because of his specific medical issues. A preference for other forms of communication about Scottish choices was linked with wider frustrations about the reliance on the online portal to communicate with people on Universal Credit:

“Even if you need to speak to them about something and it is urgent you still have to go through the computer. You have to go into your journal. ... You write a note on this journal to them and it could take up to 24 to 48 hours to receive an answer, and again it will be on the computer. So, if your computer breaks down or crashes you're stuffed.”

(Interviewee 40, Female 45-65, on both MFP and DPL)

Key informants and social landlords also commented on the impact of digital literacy on understanding of both Scottish choices and Universal Credit more generally. People who were not already used to interacting digitally were reported to struggle with using their online account both to access and to support their understanding of Scottish choices, including being able to check payment dates and amounts:

“Anybody who has difficulty accessing internet or who doesn't have English as their first language will have difficulty accessing their Universal Credit Journal, never mind the Scottish choices. That's something that has come up particularly during COVID that there are people who just can't get access to their Universal Credit stuff because they have no, they wouldn't necessarily have internet at home, some people are shielding, can't get out.”

(Key informant 5)

There was a strong view that Work Coaches should be doing more to explain how to use the Journal, as well as explaining Scottish choices to new claimants.

3. Decision making around Scottish choices

Key findings

Reasons for taking up Scottish choices

- A desire to reduce stress by ensuring rent was always paid was a key driver for taking up the Direct Payments to Landlord choice. This was particularly true for groups who were not used to paying rent, those who were in poor mental or physical health, and those who were experiencing crisis.
- More frequent payments were viewed as having the potential to help with money management by making it easier to spread direct debits or other payments across the month, and by providing claimants with the security of knowing more money would be coming in sooner, should they spend their income too quickly or experience an unexpected outgoing.
- Claimants who were used to budgeting on a more frequent schedule were particularly likely to cite these as reasons for choosing this option, including those who had previously received income fortnightly from legacy benefits and those who used pre-payment meters for their gas and electricity.

Reasons for not taking up Scottish choices

- Claimants who chose not to have their rent paid direct to their landlord were typically already used to paying their own rent (including those currently or recently in work) and saw no need to change how they managed this. Those whose housing element did not cover their full rent or those whose Universal Credit payments fluctuated month on month also felt that this option would not benefit them, since they would still have to pay an element of rent themselves.
- Other reasons for not taking up the Direct Payment to Landlords option included: wanting to retain control over their income and outgoings (linked, in part, to being able to withhold rent if their landlord failed to maintain their property); awareness of issues other people had experienced with 'technical arrears' arising from the system for paying landlords; not wanting people to know they were on benefits; and wanting or needing their housing allowance for other outgoings.
- Reasons for not opting to receive more frequent payments included: being used to managing with a monthly income; concerns about managing on an initial half payment after having stretched out a monthly payment prior to this; being put off by the fact the second payment date was not completely fixed; and uncertainty about how this option would interact with any deductions or sanctions.

Summary of key points – continued

Landlord roles in encouraging or discouraging take-up of Scottish choices

- Findings from the survey of landlords indicated a significant difference in attitudes between social and private landlords. Most private landlords stated they would be very or fairly likely to encourage tenants to take up the Direct Payments option, while social landlords were much more divided in whether they would encourage it.
- For both social and private landlords, the guarantee that landlords would receive their rent payment was the main reason for encouraging tenants to take up the option.
- Social landlords who had discouraged some or all tenants from taking up direct payments explained this primarily with reference to issues with the payment system and the impact this had (for both them and their tenants) in creating 'technical arrears'.
- Landlords were generally more neutral in their opinions of More Frequent Payments. However, some concerns were raised about whether it could make it difficult for people to retain enough money (across the two payments) for rent.

This chapter explores how Universal Credit claimants came to make decisions about whether or not to take up Direct Payments to Landlords or More Frequent Payments. It addresses the following research questions:

- If people chose to receive their Universal Credit award twice-monthly, why did they make this choice?
- If people chose to have the housing costs in their Universal Credit award paid directly to their landlord, why did they make this choice?
- If people were aware of Scottish choices, but chose to receive their Universal Credit in the standard fashion, what was the reason for this and are they open to the possibility of making a different choice later?
- Do landlords make their tenant(s) aware of Universal Credit Scottish choices?
- Do landlords encourage or discourage their tenant(s), who are eligible to choose direct payments of housing costs to landlords and do not already have Alternative Payment Arrangements in place, to take up this option? Why?

Decision making around Direct Payments to Landlords

Reasons for opting for Direct Payments to Landlords

Universal Credit claimants cited a desire to reduce stress as a key driver for taking up the Direct Payments to Landlord option: having their rent paid directly would give them "peace of mind" that it was covered. Paying rent was seen as a top financial priority, and the responsibility of keeping on top of their rent on a low income

caused people worry, even if they had not previously experienced issues with arrears:

“I would rather it be paid straight to the landlord and then that's it paid and out the way, I don't have to worry about it, it's enough managing your own bills and your kids and things, so definitely it's [another] worry to think about.”

(Interviewee 14, Female 30-44, on DPL)

This was particularly true for those who were not used to paying rent, such as those who had experience of legacy benefits like Jobseeker's Allowance (JSA) or the Employment Support Allowance (ESA), as they were used to having rent paid directly to their landlord under the Housing Benefit system. Other groups who either themselves mentioned these motivations for signing up for direct payments, or were mentioned by key informants or landlords as particularly likely to benefit from this option, included:

- Young people who were living away from home for the first time and had no previous experience of paying rent
- Those in poor mental or physical health, or people in crisis, who wanted to avoid the added stress of managing rent payments
- People with addiction issues, and
- People with previous (or current) rent arrears.

People in these latter two groups in particular (those with addiction issues and those in arrears) wanted their rent paid directly to their landlord to avoid the temptation of spending their housing allowance on something else:

“The last thing I wanted was rent cheques coming in my name, and possibly ending up in the pub. It wasn't an option... So, it made perfect sense for it to just go straight to the [Housing Association].”

(Interviewee 27, Male 45-64, on both DPL and MFP)

Some reported that they had accrued arrears in the past because they were struggling to manage with a very low income on Universal Credit and had needed to supplement their living costs with their rent money to buy essentials. They saw having their rent paid direct to their landlord as a means of avoiding this happening again in the future.

“A lot of people really worry about their rent, so they would rather [have a DPL]... some really, really, vulnerable families have been honest with us and said, ‘I would rather my landlord had the full amount and I just don't have that worry, I will manage to survive on what I need to survive on’, which is really sad.”

(Key informant 12)

Other motivations for opting for Direct Payments to Landlords included:

- **Discomfort with or inability to set up direct debits for rent payments** - both claimants and key informants mentioned this, with the Scottish choices option seen as a more straightforward alternative for those who lacked digital literacy or were not comfortable with online banking
- **Avoiding negative interactions with landlords** – a key informant, who worked predominantly with Universal Credit claimants renting in the private sector, felt that where tenants had difficult relationships with their private landlord, having their rent paid directly allowed claimants to avoid potentially negative interactions with them.

Interviewees who went onto this option were asked whether they had any concerns or reservations about the Direct Payments to Landlord option before signing up for it. At the time, participants who had taken this up had no concerns about their choice. Where concerns were raised by claimants, these tended to be the result of issues encountered subsequently (rather than reflecting reservations they had before opting for it), as discussed in the next chapter (Chapter 4).

Reasons for not taking up Direct Payment to Landlords

In general, claimants who chose not to take up the Direct Payments to Landlord option did so because they were used to or preferred paying their own rent – claimants in this group did not feel that paying their rent was stressful, so saw no need to change how they managed this. Some preferred other ways of paying rent, such as using pay points at shops or direct debits (there was a view amongst these claimants that opting for direct payments to their landlord was no different in practice to setting up a direct debit). Groups who typically preferred to pay their own rent included:

- **Those who had previously been working** or were working, and were used to paying rent from their salary
- **Those who were new to Universal Credit or benefits**, and did not have any experience of having their rent paid directly previously (i.e. through Housing Benefit)
- **Those who had become used to paying their own rent on Universal Credit**, including those who had done so during their first assessment period, and those who had not heard about the Direct Payments to Landlord option until they had been on Universal Credit for a number of months (by which point they were used to paying their rent themselves)
- **Those whose housing element did not cover their full rent or whose Universal Credit payments fluctuated month on month** (for example, those with varying income from self-employment), who tended to view direct payments as unsuitable since they would have to make additional payments to their landlords anyway. The Direct Payments to Landlord option was seen as causing added complications for people in these situations.

Claimants also reported wanting to retain control over their own income and outgoings. Interviewees referred to a desire not to have their money controlled by someone else in principle and to the reassurance of paying rent yourself and

knowing it has definitely been done. Another element of retaining control related to giving people a lever if they had issues with their landlord or letting agent – people wanted the ability to withhold rent payments if their landlord failed to maintain their property to an adequate standard, for example.

“We have got some really head-strong tenants who say, ‘I am not losing that control, because I wouldn't then have the flexibility to withhold my rent if he doesn't do repairs.’”

(Key informant 12)

Other reasons people gave for not taking up Direct Payments to Landlords included:

- **Not wanting people to know they received benefits,** and
- **An awareness that the payment system could create issues with technical arrears.** Landlords and key informants also mentioned this as a barrier to take-up (see discussion below).

Key informants and landlords also suggested that some people decided not to take up this option because they wanted or needed to spend the extra money, and this was a higher priority than avoiding rent arrears.

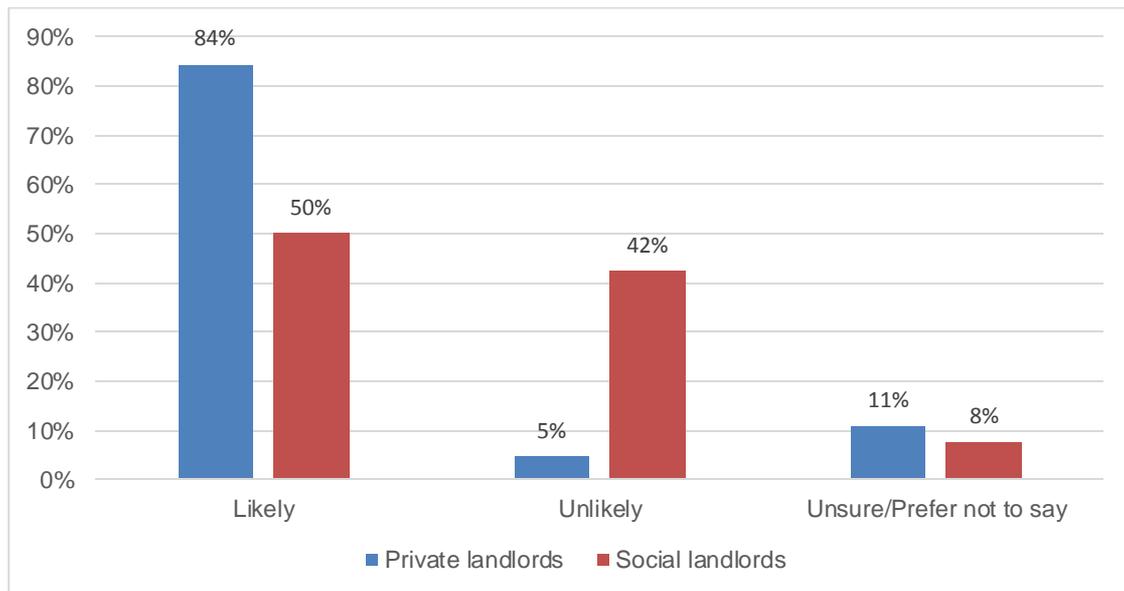
Claimants who had not taken up the Direct Payments to Landlord option were generally content with continuing to pay rent themselves. However, two circumstances in which they might consider signing up to this option in the future were mentioned:

- **If claimants could be confident that rent would be paid on time** (for those who had heard about payment system issues) and have ‘trust in the system’
- **If claimants were in a more positive situation with their landlord,** which meant they did not feel the need to retain tight control over their rent payments.

Landlord attitudes to tenants taking up Direct Payments

One factor that might influence decision-making around Direct Payments to Landlords (particularly as they are a potential source of awareness about the option in the first place, as noted in Chapter 1) is whether landlords encourage or discourage tenants from taking up this option. Findings from the survey of landlords showed a large difference in attitudes between social and private landlords. 84% of private landlords stated they would be very or fairly likely to encourage tenants to take up the Direct Payment option, while social landlords were much more divided – 50% were likely to encourage tenants to take it up, but 42% said they would be unlikely to do so (Figure 3.1).

Fig 3.1: Likelihood of encouraging tenants to apply for Scottish choices so that Universal Credit Housing Element is paid direct to landlord (online survey of landlords in Scotland)



Base: Private landlords = 174 Social landlords = 78

Question wording: “If you knew that a tenant was receiving Universal Credit, how likely or unlikely would you be to encourage them to apply for Scottish choices so that their Universal Credit housing element was paid directly to you?”

Qualitative interviews also identified a range of positions – particularly among social landlords – as to whether they would encourage or discourage some or all tenants from taking up the Direct Payment option. Indeed, social landlords varied in whether they said they made all tenants aware of this as an option, or whether they only mentioned it to those for whom they felt it was more likely to be useful or necessary to guarantee rent payments.

For both social and private landlords, the guarantee that landlords would receive their rent payment was a key reason for **encouraging** tenants to take up the option. Indeed, one private landlord said that she “insists” that new tenants on Universal Credit agree to sign up to this option, to better protect her income (something which goes against the idea of Scottish choices being optional for tenants). This protection of landlord income, and guarantee that rent would be paid, was not just seen as a benefit for landlords themselves, but also for tenants, who would be better safeguarded against rent arrears and eviction, by ensuring that rent was paid. Social and private landlords felt this was particularly true for claimants who were potentially vulnerable or had difficulties managing money.

Social landlords who had **discouraged** some or all tenants from opting for direct payments explained this position primarily with reference to issues with the payment system (see Chapter 2, Box 2) and the impact this had in creating ‘technical arrears’, but also with reference to the fact that tenants had to pay their rent themselves at the start of their claim anyway. An interviewee from a Housing

Association described how they worked with tenants to get Direct Debits set up during the first assessment period instead):

“[As a result of delays tenants] are running with a two-month arrear of rent before that first payment would come direct to us. So, that's why we then said, ‘no, let's start working with our tenants and getting them to take the responsibility for paying their rent and set their direct debit up [instead of Direct Payments to Landlords]’... they are [not] maintaining their rent account a month in advance, which is what their tenancy agreement says... but they have paid [a month's rent] before the next monthly rent goes on.”

(Landlord 10, Housing Association)

Social landlords also reported discouraging their tenants from opting for a Direct Payment to Landlord arrangement when they felt it was unclear how it would work for the tenant, for example because of fluctuating incomes or because their housing allowance did not cover the full rental payment. Echoing the views of people on Universal Credit in these situations, social landlords felt the DWP did not communicate clearly how Scottish choices would work in these circumstances, leading to situations in which tenants did not know their rent was not being covered in full until arrears had begun to accrue.

One social landlord also felt that direct payments went against the ethos of Universal Credit, which was to encourage claimants to manage their money themselves. While they said they might recommend the option if it helped a tenant who was struggling to manage their income, or if the tenant had a history of arrears, they felt that wherever possible, it was better if tenants paid their rent themselves.

Finally, there was an importance placed on the *choice* element of the Scottish choices amongst social landlords – some landlords felt that their role was to support tenants to make the right decision for themselves as individuals, rather than to encourage or discourage any particular option.

“I would encourage them based on their personal choice of their own circumstances... [it's] not about securing our income as a landlord, although ultimately we need to do that... but it does have to be personal choice I believe, unless somebody is in a position where that decision needs to be taken out of their hands because their tenancy is at risk or their personal circumstances put that tenancy at risk.”

(Landlord 4, Local Authority)

Decision making around More Frequent Payments

Reasons for taking up More Frequent Payments

People on Universal Credit who had taken up the More Frequent Payments option described it as helpful when managing a low income. Specifically, people described opting for it because:

- **They were used to budgeting and managing their bills on a more frequent schedule** – this applied particularly to those who had previously been on legacy benefits and had received fortnightly payments.
- **They thought it would be easier to spread direct debits or other payments across the month** when receiving more frequent payments
- **Receiving two payments a month provided the security of knowing more money would be coming in sooner**, should they spend their income too quickly or should an unexpected outgoing arise
- **It might help mitigate difficulties managing deductions for advanced payments** – one participant said that their Work Coach had suggested Scottish choices More Frequent Payments to them when they had asked for help managing with £60 monthly deductions to repay a Universal Credit advance. More frequent payments were suggested as a potential way of helping to budget for these deductions, since deductions would come off in two smaller amounts each month.

Key informants, particularly those working in money advice and debt management services, suggested that more frequent payments might be particularly useful for families, who often had regular and unexpected costs, such as school uniforms or trips. One key informant also felt that receiving Universal Credit in two payments a month was helpful for people who were not computer literate, and who were less able to monitor their journal to help them budget around a monthly payment.

A potentially more problematic motivation for signing up for this option was mentioned by a key informant who was aware of a case where a client had borrowed money off family members to tide her over until her first Universal Credit payment, and her family members then asked her to sign up to receive more frequent payments, so she could repay the debt in quicker and more regular instalments.

Reasons for not taking up More Frequent Payments

Claimants who were aware of More Frequent Payments as an option, but had actively chosen not to take it up, tended to report that this was because they were used to managing a monthly income. For some claimants, this was because they had been paid monthly when they had been working. For others, as More Frequent Payments only became an option after their first assessment period, they had become used to managing a single monthly payment by the time More Frequent Payments was available to them and saw no need to change.

Such claimants explained how changing to receive more frequent payments at this point could cause unnecessary disruption, since, for example, all their direct debits had already been set up to come out once a month. Claimants added that they found managing a monthly budget easier, as it meant buying unexpected or higher value items, or paying rent, was easier than it would be if they had to save money from two smaller payments. Others explained that, as they had multiple sources of income, either from other benefits (such as Personal Independence Payments) or employment, they saw more frequent payments as unnecessary, since their income payments were already staggered throughout the month.

Claimants also expressed concerns around how elements of the More Frequent Payments option operate in practice. Specifically:

- Some claimants were deterred from opting for more frequent payments by the fact they **would only receive a half payment at the start**, having stretched their previous Universal Credit over a full month.
- Claimants were also put off by the fact **that payment dates varied slightly each month** (contrasted with both monthly Universal Credit payments and fortnightly payments received under legacy benefits). Claimants felt this variation would make it harder to keep on top of budgeting.

“I just wouldn't be able to cope with that. I would rather be paid on a set day every month, which is the 23rd of every month I get paid. I would rather have it on a set day, that way I know I get paid on that day or if it falls on a weekend you get paid a couple of days earlier knowing that, because I always check it every month, you know, to make sure if the 23rd is on a Sunday, right, I will get paid on the 21st, I will do this, that and the next thing. So, I know exactly when I'm getting paid.”

(Interviewee 4, Female 30-44, on DPL only)

- Claimants also raised concerns about **what would happen with deductions and sanctions** if they moved onto the More Frequent Payments option; there was clear confusion around whether deductions would get taken off at the full amount twice a month, in effect meaning that claimants would pay back any monies owed twice as quickly.

Another claimant was put off from applying to receive more frequent payments due to the issues he had experienced with the Direct Payments to Landlord option. This had left him apprehensive that engaging with the Scottish choices might disrupt his ability to manage his income again.

Given the reasons they gave for not taking up the More Frequent Payments option, few claimants who were aware of this choice, but decided against it, were currently open to the possibility of taking it up at a later point.

Landlord attitudes to tenants taking up More Frequent Payments.

In general, landlords had far less to say about the option of More Frequent Payments, which they saw as less relevant to them than Direct Payments to Landlords. However, social landlords did generally report discussing it as an option with their tenants. As with Direct Payments, they varied as to whether they said they mentioned it to all tenants, or only to particular groups they thought might benefit, such as those transitioning from legacy benefits who were used to fortnightly payments, or those who were struggling with money management. There were no examples in our sample where private landlords said they had discussed the More Frequent Payments option with their tenants.

Social landlords generally described encouraging tenants to take up More Frequent Payments where they felt it might help the tenant – there was little perceived benefit to landlords themselves. Others said that unless a tenant was particularly struggling, they tended to discourage More Frequent Payments for three main reasons:

- **They were concerned about disruption to rental payments** – one view was that if a tenant was considering More Frequent Payments, the landlord would strongly encourage them to take up the Direct Payments to Landlord option too, so that their rental income was guaranteed (because of concern about tenants having to save for rent from two half payments).
- **They felt it could be more difficult for tenants to manage their money on the More Frequent Payments option** – Social landlords were aware that tenants would not receive each payment on exactly the same date and felt that this made money management more difficult
- **They also felt that in principle, it was usually better to get used to budgeting monthly**, and easier to support people to do so (because of the issues noted above, around standing orders and being clear how long your money needs to last). One landlord summarised the way they frame the More Frequent Payments option in discussions with tenants:

“If you’ve managed on monthly, why are you now taking a choice that means DWP holds on to half your money for a fortnight extra?”

(Landlord 16, Local Authority)

4. Perceptions of the impacts of Scottish choices for people on Universal Credit

Key findings

Perceived impacts of Direct Payments to Landlords

- Positive impacts of direct payments included simplifying claimants' money management, ensuring their rent was paid, and reducing their worries about their housing and money.
- The impact of direct payments in reducing worry was particularly evident among those claimants who had previous negative experiences of housing insecurity, and among those whose health issues meant they were more susceptible to serious negative impacts from stress.
- However, although there were clear examples of the positive impacts the Direct Payments to Landlord option could have, issues with the payment system had created significant unexpected negative impacts for some claimants, with issues with 'technical arrears' creating considerable emotional and financial stress.
- Other examples of problems people had experienced after opting for direct payments related to other elements of how it had been operationalised (for example, people falling into arrears in the first assessment period, before they are allowed to opt for Scottish choices), or how it works in practice for particular groups (such as those whose income is variable month to month).

Perceived impacts of More Frequent Payments

- The positive impacts of receiving more frequent payments largely mirrored people's reasons for choosing this option: it made it easier to make money last, and helped people manage their money in a way that suited them, which in turn helped people to worry less about money.
- As with the Direct Payments to Landlords option, where more negative experiences were reported these tended to relate to specific elements of how the policy has been operationalised – specifically, the fact that payment dates fluctuated.
- There was also a strong view that, while Scottish choices can help some people to manage their low incomes, they cannot overcome all the perceived problems with the Universal Credit system – in particular, the overall low level of payments.

This chapter explores the impact of Scottish choices on the Universal Credit claimants who choose them. It considers both perceived positive and negative impacts of each option, drawing primarily from interviews with people on Universal Credit, but supported by insights from key informants and landlords.

It addresses the following research questions:

- If people decided to accept Universal Credit Scottish choices, what influence on their ability to manage household budgets did this have and did it have any knock-on effects on debt, rent arrears, evictions or homelessness?
- If people chose to be awarded Universal Credit twice monthly and/or to have the housing costs in their Universal Credit award paid directly to their landlord, but then reverted to the default payment method(s), what was the reason for doing so?
- How is the impact of Universal Credit Scottish choices affected by the way it interacts with other aspects of the design of Universal Credit?

Perceived impacts of the Direct Payments to Landlord option for people on Universal Credit

Perceived positive impacts

Participants who felt the Direct Payments to Landlord Scottish choice had helped them reported benefits in three key areas: it had ensured their rent was paid on time, simplified their money management and, as a result, it had helped them worry less about money and housing.

Participants spoke positively about the Direct Payments to Landlord option ensuring their rent was paid in full and on time. For example, one participant noted that being on this option meant both that she felt more certain her rent was paid, and that she could not be held responsible for any problems that arose around rent:

“I just I feel safer that way. I know it's there and it's one of your biggest worries you obviously want a roof over your head and that takes the element, it takes stress away from me and it goes directly to them and I don't need to worry about it, and because it's getting paid that way nothing will ever come back to me. I can't get accused of anything because I've not had the money in my hand in the first place.”

(Interviewee 33, Female 45-65, on DPL)

Key informants also spoke positively about direct payments helping to safeguard tenancies. For key informants who worked in organisations that helped represent tenants in court, they noted that being on the Direct Payments to Landlord option (as proven by their Universal Credit Journal) was commonly used in court as a defence to show that tenants were not at fault for any technical arrears and should not be evicted.

In addition to ensuring that rent was paid, claimants also felt that having their rent paid direct to their landlord had simplified their money management more generally. One reason for this was they did not have to keep money aside to use on rent, or factor rent into their budgeting:

“It’s made a big difference it getting paid to the landlord instead of us. [...] I know when I get my £600, I take so much off for food, so much of for bills and all that – it makes it much better.”

(Interviewee 12, Male 18-29, on DPL)

Another way in which it had simplified participants’ money management was by removing the “temptation” to spend rent money on other things.

These two interrelated positive impacts (making sure rent was paid and making it easier for claimants to budget) in turn led to positive wellbeing benefits for claimants. The fact that their rent was automatically taken care of gave them “peace of mind” and meant that rent was “one less thing to worry about”. The impact of direct payments in reducing stress was particularly evident among those claimants who had previous negative experiences of housing insecurity, and among those whose health issues meant they were more susceptible to serious negative impacts from stress, as illustrated in Case Study 2, below.

Case study 2 – Callum

Callum is in his late 20s and lives alone. He first applied for Universal Credit because he was homeless and was advised to apply for Universal Credit to get temporary accommodation. He has health problems and lives with a disability.

Callum does not remember ever being informed about the Direct Payments to Landlord Scottish choice. When he first started on Universal Credit, he was under the impression that his rent would automatically be sent to his landlord. When he realised this was not the case, he worried that he might be at risk of becoming homeless again, and immediately asked the Jobcentre if they could change things so his rent was paid directly.

Once he had direct payments set up, he felt much better. He was glad to know that he had a roof over his head, and it helped reduce his anxiety levels. However, he had experienced some issues around the timeliness of rent payments through this option. His housing provider had called him up to let him know that that month’s rent payment had not come through. His housing manager was very understanding, and said they were hopeful that the payment would be included in next month’s payment run. Callum said his housing team was “brilliant”, kept him informed, and had helped set up food parcels for him in the past. However, he did not understand why that month’s rent hadn’t been paid by when he had opted for direct payments months ago. Given his past experiences of homelessness, this sort of uncertainty around his housing made him really nervous. He felt that as long as it says on his Universal Credit journal that he’s on the Direct Payments option then he can show the fault is not with him, but he still felt quite anxious about it and hoped it would be sorted soon.

Case study 2 – Callum continued

Despite this issue, overall Scottish choices had made Callum's life easier and reduced his worrying about money and housing, and he planned to stay on both Direct Payments to Landlord and More Frequent Payments (which he had opted for early on) for the foreseeable future.

Callum still struggles with his money and regularly seeks help from food banks, but Scottish choices have improved his wellbeing and made his money management easier. He thought that the choices should be more widely advertised because a lot of people (including him at first) do not know about them.

“It made a difference to my anxiety levels and stuff like that not worrying about, basically not having to worry about having to get the rent paid and being homeless again as well.”

Another claimant described having experienced a serious mental health crisis a few years ago. He spoke about how reducing the number of things he had to worry about was an important part of his recovery – having his rent paid direct helped him avoid stress and focus on his own wellbeing rather than worrying about paying rent.

“I've shrugged the responsibility; I have handed it to somebody else. They are dealing with it and I don't need to worry about it, which is great as far as I'm concerned – the last thing I need in my life is worry.”

(Interviewee 27, Male 45-65, on both DPL and MFP)

Landlords and key informants confirmed the view that direct payments were particularly beneficial for potentially vulnerable claimants, such young people who are new to financial independence, people with addiction issues, and those with a history of arrears.

“The Direct Payment to Landlord choice particularly benefits those who struggle with paying rent – those with vulnerabilities such as health conditions, being involved with social work, people with kids – all these groups are more vulnerable to rental worries. Also, people who have experience of eviction and those with debt.”

(Key informant 13)

However, although the positive impact of the Direct Payments to Landlord option on wellbeing was most apparent among vulnerable claimants, even those participants who had always found it straightforward to pay their own rent reported benefits. They may not have found it too difficult (administratively or financially) to pay their

rent, but they were nonetheless glad to have that responsibility taken off their plate and about having “one less thing to worry about”.

Perceived negative impacts

The experiences above indicate the scope for the Direct Payments to Landlords option to have an extremely positive impact for people on Universal Credit. However, there were also examples where people had experienced problems with the operation of this option, leading to negative impacts on their finances and wellbeing.

The first set of negative impacts related to difficulties with the payment system to landlords. As discussed earlier (see Chapter 2, Box 2), the misalignment between bulk payment dates and individual Universal Credit payment dates meant that it was not uncommon for people on direct payments to fall into ‘technical arrears’. Claimant accounts indicated that different landlords had different attitudes to these technical arrears. Some said their landlords were understanding and flexible about when their rent arrived, accepting that it was not the tenant’s fault and that the landlord would receive the rent eventually. Others had been pursued by their landlord for technical arrears money that (because they were on direct payments) had never even been in the claimant’s bank account. Case Study 3, below, illustrates the negative impacts this had for both financial and mental wellbeing.

Case study 3 – Marion

Marion has been on Universal Credit since coming off Employment Support Allowance. She and her husband opted both to receive more frequent payments and to have her rent paid direct to her landlord after having the Scottish choices options explained to them by someone at the Jobcentre. They also showed them how to log in to their Universal Credit online account and select them as options. They felt that having their rent paid direct would give them “peace of mind” knowing it was paid and opted for twice monthly payments as they felt it fit better with their existing direct debits, which were spread through the month.

The More Frequent Payments option had worked as expected – they used their online account to monitor exactly when they would be paid, so did not have any issues with it being twice a month rather than fortnightly. However, they experienced a lot of problems with their direct payments. About two months after signing up for direct payments, they received a letter from their landlord (the council) telling them they were hundreds of pounds in arrears. They were extremely upset about this, as they had never been in arrears before. After ringing their landlord to find out what had happened, they established that the issue was with the way the DWP was paying the Council, which meant their rent was not being paid on time and that they were in ‘technical’ arrears. However, even after establishing this, they continued to experience problems, receiving multiple arrears letters and even visits from the rent arrears team.

Case study 3 – Marion, continued

While they had considered coming off direct payments and paying their rent themselves, they felt they could not do this while the arrears were outstanding, as they were unclear when the payments would be made to the Council (and did not want to cancel in case this caused further confusion).

Their issues were eventually resolved, and they were no longer in arrears. However, while the issue was ongoing it was a source of “unbelievable stress” for them. They were concerned they might lose their home and decided to pay off the arrears caused by late payment by increasing the direct debit for their own share of the rent. This had a substantial impact on the money available for other things:

“You get to a point where you think, ‘right, well this has got to be paid, we can’t not pay it, so do we eat? Do we pay the bills? What do we do?’ When you get to a point where you have to choose between eating, staying warm or paying the bills, it’s pretty horrendous.”

As has already been discussed, the DWP is currently in the process of transitioning to a new payment system which will bring payment dates in line with the dates on which Universal Credit is paid. This should mean that issues arising from ‘technical arrears’ and a lack of alignment between the date direct payments are made and the date tenants receive their Universal Credit are resolved (although whether this will resolve all issues with payments from a landlord perspective is unclear – see discussion in Chapter 5). However, to date the payment system has clearly created significant unexpected negative impacts, which have served to partially undermine the positive benefits of direct payments for people in Scotland.

In addition, claimants reported a number of other problems with their Direct Payments to Landlord arrangements which were not related to the payment schedule. These included:

- **Issues arising from the claimants’ housing element not covering the entirety of their rent, or their Universal Credit entitlement** (and therefore their housing element) **varying from month to month**. For example, a woman who worked part-time said that throughout her Universal Credit claim she had had issues because her employer did not declare her wages to the DWP in a timely manner. This made it very difficult for her to keep track of how much ‘top-up’ rent she was supposed to be sending in addition to the element covered by her direct payment. Another claimant (who eventually reverted back to paying his rent himself) said he felt “terrible” when he went into arrears for the first time in his life because he had not realised that his housing element (which was

being paid through Scottish choices) did not cover his full rent. Key informants and landlords echoed these experiences.

- **Issues relating to the fact that claimants are not offered Scottish choices until the start of the second assessment period.** This meant that some claimants ran into arrears before then, because they had not realised that they were responsible for their own rent in this period (particularly for those with experience of Housing Benefit, which was automatically paid to landlords):

“Yes, I have [chosen the DPL option], because when they were giving it to me, I didn't know it was housing, and I used it. And then I realised it was for that, so I said to them I didn't want it paid to me, I wanted it paid directly to the landlord.”

(Interviewee 24, Male 18-29, on DPL and MFP)

- **Issues arising from the interaction of other features of Universal Credit with being on the Direct Payments to Landlord option.** Key informants cited cases where people had significant additional deductions from their Universal Credit, and the remaining Universal Credit money after their direct payment was processed was then nowhere near enough to live on. Key informants suggested that, in some circumstances, it might be better for claimants to go into rent arrears than go hungry, but that being on the Direct Payments to Landlord option meant that in crisis situations, claimants were not able to prioritise anything over rent. A general lack of money for other things was cited by another participant on Universal Credit as a reason for cancelling her Direct Payment arrangement – she had needed money to replace an essential item of furniture. One social landlord also highlighted that Christmas was a time when people might decide to opt out of Direct Payment to Landlords, because of the additional expenses they faced at that time of year. The same landlord reported that publicity around mortgage holidays, announced by the UK Chancellor in March 2020, had caused some confusion among tenants who assumed this meant they would get a rent holiday. These issues all relate to the wider Universal Credit system (particularly the use of sanctions, deductions, and the level of payments), but demonstrate the impact this may have on the ability of Scottish choices to achieve their aims for all those who opt for them.

A final potential negative impact was that the direct payment to landlord option meant that claimants who were new to managing their money did not learn how to pay their own rent. A key informant suggested that there should be more Journal notifications or similar giving information about the direct payments (e.g. when the housing allowance has been paid to the landlord and how much it is each month), to highlight to people that they are still ultimately responsible for rent, and that the rent is being paid. One young claimant, who had only recently lived on their own for the first time, expressed a similar opinion:

“I would only say the only negative thing is I still have no idea of how to actually make a payment towards a landlord, that would be the only one thing, because well, we all know schools don't damn teach us it. But that would be the only one downside, that would be it.”

(Interviewee 38, Male 18-29, on MFP and having rent paid directly, though not through DPL)

In summary, experiences of the Direct Payments to Landlord Scottish choice varied widely among people interviewed for this study. While it was clear that, for some, it had made a very significant positive difference, for others, it had been a contributing factor in causing major stress or financial difficulties. While the principle of being able to have rent paid directly to landlords was generally supported by people on Universal Credit, these negative impacts had largely stemmed from specific elements of the way in which direct payments to landlords have been **implemented** (the payment system, the fact it is not offered until the second assessment period) or its **interaction** with other features of Universal Credit (the overall amount paid and the use of sanctions and deductions) – both of which are largely the responsibility of the DWP rather than the Scottish Government. As Marion (Case study 4, above) put it:

“When it works, it’s a fantastic option. When it doesn’t work, it is an absolute horror story.”

(Interviewee 40, Female 45-65, on both MFP and DPL)

Perceived impacts of the More Frequent Payment option for people on Universal Credit

Perceived Positive impacts

The positive impacts of receiving more frequent payments cited by those who felt this option had worked well largely mirrored the reasons they had given for choosing this option, discussed in Chapter 3. Participants felt that receiving more frequent payments had made it easier for them to make their money last and helped them manage their money in the way that suited them best. Again, these impacts meant this Scottish choice also helped participants worry less about their money.

The More Frequent Payments option particularly benefited claimants who, prior to going onto them, were having a hard time making their money last the full month, and who regularly had to borrow money, go into their overdraft, or seek crisis support. The increased regularity of payments meant they were less likely to reach that crisis point.

“Every other month we were in overdraft and that was always in the back of our mind. [MFP] helps keep us out of default.”

(Interviewee 3, Male 45-65, on both DPL and MFP)

However, while the More Frequent Payments option reduced the risk of reaching crisis point, it did not remove it, and people on this option still reported sometimes running out of money for essentials. In these situations, receiving more frequent payments still made a positive difference by reducing the time before they would next receive income.

“Well, when it comes to the point that I'm starting to struggle, I'm due to get paid within a day or two at least couple of days, three days, which makes things easier for me because it's either that or I'm maybe having to wait a week or two and run out of gas and run out of electricity and all the rest of it.”

(Interviewee 32, Male 30-44, on both DPL and MFP)

There was also a sense that getting paid twice monthly allowed participants to budget and spend their money in the way that best suited them. Participants gave examples of how they organised their money differently as a result of getting it in two half payments per month:

- **Spreading out their direct debits to fit with the two payment dates** so that they didn't have everything leaving their account at once
- **Using the two payments on different things** – for example, spending the first payment on food for the month and using the second to pay all bills (or vice versa).
- **Spending 'less on everything but more often'** – For example, one participant who paid all their bills using a top-up card said getting more frequent payments helped because he found it hard to predict how much gas and electricity he would use, and preferred to top up his prepayment meter more regularly, but by smaller amounts.

For those claimants who were used to being paid a wage or a legacy benefit either fortnightly or weekly, receiving more frequent payments meant they were able to keep to their established systems of budgeting and avoid worrying over adjusting to less frequent payments. Another participant who had moved from a high-paying job onto Universal Credit said they had found it less stressful getting paid twice monthly because it had helped him adjust to the significant drop in income.

Being on this Scottish choice thus helped to reduce the money worries of those who preferred to manage their finances twice monthly.

“No, it's chilled me out a lot more rather than worrying about it. Like, I feel more calm, rather than just like stressed, because I was stressing out that I was going to have no electric and no gas and all that. But yes, it's chilled me out a lot more.”

(Interviewee 37, Male under 30, on DPL and MFP)

Perceived Negative impacts

Again, although the More Frequent Payments option had clearly had a significant positive impact for some, some unexpected negative impacts were also reported. As with Direct Payments to Landlords, this did not generally reflect issues with the principle of more regular payments, but rather how they operated in practice (specifically, the fact that payment dates fluctuated and that people were not always clear about this in advance) and how they interacted with other elements of Universal Credit (in particular, the overall level of the payments).

Fluctuating payment dates causing issues for claimants were mentioned by both claimants and key informants – depending on the length of the month, claimants waited different lengths of time for their second payment. Key informants indicated that it was now clearer when payments would be received, since the DWP had improved the information included on Universal Credit payment statements. Nevertheless, the varying date of the second payment had still caused some issues for people who had bills to pay on set dates:

“But the second date, they can just go doolally with it and have the date changed on the second payment whenever they want and it's not good (...) Like with my Wi-Fi, I have had standing payments set up and it would usually be on the second week that my Wi-Fi bill would come through. I actually had to cancel that and pay for it on my own and, you know, because with that date being changed the payment wouldn't go through straight away.”

(Interviewee 38, Male under 30, on both DPL and MFP)

The fact that people are required to wait until the end of the first assessment period before receiving more frequent payments was also seen as a negative – social landlords reported that some people opted for more frequent payments but then dropped off “almost instantly” when they realised they would receive an initial half payment after having had to stretch out their previous full Universal Credit payment over a whole month (this research did not include any claimants who cited this themselves, although as discussed in Chapter 3, it was mentioned as a reason for not opting for this Scottish choice in the first place).

Both key informants and claimants also stressed that although flexibilities like Scottish choices can help some claimants to budget on a low income, they cannot overcome some of the wider perceived problems with the Universal Credit system, such as the five-week wait for a first Universal Credit payment after registering. There was also a clear view that getting paid twice a month cannot make a major difference financially when the total amount claimants are entitled to is still low. As one person put it:

“It's had a positive effect, but you can still find yourself running low, it's not a lot to live on.”

(Interviewee 19, Male 30-44, on both DPL and MFP)

Another reflected that, while receiving more frequent payments had reduced his money worries to some degree, other aspects of the Universal Credit system had caused him tremendous stress and impacted negatively on his mental health. Case study 4, below, illustrates how all these factors led one young couple to revert back to monthly payments, after having opted for the More Frequent Payments choice. Overall, interviews served to highlight that Scottish choices are often just a small element of most claimants' wider experience of Universal Credit.

Case study 4 – Eilidh

Eilidh is in her late teens and made a joint claim for Universal Credit with her partner. This was her first time claiming any kind of benefit.

At first, they found budgeting around a monthly payment difficult. While their rent was covered after their Work Coach had help them to set up a Direct Payments to Landlord arrangement, they would often run out of food towards the end of the month. As a result, they were often reliant on support from their local food bank and felt stressed about their financial situation. After a couple of months on Universal Credit, Eilidh found out about the option for More Frequent Payments after her partner showed her a notification on his online Journal. They decided to try this to see if this would help them stop running out of money to buy groceries.

Initially, this did have the impact they had hoped for: they found they were running out of money less quickly, and, as such, were less reliant on food banks. However, the switch also had had a knock-on impact on their finances which they were not expecting. Although they had enough money for food, they found they did not retain enough money in their bank account for bills. As a result, their utility payments, which came out in monthly direct debits, began to bounce, leaving them without internet access to search for jobs and update their Universal Credit Journal.

In the end, they felt their Universal Credit payments were simply not enough to cover both bills and sufficient food. They chose to prioritise their bills and reverted to monthly payments. They felt this was the least stressful option of the two, as they felt they could always rely on food bank parcels should they need to.

5. Perceptions of the impacts of Scottish choices for landlords

Key findings

- Landlord awareness and understanding of Scottish choices was higher among social landlords compared with private landlords.
- Social landlords were divided in their opinion of the impact of the Direct Payments to Landlord option on arrears. Those who were positive indicated that it had helped mitigate the increase in arrears some reported since Universal Credit was introduced. Those who were more negative largely traced problems back to the system the DWP used to make payments to landlords.
- The new updated payment system was described as a 'game changer'. However, it was also suggested that it would not address every problem around the administration of Scottish choices.
- In particular, social landlords were critical of the 'data flow' from the DWP to landlords around Scottish choices, arguing that it made it difficult both to keep on top of rental income, and to intervene quickly when tenants might be at risk of arrears.
- The fact that tenants were not able to access Scottish choices until the start of the second assessment period was also viewed as reducing its potential impact on arrears, since tenants might fall into arrears before reaching this point.
- Private landlords were much more positive about direct payments (although this was not always based on direct experience of them). One view was that it ought to be compulsory for rent to be paid direct to landlords for tenants on Universal Credit.
- Landlords generally saw the More Frequent Payments option as having no impact for them one way or another, although there were some concerns about whether people on this option would save enough money for monthly rent payments.
- Other perceived impacts of Scottish choices for landlords included: impacts on landlord-tenant relationships, with views varying on whether they had been positive, negative or neutral in this regard; impacts on administration; and impacts on the support social landlords in particular needed to provide to tenants.

This chapter examines how landlords feel Scottish choices have affected them. It covers the following research questions, as well as exploring other potential impacts, such as changes to their relationships with tenants:

- Is there any evidence among landlords that Universal Credit Scottish choices help Universal Credit recipients pay rent on time?
- Are there differences in terms of the above depending on a type of landlord (i.e. social, private)?

Awareness and understanding of Scottish choices among landlords

Overall, social landlords reported much higher levels of understanding than private landlords of Scottish choices. Ninety per cent of social landlords who responded to the landlord survey said they knew ‘a lot’ or ‘a fair amount’ about the scheme. In contrast, only 11% of private landlords said the same – 68% of private landlords said they knew only ‘a little’ or knew ‘nothing at all’ about it. These findings were reflected in the qualitative interviews with landlords.

Social landlords tended to be highly aware and generally very well informed about both Scottish choices, although in most cases the Direct Payments to Landlord choice was more central to their work with tenants. They had found out about Scottish choices through: membership of various networking groups (such as the Scottish Housing Network’s Welfare Reform Forums); regular contact with Work Coaches and Case Managers about their tenants on Universal Credit; and through bulletins and newsletters sent to them as social landlords (for example, from the Scottish Government, or the Child Poverty Action Group). Their knowledge of Scottish choices in some cases pre-dated their introduction, as they had been involved in early discussions about how they might work.

Among the private landlords who took part in qualitative interviews, awareness of Scottish choices was mixed, but overall, they tended to be much less fully informed about both options compared with social landlords. Where they did know something about Scottish choices, this tended to relate to Direct Payments to Landlords – if they had heard of the More Frequent Payments option, they had not investigated it further, as it was not seen as particularly relevant to them. Although there were examples of private landlords hearing about the Direct Payments option through emails or newsletters from the Scottish Government or Scottish Landlord Association, in general they tended to have found out about this option in a more ad hoc way – for example, through word of mouth from other landlords, or because they had themselves looked into possible options for dealing with problems when tenants were in arrears.

Landlord perceptions of the impact on arrears

The online survey of landlords conducted for this research asked those who said they had tenants who had opted to have their rent paid directly to their landlord (101 out of the 260 landlords who responded) what difference this had made to the timeliness of rent payments. Overall, 49% said they had been more likely to receive rent on time, 36% that they were less likely to receive it on time, and 4% that it made no difference (8% said it varied too much to say).

Again, there were striking differences between the responses of private and social landlords. Almost all (24 out of 27) of the private landlords who had tenants who were on a Direct Payments arrangement said it had meant they were more likely to receive payments on time. In contrast, social landlords were much more divided on the impact, with 34% saying they were more likely to receive payments on time, and 47% that they were less likely (11% said it varies too much to say, and the remainder were unsure or felt it made no difference).

These divisions were reflected in the views of the 20 social and private landlords interviewed in more depth for this study.

Perceptions of Direct Payments to Landlords among social landlords

The views of social landlords interviewed in depth for this study mirrored the division in their survey responses. Those who were positive about the impact of the Direct Payments to Landlord option tended to focus on the impact in securing their rental income and helping to mitigate the increase in arrears some of them reported having observed after the move to Universal Credit.

“I think from the point of view of our rental income being secured so that we can deliver the best service to customers, I think it is (a) really, really, good thing. Hand on heart I think there is probably a lot of social sector landlords south of the border that are quite envious of the fact that we have got Scottish choices in place.”

(Landlord 4, Local Authority)

There was also a perception that setting up a Scottish choices Direct Payment arrangement – particularly where the landlord was able to get this in place in the first assessment period by applying directly to Universal Credit Case Managers – took less time to set up than an Alternative Payment Arrangement (APA), and therefore helped to avoid arrears developing from early in people’s Universal Credit claim.

“Yes, it was definitely better... if these people are anxious about getting their payments themselves, if the Scottish choices hadn’t been there, we would be two months into their Universal Credit claim before we could apply for the arrears direct to ourselves... I would say it had a huge impact on the initial arrears level accruing, because we’re getting in there quickly with the Scottish choices, so the payments are coming through.”

(Landlord 1, Local Authority)

However, in other cases, social landlords were very clear that tenants moving onto Scottish choices Direct Payments to Landlord arrangements had not resulted in a reduction in arrears. This was primarily linked to the issues with the payment system being used at the time the research was conducted. The gap between the date when individual tenants’ rent was due and the date on which the bulk payment of all direct payments to the social landlord was received meant that tenants were often falling into arrears. In addition to creating problems for tenants when landlords

chased them for arrears (as discussed in Chapter 4), this was creating considerable difficulties for social landlords in terms of managing their rental income. Although these arrears might be labelled as ‘technical’ – since they result from the payment system rather than a tenant actually defaulting on rent – social landlords indicated that it could be very difficult to distinguish between ‘technical’ and ‘real’ arrears. One large social landlord said it was impossible to say what the impact of Scottish choices had been on arrears, since there were so many ‘technical’ arrears it was almost impossible for them to “get a real figure at all” in terms of their current level of arrears among tenants on Universal Credit. Another commented that because of the mismatch between the dates rent is due, the dates tenants receive their Universal Credit, and the dates scheduled for bulk payments, it could take 4-10 weeks to get the first rent payment through the Direct Payments to Landlords scheme. During this time, landlords were reliant on the tenant’s word that they were on Scottish choices Direct Payments but had no direct proof of this. This could lead to tensions between people in different roles at a social landlord, with tenant advisors reporting arguments with rent management colleagues over which accounts were in ‘technical’ rather than ‘genuine’ arrears.

Social landlords were also critical of the ‘data flow’ from the DWP to landlords, which they felt impacted on their ability to effectively manage their rental income due to:

- a lack of information ahead of payment of what will be paid, when, and for whom
- not being able to distinguish between payments that are made under Scottish choices vs. APAs in the information they receive with payments from the DWP, and
- not being notified when a Scottish choices Direct Payment arrangement is cancelled.

These latter two points in particular were viewed as having additional knock-on impacts for arrears. Both social and private landlords identified the option for tenants to end a Direct Payment to Landlord arrangement without informing them (and without the DWP notifying them) as problematic, since it could result in arrears building up before they were able to intervene to avoid this:

“If that tenant has a change in circumstances, we don't get notified that there is an end of that arrangement. So, if it gets to the 13th of November and that rent money doesn't come into us, as I said, we've got £800 of rent [arrears] that we are then only starting, two weeks before the next rent is due to go in, to start and chase.”

(Landlord 10, Housing Association)

It was also indicated that there had been cases where the landlord had requested an APA for a tenant they felt was at risk of arrears, and had only realised that the arrangement applied had actually been Scottish choices when the tenant cancelled this option and fell into arrears. There was a general perception among social landlords that the flow of information from the DWP to landlords had been much clearer when their tenants were on Housing Benefit.

The quote below (from a Key Informant in the housing sector) illustrates the negative consequences some social landlords attributed to the payment system and the information flow from the DWP which accompanied this:

“What happens is the money is taken from the tenant and it is kept by the DWP, held over until they do their next bulk payment to the landlord which can be a number of weeks further down the line. The problem with that is... it could be up to 12 weeks before the landlord gets a payment. The information that they get from the DWP is scant... Then you eventually get the money and then you have to wait another few days before you get a schedule, a paper schedule, which tells you how that bulk payment needs to be divided up between the individual rent accounts.”

(Key Informant 13)

Finally, although, as noted above, there was evidence that some social landlords had been able to arrange Scottish choices Direct Payments to Landlords for tenants in the first assessment period, for others the delay in tenants being able to access this option curtailed the potential impact of Scottish choices on arrears. Social landlords also commented that the initial five-week wait for Universal Credit, combined with the fact that claimants often took an advance to get through this period, meant that they might miss their rent payment in the first assessment period, and therefore be in arrears prior to Scottish choices even becoming an option.

“I think the difficult part of that is the fact that the first payment goes to the tenants and it's very difficult to get around that, so we have quite a lot of tenants who have got arrears deductions in place and various other arrangements in place, because it's taken so long to get things started. But once it's in place it's fine and it ticks over and that's great, but actually getting to that point, even when you know, (you have) Scottish choices and everything else, it's not straightforward.”

(Landlord 9)

Will the new payment system solve the problems?

As discussed in Chapter 2, a new payment system for paying rent to landlords was being rolled out by the DWP at the time of writing. A social landlord who worked in a pilot area for the new system and had experienced it already was very positive about the impact of this, and said they now routinely recommended the Direct Payments to Landlords option to their tenants. Another said that once the new payment system was introduced, they would move from discouraging tenants from taking up this Scottish choice, to encouraging everyone to take it up. Similarly, a key informant working with the housing sector described the new payment system as a “game changer”, saying:

“...the feedback from a handful of housing associations that have been trialing the new system they were ecstatic... when that new system comes in it will dramatically change the effectiveness and the usefulness of direct payments.”

(Key informant 13)

However, while social landlords generally expected the new payment system to make a significant difference to the timeliness of rent payments, it was less clear that it would fully resolve all the issues identified above. In particular, it was suggested that even with the new payment system, issues would remain around:

- **The impact of both the five-week wait**, and the Direct Payments option not being available until after the end of the first assessment period, both of which were seen as limiting the ability of Scottish choices to prevent arrears accruing early in a Universal Credit claim
- **The information shared by the DWP with landlords** – the landlord who had experienced the new real time payments system noted that the information in the system still did not enable them to easily identify when tenants move on and off Scottish choices, or whether they are on a Direct Payments to Landlord arrangement or an APA.

It was also commented that unless the dates on which the DWP makes rent payment align with the dates by which a person’s rent is due, there is still scope for some claimants to fall into ‘technical arrears’ when on Scottish choices.

Perceptions of Direct Payments to Landlords among private landlords

As noted above, private landlords who completed the online survey were generally positive about the impact direct payments have on arrears. This was echoed in more in-depth interviews with private landlords. Only two of the private landlords we spoke to had direct experience of tenants who had opted for a Direct Payment to Landlord arrangement. However, regardless of whether they had direct experience of it, private landlords tended to be very positive about the option in principle (and, for the two with direct experience, in practice) as a way to reduce the potential for arrears.

“If I had another tenant like that (on Universal Credit), given the nature of the new regulations, I would be very happy to have DPL - I think the balance of legislation is now in favour of the tenants, and anti-landlord. So, I would be happier to have this in place from the start if (I had) another on Universal Credit, as it reduces the likelihood or risk of a tenant not paying rent.”

(Landlord 15, Private)

Private landlords described how difficult they found it when a tenant is in long-term arrears, especially if legal proceedings were involved. The DWP being able to make payments direct to landlords was viewed as an important step forward in avoiding this. In fact, one view among private landlords was that where tenants were receiving a housing element to their Universal Credit, it ought to be compulsory that

this was paid direct to their landlord from the start. Landlords explained this stance with reference both to the vulnerabilities of some tenants who may not cope with paying rent themselves (and were therefore ending up at risk of eviction), and a desire to secure their own income as a landlord and prevent the stress and cost to them of long terms arrears (including court proceedings and evictions). There appeared to be less appreciation among private landlords of the idea that Universal Credit should give people the option to manage their income themselves. As one landlord – who asked all their tenants on Universal Credit to opt for Direct Payments to Landlord when they started renting from them – put it:

“Why put the temptation [to spend their rent money] in front of them?”

(Landlord 6, Private)

Private landlords who did have experience of tenants on Direct Payments to Landlords appeared to be less impacted by the issues relating to the payment system reported by social landlords. However, it was noted that payment dates not being aligned with the dates rent was due did create additional administration for private landlords too.

Perceptions of the impact of More Frequent Payments on arrears

Unsurprisingly, both private and social landlords had far less to say about the More Frequent Payments option than about Direct Payments to Landlords. There was a view that whether their tenants opted to receive more frequent payments had little or no impact for them as landlords. The only exception to this was a concern, noted in Chapter 3, about whether tenants would be able to save a portion of their income from their first payment until later in the month to cover their rent. As already noted, one view (from a social landlord) was that landlords should always try and ensure a tenant's rent was paid directly to them (via APA or Scottish choices) if they had chosen More Frequent Payments.

Other impacts for landlords

Landlords were also asked whether they felt that Scottish choices had any impact on their relationships with tenants. Their responses again focused on the impact of the Direct Payments to Landlord option, with views tending to fall into one of three camps. One view (among social landlords) was that the extra support required had brought them closer to their tenants; another was that the issues the payment system had caused around technical arrears had impacted negatively on relationships with tenants; and a third was that it is impossible to isolate the impact of Scottish choices specifically from the impact of Universal Credit on tenant-landlord relationships more generally.

Those who felt there had been a positive impact on the tenant-landlord relations talked about the benefit of being able to empower tenants to make a choice, rather than having no option other than imposing an APA on them if they were struggling with rent:

“...it's [DPL] quite good because it's empowering the claimant to make that choice... we're not going in heavy handed and saying, 'well look, we're going to have to put an APA in place for this', because it is not normally at that stage... we try to explain to them, 'this is your home, you know you want to safeguard it, you want to make sure you don't fall behind, you have the choice to apply for that'.”

(Landlord 1, Local Authority)

It was also suggested that the nature of the impact Scottish choices have on tenant-landlord relationships might vary depending on people's roles within social landlords – for example, relationships between tenants and staff providing welfare rights advice may have benefited from the support the latter are able to provide around Scottish choices, whereas relationships between tenants and Housing Officers, or Rent Arrears Officers, might be more negatively impacted by the issues with the payment system, discussed above.

Private landlords tended either to feel that Scottish choices had little or no impact on landlord-tenant relationships, or that it had a positive impact via avoiding arrears and the subsequent strain these created for tenant-landlord relationships:

“If the rent was... ring fenced, then it can't be used for anything else, then the rent is paid, it's guaranteed... Over a long period of time [if rent isn't paid], the goodwill towards the tenant, do you maintain it? Or do you go, 'actually this tenant has proved consistently unreliable... we don't want to have this arrangement with this individual anymore, so we're going to serve notice on them'?”

(Landlord 7, Private)

Besides the impacts covered above, the most notable impact for landlords, mentioned primarily by those in the social sector, was the additional administrative effort needed to work with the payment system and the additional support required to help tenants benefit from Scottish choices. These were reported to have had major resource implications for some Housing Associations and Local Authorities – for example, having to set up their own spreadsheets to calculate payment dates, and having to intervene to prevent automatic arrears letters from being sent. As noted above, the new payment system was viewed as a very significant step forward in reducing these issues, although it was not clear if it would resolve every issue raised by landlords.

6. Suggested improvements

Key findings:

Improving awareness and understanding of Scottish choices

- There was a clear belief across all interviewees for this research that Scottish choices could be better publicised.
- Suggestions for improving this focused on a) improving the content and nature of notices about Scottish choices within people's Universal Credit online accounts and b) employing other communication methods instead of, or in addition to, the online Journal, to ensure that claimants are fully aware of their options.
- Awareness and understanding were considerably lower among private landlords than among social landlords. One suggestion for improving this was to include information about Scottish choices when landlords register or re-register with the Scottish Landlord Register.

Improving the operation of Scottish choices

- Other problems or frustrations with Scottish choices were rarely a reflection of the principle of the policy, but rather how it had been implemented in practice. Suggestions for improving this included:
 - Allowing everyone to apply for Scottish choices from the start of their claim, rather than requiring them to wait until the start of the second assessment period
 - Improving the payment system for direct payments – although this is already in hand, there was a desire to ensure this also enabled people to align payment dates with the date rent was due
 - Making payments fortnightly rather than twice a month.

Additional flexibilities

- There was strong support for the principle of enabling people to opt for split payments within a household, both out of respect for individual dignity and autonomy, and to prevent financial abuse.
- Other flexibilities people suggested might be helpful included: weekly payments (in addition to the twice-monthly or fortnightly option), and an option to have Council Tax paid directly.

Suggestions relating to Universal Credit more widely

- Although not the focus of this research, participants spontaneously mentioned various improvements to the Universal Credit system that they felt would significantly improve people's lives.

This final chapter summarises the suggestions of people on Universal Credit, landlords and key informants for improving Scottish choices. Many of these suggestions have been touched on in previous chapters. They are grouped under three main headings:

- Suggestions for improving awareness and understanding of Scottish choices
- Suggestions for improving the precise way in which the choices operate in practice
- Suggestions for additional flexibilities that might support people on Universal Credit to manage their money more easily.

Improving awareness and understanding of Scottish choices

How could claimant awareness and understanding be improved?

As discussed in Chapter 2, levels of awareness and understanding of the Scottish choices options varied considerably across the 45 people on Universal Credit interviewed for this study. There was a clear belief among both claimants and key informants that it could be better publicised. Specific suggestions from those on Universal Credit as to how this could be achieved included:

- **Improvements to the way Scottish choices are communicated in people's online Universal Credit accounts**, specifically:
 - Enabling people to access information about Scottish choices from the main menu, not just in the notifications
 - Including more detailed description of what the choices are and how they work in practice – addressing specific issues claimants reported finding confusing, discussed in Chapter 2. Given the number of areas where claimants and/or key informants and landlords reported potential for confusion, there may be a need for a set of FAQs to explain how each option works for people in different circumstances.
 - Ensuring that the Scottish choices notification in a claimant's online Journal is highlighted regularly, rather than only at the start of the second notification period. This was also suggested by key informants and social landlords. It was noted that people's circumstances change regularly, so while Scottish choices might not suit them at the start of their Universal Credit claim, they may be helpful later on.
 - Providing a clearer reminder of which Scottish choices they have selected and how and when these will be paid (including dates that payments of rent will reach landlords).
- **Less exclusive reliance on the online Journal to convey information about Scottish choices to eligible claimants.** As discussed in Chapter 2, it was suggested that information provision around Scottish choices needs to take more account of the needs of those who cannot use their online account for various reasons. But even for those who were using their Universal Credit account, there was a perception that journal notifications do not really “shout at

you” and are easy to miss. There was a strong desire among claimants for Journal notifications to be supplemented by letters and/or emails explaining their Scottish choices options, and by Work Coaches consistently talking claimants through Scottish choices early in their claim. It was also suggested that they could be advertised more widely, through TV campaigns, information in tenant newsletters, or posters in health centres, for example.

How could landlord awareness and understanding of Scottish choices be improved?

As discussed in Chapter 5, compared with private landlords, social landlords had much higher levels of awareness and understanding of Scottish choices. Most suggestions about improving landlord awareness therefore focused on raising awareness among private landlords. One suggestion was that information about Scottish choices could be provided when they are required to register or re-register with the Landlord Register. There was a perception that levels of awareness may be particularly low among landlords who own properties in other parts of the UK, and who may be less familiar with the differences in how systems operate in Scotland.

As noted above, although social landlords generally felt they had a good understanding of what Scottish choices are and how they work, there was a desire for clearer information to be passed to landlords about which tenants had opted for Scottish choices, and when they choose to end Direct Payment to Landlord arrangements. While landlords understood that there were issues around confidentiality and data sharing, they felt that having this information would enable them to better target support to tenants who may be at risk of entering arrears (for example, because they have just cancelled a Direct Payment to Landlord arrangement, and have a history of missing rent payments).

Improving the way in which Scottish choices operate in practice

As discussed in previous chapters, where interviewees had problems or frustrations with Scottish choices, this was rarely a reflection of the principle of the policy, but rather how it had been implemented in practice – something which largely rests with the DWP rather than the Scottish Government. Their suggestions for improvements reflected this point, focusing on specific changes to how it has been operationalised.

Suggestions relating to both options

Beyond raising awareness and improving understanding, the main suggestion for improving Scottish choices in general – made by people on Universal Credit, landlords and key informants – was to allow people to take up both options from the start of their claim, rather than making them wait until after the first assessment period. There was a strong view that the impact of Scottish choices in helping people avoid arrears and debt would be enhanced if they were available from the outset.

Suggestions relating to Direct Payments to Landlords

The main suggestion for improving the Direct Payments option from both people on Universal Credit and landlords was to amend the payment system so that people do not fall into technical arrears. As noted, this is in the process of being addressed by the new payment system being rolled out by the DWP, although interviewees were still unclear whether this would mean payments aligned with the date rent was due and wanted to be able to change the date direct payments were made if it did not.

As discussed in Chapter 5, some private landlords indicated that they would like direct payments to be mandatory rather than optional.

Suggestions relating to More Frequent Payments

The main suggestion mentioned by people on Universal Credit for improving this option was to make payments fortnightly instead of twice monthly, so that the payment dates would be both fixed and evenly spaced. This was seen as easier both in terms of knowing how long your money had to last and being able to set direct debits up to come out shortly after the second payment.

Suggestions for additional flexibilities

As discussed in Chapter 1, the Scotland Act 2016 enables the Scottish Government to introduce specific flexibilities to the way Universal Credit is paid in Scotland. In addition to the two current Scottish choices options, on which this report has focused, the Scottish Government is currently working on a 'split payment' option. This would allow Universal Credit payments to be split between two people in the same household (at the moment, payments are made to one claimant, but cover the household as a whole).

There was strong support among the people on Universal Credit interviewed for this research for the idea of split payments. Some identified ways in which split payments would have benefited them personally – for example, one couple said split payments would be “amazing”, both in terms of giving each of them financial independence and dignity (the partner who was not receiving payments described feeling they were being “kept” at the moment), and reducing administrative hassle (at present, the person who received payments was regularly having to transfer money to their partner for shopping). However, even when people did not think they would affect them directly (either because they lived alone, or because they were in a couple but did not have any problems sharing their finances), they felt that such arrangements could be beneficial for others, particularly if there was a domestic abuse issue and one partner was exerting financial control over the other. There was a strong feeling that, as a matter of principle, each individual should have their own income and should not need to ask their partner for money or to feel “ beholden ” to them in some way.

Where landlords and key informants expressed a view on split payments, they were also supportive in principle, although they felt they might prove very complex to implement in practice.

Other suggestions for additional flexibilities included:

- **Offering a weekly payment option**, in addition to twice monthly (or fortnightly) – one view from a claimant was that it is more common to budget weekly rather than fortnightly, so this option would be more useful to people
- **Creating an option for direct payment of Council Tax** which is offered to everyone as part of Scottish choices (this was also suggested by a claimant).

Suggestions relating to Universal Credit more widely

Finally, although it falls outwith the remit of the Scottish Government, it must be noted that people on Universal Credit, landlords and key informants interviewed for this study all spontaneously mentioned other improvements to the Universal Credit system that they felt would make a significant difference to the lives of those on this benefit. Raising the level of payments, removing the Minimum Income Floor, ending the five-week wait for a first payment, abolishing or reviewing the sanction system, improving communications – both written and in person – with claimants in general, were all mentioned spontaneously by claimants as areas for improvement that would make a significant difference to their experience of Universal Credit. This view was mirrored by key informants working for organisations that supported people on Universal Credit. While Scottish choices were generally viewed favourably, their impact was seen as limited when set against the wider backdrop of perceived problems with the Universal Credit system.

Appendix A – Recruitment Questionnaire for people on Universal Credit

Telephone Script

Hi

Please can I speak to XX? My name's X and I'm calling from Ipsos MORI, the independent research company.

IF SHS RECONTACT: You may remember that you took part in the Scottish Household Survey with us – an interviewer will have spoken to you at home sometime in the last year or two about a range of issues to do with life in Scotland. At the end of that interview, you said it would be OK to contact you again if there was other research you might be interested in.

We're doing some research at the moment on behalf of the Scottish Government about Universal Credit Scottish Choices. We're getting in touch because, based on the answers you gave when you took part in the Scottish Household Survey, you may be on Universal Credit.

IF RECRUITED VIA GATEKEEPER: We're getting in touch because [NAME OF GATEKEEPER] mentioned that you might be willing to speak to us as part of some research we're doing on behalf of the Scottish Government. I'm ringing just to let you know a bit more about the study and to find out a bit about you. Do you have five minutes to speak?

ALL

As you may know, Universal Credit Scottish Choices give people in Scotland the option of receiving Universal Credit in twice monthly payments, instead of once a month and, if you are eligible for a housing element, having this paid direct to your landlord. These options are offered through your UC online account after your first monthly assessment period (that is, after you have been on Universal Credit around a month).

The Scottish Government want us to find out what impact the Universal Credit Scottish Choices options are having on people like you, and to see how they could be improved. We are speaking to people across Scotland and are keen to get your views and hear about your experiences of the Scottish Choices.

It would involve a telephone interview lasting around 45 minutes, at a time that suits you. People who take part will receive £35 to thank them for giving up their time. There are no right or wrong answers – we're just interested in people's views and experiences.

Is this something you think you might be interested in?

IF NECESSARY – reassure them that their answers would be confidential and will not be seen by anybody outside of Ipsos MORI, the independent research organisation. We may use quotes to show what people thought, but these will be anonymous - it will not be possible for anyone, including the Scottish Government, to identify any individuals from the results.

IF INTERESTED:

- RUN THROUGH QUOTA AND BACKGROUND QUESTIONS (making a note of all their responses to transfer to the recruitment spreadsheet after the call):

READ OUT: We need to make sure we speak to a mix of people with different characteristics, so I've got a few background questions I need to run through, to find out a bit about you. Is that OK?

- 1) First, can I just check, are you still receiving UC?
 - a. Yes
 - b. No => ONLY CONTINUE IF HAVE RECEIVED IT IN LAST 6 MONTHS (OTHERWISE THANK AND CLOSE)

ASK IF STILL RECEIVING UC (IF NOT STILL ON UC BUT RECEIVED IN LAST 6 MONTHS, SKIP TO Q6)

- 2) Can you confirm when you first started receiving Universal Credit?
 - a. Less than 3 months ago => THANK AND CLOSE (Thank you, but we're looking for people who have been on UC for a little longer than that, so that they've had time to experience the Scottish Choices options.)
 - b. 3-6 months ago
 - c. 6-12 months ago
 - d. 12+ months ago
 - e. Unsure (probe for rough estimate, to ensure not very new)
- 3) Have you taken up the Scottish Choices option to receive your Universal Credit in twice monthly payments, rather than monthly?

IF YES – probe on whether still on this option.

- a. Yes – and still on this option
- b. Yes – but no longer on this option

IF NO – check never been on this option.

- c. No, never taken this option up
- d. Unsure – PROBE TO TRY AND ESTABLISH WHETHER ELIGIBLE – E.G. WERE THEY OFFERED THIS AS AN OPTION AT ALL? WAS THIS VIA THEIR ONLINE UC ACCOUNT?

NOTE: WE ARE TRYING TO ESTABLISH WHETHER SCOTTISH CHOICES RATHER THAN AN APA. IF IN DOUBT, GO THROUGH REST OF SCREENER BUT EXPLAIN MAY NEED TO DISCUSS WITH A COLLEAGUE AS LOOKING SPECIFICALLY FOR PEOPLE ON SC – THEN DISCUSS WITH <RESEARCH DIRECTOR>)

4) Do you receive any payments towards your housing costs or rent through Universal Credit?

- a. Yes GO TO Q5
- b. No GO TO Q11
- c. Unsure PROBE TO TRY AND ESTABLISH – IF STILL UNSURE, GO TO Q11

IF YES AT Q4

5) And have you taken up the Scottish Choices option of having your rent paid direct to your landlord?

IF YES – probe on whether still on this option.

- a. Yes – and still on this option
- b. Yes – but no longer on this option

IF NO – check never been on this option.

- c. No, never taken this option up
- d. Unsure – PROBE TO TRY AND ESTABLISH WHETHER ELIGIBLE – E.G. WERE THEY OFFERED THIS AS AN OPTION AT ALL? WAS THIS VIA THEIR ONLINE UC ACCOUNT?

NOTE: WE ARE TRYING TO ESTABLISH WHETHER SCOTTISH CHOICES RATHER THAN AN APA. IF IN DOUBT, GO THROUGH REST OF SCREENER BUT EXPLAIN MAY NEED TO DISCUSS WITH A COLLEAGUE AS LOOKING SPECIFICALLY FOR PEOPLE ON SC – THEN DISCUSS WITH <RESEARCH DIRECTOR>.

QUESTIONS FOR THOSE NO LONGER ON UC (BUT WHO DID RECEIVE IT IN LAST 6 MONTHS)

6) When did you stop receiving Universal Credit?

- a. Within last month
- b. Within last 2-3 months
- c. Within last 4-6 months
- d. Unsure (probe for best estimate, if possible)

7) How long were you on Universal Credit for, before you stopped receiving it?

- a. Less than 3 months
- b. 3-6 months
- c. 6-12 months
- d. 12+ months
- e. Unsure (probe for rough estimate, to ensure not very new)

8) When you were on Universal Credit, did you take up the Scottish Choices option to receive your Universal Credit in twice monthly payments, rather than monthly?

IF YES – probe on whether carried on with this option ‘til stopped receiving UC.

- a. Yes – and staying on this option ‘til came off UC
- b. Yes – but came off this option before coming off UC

IF NO – check never took this option up

- c. No, never took this option up
- d. Unsure – PROBE TO TRY AND ESTABLISH WHETHER THEY WERE ELIGIBLE – E.G. WERE THEY OFFERED THIS AS AN OPTION AT ALL? WAS THIS VIA THEIR ONLINE UC ACCOUNT?

NOTE: WE ARE TRYING TO ESTABLISH WHETHER SCOTTISH CHOICES RATHER THAN AN APA. IF IN DOUBT, GO THROUGH REST OF SCREENER BUT EXPLAIN MAY NEED TO DISCUSS WITH A COLLEAGUE AS LOOKING SPECIFICALLY FOR PEOPLE ON SC – THEN DISCUSS WITH <RESEARCH DIRECTOR>.

9) Did you receive any payments towards your housing costs or rent through Universal Credit?

- a. Yes GO TO Q10
- b. No GO TO Q11
- c. Unsure PROBE TO TRY AND ESTABLISH – IF STILL UNSURE, GO TO Q11

IF YES AT Q9

10) And did you take up the Scottish Choices option of having your rent paid direct to your landlord?

IF YES – probe on whether carried on with this option ‘til stopped receiving UC.

- a. Yes – and staying on this option ‘til came off UC
- b. Yes – but came off this option before coming off UC

IF NO – check never took this option up

- c. No, never took this option up
- d. Unsure – PROBE TO TRY AND ESTABLISH WHETHER THEY WERE ELIGIBLE – E.G. WERE THEY OFFERED THIS AS AN OPTION AT ALL? WAS THIS VIA THEIR ONLINE UC ACCOUNT?

NOTE: WE ARE TRYING TO ESTABLISH WHETHER SCOTTISH CHOICES RATHER THAN AN APA. IF IN DOUBT, GO THROUGH REST OF SCREENER BUT EXPLAIN MAY NEED TO DISCUSS WITH A COLLEAGUE AS LOOKING SPECIFICALLY FOR PEOPLE ON SC – THEN DISCUSS WITH <PROJECT MANAGER>.

DEMOGRAPHICS

ASK ALL

11) Can I just check your age? (IF SHS CONTACT - I have this as (READ OUT FROM SPREADSHEET) – is that correct?)

- a) WRITE IN AGE _____
- b) Refused age (CHECK IF WILLING TO GIVE RANGE, BUT IF NOT THANK AND CLOSE, EXPLAINING WE NEED TO RECRUIT PEOPLE WITH A RANGE OF AGES)

ASK ALL

12) And can I just check whether you are currently working or not?

- a. Yes, working
- b. No, not working

ASK ALL

13) And can I just check who you live with just now? (PROBE TO CODE TO HOUSEHOLD STRUCTURE AS APPROPRIATE BELOW)

- a. Single adult, no children (can include adults living with flatmates)
- b. Single adult, with children
- c. Couple, no children
- d. Couple, with children

ASK ALL

14) And can I confirm which area of Scotland you live in?

WRITE DOWN AREA TO ADD TO SPREADSHEET.
IF YOU'RE NOT SURE WHAT KIND OF AREA THIS IS, PROBE TO CHECK – And would you describe that as a town, a village, a rural area or what?

ASK ALL

15) Finally, do you, or does anyone you live with, have a health condition or disability that is expected to last at least 12 months?

- a. Yes, respondent
- b. Yes, someone they live with
- c. No
- d. Don't know
- e. Refused

REFER TO QUOTAS ON SPREADSHEET TO MAKE SURE THEY ARE ELIGIBLE FOR INTERVIEW

IF WITHIN QUOTA:

- 1) Discuss a suitable time/date to speak to them – remind them it will last c. 45 minutes

- 2) Double-check what phone number it is best to catch them on (ENTER IN SPREADSHEET)
- 3) Ask if they have an email address, so that we can email them confirmation/further information in advance (ENTER IN SPREADSHEET)
- 4) Check if they have any additional needs that we might need to be aware of – is there anything you need us to do to make sure you're comfortable taking part?
- 5) Remind them that:
 - a. Taking part is completely voluntary – they can skip any questions they're not comfortable with, and stop the interview at any time
 - b. Their answers will be confidential and will not be seen by anybody outside of Ipsos MORI, the independent research organisation. We may use quotes to show what people thought, but these will be anonymous - it will not be possible to identify any individuals from the results.
 - c. With their consent, we would like to audio-record the discussion (to save us taking notes), but they can still take part even if you would prefer us not to do this.
 - d. All their data will be securely stored by Ipsos MORI in accordance with the General Data Protection Regulation (GDPR) and securely deleted after the end of the project.
- 6) Update the spreadsheet with details of when you spoke to them, of their responses to quota questions, email address, time/date recruited for.
- 7) Copy across their row to the 'recruits' tab
- 8) Let Maggie know as you recruit people so she can update the quota table
- 9) Email them to confirm the date and time of their interview, and send them a copy of the participant info sheet.
- 10) Put the interview in your calendar.

IF OUTWITH QUOTA

- 1) Thank and close. *"Having checked your details, we actually have enough people for the group who have similar characteristics to you, so we don't need to speak to you on this occasion. But thank you very much for your time."*
- 2) Update spreadsheet with responses to quota / background questions, record that they are out of quota, and note whether happy to be contacted again in future.

ALL:

- Add all details to recruitment spreadsheet immediately after the call
- Securely shred any paper notes on responses asap after transferring to the spreadsheet

Appendix B – Demographic profile of recruited sample of people on Universal Credit

	Number in the sample
Age band	
Under 30	10
31-44	17
45-65	18
Gender	
Male	27
Female	18
Household type	
Single adult	24
Single parent	8
Couple with children	7
Couple no children	5
Employment circumstances	
Working	13
Not working	32
Geographic area	
Large urban/city	10
Other urban	24
Rural	11
Disabled person in HH	
Yes	26
No	17
TOTAL	45

Appendix C – Topic guides

Topic guide for interviews with people on Universal Credit

INTRODUCTION (3 minutes)

- Introduce self and Ipsos MORI
- Check in with how they are – realise it's a tricky time at the moment with all the changes to everyone's lives because of Coronavirus. Is now still an OK time to speak to us?
- **Introduce the research:** The Scottish Government wants to hear about the experiences of people who are eligible for Universal Credit Scottish Choices. It has commissioned us (Ipsos MORI) to carry out research to help assess its impact on people and to see how it could be improved. The interview will allow us to hear about your experience and thoughts about the Universal Credit Scottish Choices. The anonymised findings will be published as part of an evaluation of the Scottish Choices.
- Explain that the interview will last about 45 minutes to an hour. Remind them they will get £35 to say 'thank you'
- Provide reassurances of anonymity and confidentiality. Explain that no identifying information about individuals will be passed on to anyone outwith the Ipsos MORI research team, so it will not be possible for the Scottish Government or anyone else to identify individuals in any reports that Ipsos MORI produce.
- Remind participant that they don't have to answer any questions they don't want to answer, and that they are welcome to stop the interview at any time.
- Request permission to record interview. Explain that this is for transcription and analysis purposes and that recordings will not be shared outside the research team at Ipsos MORI.

PARTICIPANT'S BACKGROUND (3 minutes)

Firstly, it would be great if I could just confirm a few details about you

- Can you tell me how old you are?

- And are you working at the moment?
- Which area of Scotland do you live in?
- And do you live with anyone else? If so, who?
- Do you, or anyone you live with, have a disability or health condition that affects your day to day life? IF YES – ask for brief details.
- And according to my notes, you are (READ OUT SCOTTISH CHOICES STATUS – I.E. WHICH, IF EITHER, THEY ARE ON, AND WHICH, IF EITHER, THEY HAVE BEEN ON) - is that still correct?

EXPERIENCE OF UNIVERSAL CREDIT (5 minutes)

It would be great if I could get a bit of background on your experience of Universal Credit.

- When did you first apply for Universal Credit?
- Check if still receiving UC
 - IF NO – when did they stop receiving it? How long had they been on it at that point?
 - IF YES – so you've been on UC for around xx months? (confirming length of time from when first applied)
- How did you come to be applying for UC? (WANT TO KNOW IF THEY WERE A COMPLETELY NEW CLAIM, OR MIGRATED FROM ANOTHER BENEFIT BECAUSE OF CHANGE IN CIRCUMSTANCES)
- What elements does your UC cover – do you get a housing element? (i.e. a payment towards your rent or housing costs)
- Can I ask – how much money do you normally receive in your Universal Credit payments?
- Obviously, things have changed financially for many people since the Coronavirus crisis and lock down. Have your UC payments changed at all since the start of the Coronavirus crisis in March? IF YES – how have they changed? *(If necessary, explain that we're asking this to understand how the crisis might have impacted on their experience of UC and of SCs)*

FINANCES (5 minutes)

I'd now like to move on to ask some questions about your finances and any financial impact of coming on to Universal Credit. To be clear, there are no right or wrong answers, and all your responses will be kept anonymous. Just let me know if there is a question you would rather not answer. So, I'd like to ask a few general questions about money if that's ok.

- In general, how do you feel you are managing financially these days?
 - PROBE – what makes you say that?
- Has your financial situation changed at all in the time you've been on Universal Credit?
 - PROBE FULLY – in what way has it changed? At what points? What caused this change?
- And has your financial situation changed at all over the last few months, since the lock down started in late March?
 - PROBE FULLY – in what way has it changed? Why? At what points?
- How confident would you say you feel about managing your money?
 - PROBE – can you say a bit more about why you feel that way?
 - Has this changed at all since you started on UC? More/less confident than previous? Why?

AWARENESS AND UNDERSTANDING OF SCOTTISH CHOICES (10 minutes)

Now I'd like to hear a bit about what you know about Scottish Choices.

- First of all, could you tell me what, if anything, you know or have heard about the Universal Credit Scottish Choices?
 - PROBE IF NECESSARY: What do Scottish Choices involve? Who are they for?
 - PROMPT ON THE TWO OPTIONS IF NECESSARY – have you heard of the option for people with a housing element to their UC to have their rent paid direct to their landlord? And the option to receive your UC twice monthly instead of once a month?
- Can you tell me a bit about when you first became aware of Scottish Choices?
 - PROBE on when, how and from what source, and what they were told about them.
- When were you first actually offered Scottish Choices? PROBE on how long ago, and through what route?

- IF NOT MENTIONED: Do you remember being offered the Scottish Choices via a digital notification on your online UC account?
 - What, if anything, do you remember about the notification? What did it say? What information did it include?
 - What did you think about this notification?
 - Were you clear about what it was offering? CHECK – were they offered both options or just one?
 - Were you clear about how the Choice(s) would work and how it/they would affect your UC payments?
 - Were you keen to apply after getting the notification in your online account? Why/why not?
 - Were you clear about *how* to apply for the Scottish Choice(s) if you wanted to?
 - Did the notification give you all the information you needed to decide whether to apply for Scottish Choices? IF NO – what else would you have liked to know?

- Aside from the notification in your online UC account, do you remember receiving any other information about the Scottish Choices? What? Who from?
 - [IF THEY RECEIVED INFO]: Did you find that information useful? Why / why not?
 - Did you seek out any information about the Scottish Choices?

- Was there anything else you would have liked to know about Scottish Choices before deciding whether or not to take it up?

- If you had needed more information, where do you think you would have looked for it? Who would you have asked?

- How would you have liked to be informed about having the option of the Scottish Choices?

DECISION MAKING AROUND SCOTTISH CHOICES (5-10 minutes)

Now I'd like to move on and ask a bit about how you made any decisions about the Scottish Choices.

- What did you think when you first became aware of the Scottish Choices? Did it sound like something you'd be interested in? Why/Why not?

- Did you discuss the Scottish Choices with anyone else?
 - Someone else in your household?

- Someone who helps people with money or benefits advice – like Citizen’s Advice or a charity?
- Your landlord?
- Anyone else?
- What, if any, advice did they give you about taking them up?

QUESTIONS FOR PEOPLE WHO DID GO ON SCs (EVEN IF LATER CAME OFF IT)

[ASK FOR EACH CHOICE CHOSEN - IF BOTH, PROBE FOR EACH IN DETAIL]

- At what point did you decide to go on to this option? Immediately after getting the notification in your online UC account, or later?
 - IF LATER – why did you delay going on to Scottish Choices?
- Why did you choose to have your payment split twice a month / your housing element paid directly to your landlord?
 - PROBE FULLY – why did you think this might be a good option for you?
 - In what way did you think it would be helpful?
 - Did you have any concerns about it before you decided to try it?
 - Did you discuss those concerns with anyone?

QUESTIONS FOR PEOPLE WHO DECIDED NOT TO GO ON ONE OR BOTH SCs

[ASK FOR EACH CHOICE NOT CHOSEN]

- Did you ever consider taking up this Scottish Choice?
- Why did you not go on this Scottish Choice?
- Would you ever consider taking up one or both Scottish Choices at a later time?
 - IF YES – Which one? Under what circumstances? Why?
 - IF NO - what if your circumstances changed?
 - If you did decide to apply for them, would you feel confident knowing how to do that?
- **IF NEVER ON SCOTTISH CHOICES, SKIP TO SECTION ON SUGGESTED IMPROVEMENTS.**

PERCEIVED IMPACTS OF THE SCOTTISH CHOICES (10 minutes)

Now I’d like to move on and ask a bit about what impact, if any, the Universal Credit Scottish Choices had for you.

[IN THIS SECTION, KEEP IN MIND THAT THE IMPACTS MIGHT NOT BE STATIC – THEY MIGHT HAVE CHANGED OVER TIME – THERE ARE A COUPLE OF QUESTIONS ON THIS, BUT ALSO PROBE ON THIS AS APPROPRIATE]

- Would you say the Scottish Choices made any difference to you?
 - IF YES – in what way? How have they made a difference?
 - IF NO – what makes you say that?
- Did the Universal Credit Scottish Choices have any impact on your finances?
 - PROBE FULLY: Did they/it...
 - ... make any difference to how you budget and manage your money?
 - PROMPT IF NECESSARY: E.g. keeping up with bills, food, other things you might need to buy
 - ... have any impact on whether your rent was paid on time?
 - Any other financial impacts? Anything you didn't expect?
 - FOR EACH – probe for details of exactly how they feel it affected them, and why they feel it affected them this way – what was it about SC that had these impacts?

Now, thinking about other possible impacts...

- Did going onto Scottish Choices affect...
 - ... how much you worry about money?
 - ... how secure you feel in your home (how safe you feel from eviction)?
 - ... your physical or mental health?
 - FOR EACH – probe for details of exactly how they feel it affected them, and why they feel it affected them this way – what was it about SC that had these impacts?
- FOR THOSE WHO ARE/WERE ON THE TWICE MONTHLY PAYMENTS:
Did you spend your Universal Credit differently as a result of it being paid in a different way?
 - In what way? What, if any, difference did this make for you?
- Did the Scottish Choices have any negative consequences for you?
 - IF YES – probe fully. What?
 - Why did this occur?
 - What impact did it have for you?
 - Were you able to sort it out?
- Did the Scottish Choices have the effect you hoped it/they would when you chose it? PROBE FULLY.
- Has the impact of Scottish Choices changed for you at all over time?

- What about since the lock down – did this made any difference to how the Scottish Choices worked for you?

REVERTING TO NORMAL PAYMENTS (5 minutes)

- ASK IF NOT CLEAR FROM RECRUITMENT: Were you at any point using one or both the Scottish Choices options and then changed your mind (i.e. reverted to the monthly payments and you paying your landlord yourself)?

[IF YES – ASK FOR EACH OPTION THEY WERE ON, BUT THEN CAME OFF]

- And you said you stopped receiving twice monthly payments / having your rent paid direct to your landlord. How long did you have your Universal Credit paid that way before you stopped it and reverted back to the default option?
- Why did you choose to stop it?
 - PROBE FULLY. PROMPT IF NECESSARY:
 - Was it something about the way SCs worked? What?
 - Had your circumstances changed? In what way? Why did this mean you felt it wasn't the right option for you?
- Did you talk to anyone before you stopped the Scottish Choice(s)?
 - Someone else in your household?
 - Someone who helps people with money or benefits advice – like Citizen's Advice or a charity?
 - Your landlord?
 - Anyone else?
- What advice did they give you?
- How did you find the process of reverting back to the default payment schedule? PROBE ON ANY ISSUES EXPERIENCED.

FUTURE IMPROVEMENTS (5 minutes)

Before we finish up, I'd like to ask some questions about ways the Scottish Choices could be improved in your view.

- Can you think of any ways the Universal Credit Scottish Choices could be improved?
 - PROBE ON THE FOLLOWING FOR EACH OPTION THEY WERE OFFERED:
 - The information available?
 - The way people are told about the Scottish Choices?
 - The administrative process of applying for the Scottish Choices?
 - The process of receiving payments?

The Scottish Choices are designed to give people in Scotland some flexibility about how they want to receive their Universal Credit payments.

- Can you think of any other changes to how UC is paid that might make it easier for you to manage your money?

The Scottish Government is in the process of developing a new 'split payments' policy with the DWP. This will be available to households where both members of the household are in receipt of UC and provides the option to split the UC payment between both members of the household, rather than a single payment being made.

- What do you think of this idea?

- Do you have any other feedback for the Scottish Government about the Scottish Choices?

WRAP UP (3 minutes)

- Is there anything else you would like to raise about the things we've discussed today?

- Do you have any questions about the research?

As I mentioned, we're offering you £35 to thank you for your time. Would you prefer to get it as:

- A BACS transfer?
- A Love2Shop e-code?
- An Amazon e-code?

Topic guide for landlords

INTRODUCTION (3 minutes)

- Introduce self and Ipsos MORI
- And I just wanted to check that now is still an OK time to speak to us? I realise it's a difficult and busy time at the moment, so just wanted to confirm that you're still ok to speak just now? *If necessary, provide reassurances that we can stop at any time if needs be, and can split the interview into smaller chunks if that's helpful.*
- **Introduce the research:** As you know, the Scottish Government wants to hear about views on Universal Credit Scottish Choices from both people on Universal Credit and landlords like yourselves. It has commissioned us (Ipsos MORI) to carry out research to help assess its impact and to see how it could be improved. We want to hear about your experience and thoughts about the Universal Credit Scottish Choices. The anonymised findings will be published as part of an evaluation of the Scottish Choices.
- Explain that the interview will last about 30-45 minutes to an hour. (PRIVATE LANDLORDS ONLY – mention that will give them £35 to thank for their time.)
- Provide reassurances of anonymity and confidentiality. Explain that no identifying information about individuals will be passed on to anyone outwith the Ipsos MORI research team. If we include any quotes to show what people said in our reports, they will be anonymous - it will not be possible for the Scottish Government or anyone else to identify individuals or organisations in any reports that Ipsos MORI produce.
- Remind participant that they don't have to answer any questions they don't want to answer, and that they are welcome to stop the interview at any time.
- Request permission to record interview. Explain that this is for transcription and analysis purposes and that recordings will not be shared outside the Ipsos MORI. ***Start the digi recording and ask participant to confirm they are happy to take part and to be recorded while recording is on.***

PARTICIPANT'S BACKGROUND (3 minutes)

Firstly, thanks very much again for taking part in the short survey we ran in July, and for agreeing to take part in this follow up research. I just wanted to confirm a few background details about you.

- Confirm type of landlord they are, or they work for
 - Individual landlord or employee of a landlord company/organisation?
 - Private landlord, private letting agent, Local Authority Housing Department, Housing Association?
- Confirm their role – probe for details as needed
- Confirm number of properties they / their organisation are responsible for.
 - *If participant isn't sure, probe for ballpark*
- Confirm areas they let properties in. *Which local authorities? Whether urban/rural?*
- In recent years, roughly how many tenants would you say you / your organisation have had who have been on Universal Credit, regardless of whether or not they have been on Scottish Choices?
 - *If participant isn't sure, probe for ballpark*
- Has this changed much over time?
 - IF YES – probe. How has it changed? At what points have numbers on UC gone up/down? Any views on the reasons for this?

LANDLORD AWARENESS AND UNDERSTANDING OF SCOTTISH CHOICES (5 minutes)

Now I'd like to hear a bit about what you know about Scottish Choices.

- Could you tell me what, if anything, you know or have heard about the Universal Credit Scottish Choices?
 - PROBE IF NECESSARY: What do Scottish Choices involve? Who are they for?
 - PROMPT ON THE TWO OPTIONS IF NECESSARY
 - Have you heard of the option for people with a housing element to their UC to have their rent paid direct to their landlord?

- And the option to receive your UC twice monthly instead of once a month?
- How did you first become aware of Scottish Choices?
 - PROBE on when, how and from what source.
- Have you sought out any other information on either option? Where from? How useful was this?

DISCUSSIONS WITH TENANTS ABOUT TAKING UP DPLs (5 minutes)

Thinking now about your tenants who receive Universal Credit...

- **How many of your tenants**, as far as you are aware, have opted for the Direct Payments to Landlord option? PROBE FOR ROUGH FIGURE IF UNSURE
 - Has this changed over time? PROBE – how and why?
- From what you have observed, do you think most of your tenants on UC are **aware of the option** to have their housing element paid direct to you? IF NO – why do you think this might be?
- And, in your experience, **have your tenants tended to take up the option** to have their rent paid directly to you when offered it? Why/why not – what reasons have they given for taking up / not taking up this option?
- Have you heard of tenants signing up for Direct Payments to Landlords, but then **opting out again**?
 - IF YES, EXPLORE – why do you think this happen? What impact does it have on you?
- **Have you discussed the option** to have their rent paid direct to you as their landlord with any of your tenants?
 - IF YES: What exactly have you discussed with tenants?
 - IF NO: Why not? (Try and establish - *is this because they have little interaction personally with their tenants? Or do they not feel it would be comfortable/appropriate for them to discuss it with tenants?*)

VIEWS ON THE IMPACT OF DIRECT PAYMENTS TO LANDLORDS (10-15 minutes)

Probe fully to unpack whether views about SCs are to do with the design of the scheme, the way it is currently being implemented, how it interacts with other features of UC, or something else altogether.

- What is **your view, in general, of the Direct Payment to Landlords** Scottish Choices option?
 - Why do you say that? What is it about DPLs that makes you say that?
 - Probe for positives and negatives, for both landlord and for tenants.
- **What impact, if any, has the Direct Payment to Landlords option had on landlords, such as yourself?**
 - PROBE FULLY
 - Any positives? Any negatives?
 - Has it made a difference in any other ways?
 - Perceived reasons for impacts – what element(s) of DPLs contributed to this?
 - IF NECESSARY, PROMPT FOR ANY IMPACTS (POSITIVE OR NEGATIVE) ON:
 - **Arrears** (level/frequency)?
 - Landlord's **cashflow/income**?
 - The **support** they need to give tenants?
 - Their **relationship with their tenants**?
 - Frequency of needing to **re-let properties**?
- (IF NOT DISCUSSED FULLY ABOVE) Have you experienced **any issues with getting your payments through Scottish Choices DPLs**? PROBE FULLY (*if payment system discussed, ensure you probe on (a) whether there are any other issues and (b) whether, once issues with payment system resolved, they would have any other concerns or not*)
- **Note: as of 21st July, new landlord payment system being rolled out by DWP, which should address a lot of the issues previously raised – so focus more on whether think there will be remaining issues, once this is rolled out.**
 - What was the issue?
 - What happened? (e.g. did the tenant fall into rent arrears?)
 - How long did the issue(s) last?

- How, if it all, was the situation resolved?
- What was the impact of this...?
 - **On you, personally?** PROBE FULLY FOR PRACTICAL AND EMOTIONAL IMPACTS *For example, did the landlord then have difficulty in recovering the arrears? Did the landlord need to start a late payment or eviction process? Did this cause the landlord stress?*
 - **And on your tenants?** PROBE FULLY FOR PRACTICAL AND EMOTIONAL IMPACTS
 - Have the impacts been more/less for particular types of tenants (for example, families? Carers? Those with disabilities?)
- What (other) **impacts**, if any, do you think DPLs have had on your **tenants**?
 - Positives? Negatives?
 - Perceived reasons for impacts – what element of DPL contributes to this?
 - Any differences in impacts for different groups of tenant?
 - PROMPT IF NECESSARY:
 - Impacts on their wider income?
 - Impacts on their ability to manage their money?
- If asked, would you **encourage or discourage tenants** to apply for Scottish Choices so their housing element was paid directly to you?
 - Why/why not?
 - Is this something you have actively done (i.e. encouraging/discouraging them)? How? What are tenants' responses?
- If not already discussed – at what point do any issues / problems around DPLs tend to arise? (i.e. is it early on after going onto UC, or at other points too?)

Landlords may have less to say on this element, so use judgement about how much to ask if they say they don't know much about it. As above, probe as needed to unpack whether views on the impact are to do with the design of the option, the way it is currently being implemented, how it interacts with other features of UC, or something else altogether.

DISCUSSIONS WITH TENANTS ABOUT TAKING UP TMPs (5 minutes)

And moving on to think about the other Scottish Choice – the option for those on UC in Scotland to receive payments twice a month instead of monthly.

- **How many of your tenants**, as far as you are aware, have opted for twice monthly payments? PROBE FOR ROUGH FIGURE IF UNSURE
 - Do you know if this has changed over time? PROBE – how and why?
- From what you have observed, do you think most of your tenants on UC are **aware of the option** to get twice monthly payments? IF NO – why do you think this might be?
- And, from what you know, **have your tenants tended to take up the option** to get their UC payments twice a month? Why/why not – what reasons have they given for taking up / not taking up this option?
- Have you heard of tenants signing up for twice monthly payments, but then **opting out again**?
 - IF YES, EXPLORE – why do you think this happen?
- **Have you discussed the option** to switch to twice monthly payments with any of your tenants?
 - IF YES: What exactly have you discussed with tenants?
 - IF NO: Why not? (Try and establish - *is this because they have little interaction personally with their tenants? Or do they not feel it would be comfortable/appropriate for them to discuss it with tenants?*)

VIEWS ON THE IMPACT OF TWICE MONTHLY PAYMENTS TO TENANTS (5 minutes)

- What is **your view, in general, of the** Scottish Choices option for people on UC to receive their payments twice a month instead of monthly?
 - Why do you say that?
 - Probe for positives and negatives, for landlord and for tenants.
- **What impact**, if any, does the twice monthly payment option have on landlords, such as yourself?
 - PROBE FULLY
 - Any positives? Any negatives?
 - Perceived reasons for impacts – what element(s) of TMPs contributed to this?

- What **impact**, if any, do you think TMPs have had on your **tenants**?
 - Positives? Negatives?
 - Perceived reasons for impacts – what element of TMP contributes to this?
 - Any differences in impacts for different groups of tenants?
 - PROMPT IF NECESSARY:
 - Impacts on their wider income?
 - Impacts on their ability to manage their money?

- If asked, would you **encourage or discourage tenants** to apply to receive their UC payments twice a month?
 - Why/why not?
 - Is this something you have actively done (i.e. encouraging/discouraging them)? How? What are tenants' responses?

- If not already discussed – at what point do any issues / problems around TMPs tend to arise? (i.e. is it early on after going onto UC, or at other points too?)

SUGGESTED IMPROVEMENTS TO UC SCOTTISH CHOICES (3-5 minutes)

Finally, a few questions about how, if at all, you would like to see Scottish Choices change in the future

- What would you like to see happen to the Scottish Choices in the future?
 - PROBE on DPL and TMP options

- What would make each option work better for landlords? And for tenants?

- How could awareness of the Scottish Choices be improved?
 - Among landlords?
 - Among tenants?

- Do you have a final message for the Scottish Government in relation to the Scottish Choices?

THANK AND CLOSE
 CONFIRM THEY ARE HAPPY TO BE QUOTED ANONYMOUSLY IN THE
 REPORT
 END RECORDING.

Topic guide for key informant interviews

Third sector organisations working with people on Universal Credit

Introduction

- Introduce self and Ipsos MORI
- This research has been commissioned by the Scottish Government to evaluate the impact of Scottish Choices, particularly in terms of whether or how they benefit UC recipients and what impacts landlords have experienced since their launch in 2017
- We are speaking to professionals from a range of organisations, like yourself, about your views and experiences on Scottish Choices
- We also plan to interview UC recipients and landlords, and will explain a little more about that at the end, as we are looking for help in reaching UC recipients for that phase of the project
- Participation is voluntary – all questions are optional, you do not have to answer anything you do not wish to, and we can finish the interview at any time
- There are no right or wrong answers – we just want to know what you think
- Ensure confidentiality and anonymity – no identifying information will be passed onto the Scottish Government.
- We would like to include some anonymous quotes from stakeholders, if that's OK with you. If you feel that anything you say is potentially identifiable of you/your organisation, and you would rather it wasn't quoted or referred to directly, then just let me know. I can also share a copy of my notes with you if you would like.
- Request permission to record – recording will not be shared with anyone outside the research team and will be securely deleted after the research is complete.
- **AT START OF RECORDING** – record permission to record and confirm whether happy to include anonymous quotes, and whether wants to see a copy of their notes.

Warm up (organisation and knowledge of SC)

I'd like to start by hearing a little about what you do.

- Please can you describe what your organisation does?
- And briefly, what your role involves?
- What kinds of contact do you / your organisation have with people on UC and/or landlords in Scotland?

Now moving on to think about Scottish Choices

- Before I contacted you about this interview, what had you heard about Scottish Choices?
- And how, if at all, do the Scottish Choices feature in your job?

UC recipient awareness of UC

I'd like to start by asking you about UC recipients – beginning with your views on how they become aware of Scottish Choices.

As you may be aware, there are two elements to Scottish Choices – the option to receive payments twice a month instead of monthly, and the option to have the housing element paid direct to landlords.

THROUGHOUT – PROBE on whether views / perceptions of how SC works vary between the direct payments to landlords and the twice monthly payments.

Also probe on whether there are PARTICULAR GROUPS OF PEOPLE ON UC for whom things work differently / better / worse.

- From what you have observed, do

you think people that are eligible for Scottish Choices are made aware of their options?

- EXPLORE: extent, and why this is
- How do they generally find out about SC options? Who informs them about them? When do they find out? (want to know if they find out through DWP notice in their account at end of first assessment period, or other routes/times)
- Do you think people understand what is being offered and how that will change how they receive UC?
- How easy or difficult is it for people you work with who are on UC to access the Scottish Choices?
 - PROBE FULLY – are there any barriers to accessing it? Are these barriers same for everyone – or do they affect some more than others? Which groups? Why, in their opinion, do these barriers arise?

Views of twice monthly payment option

Now I'd like to ask you about the two options the Scottish Choices offers separately. Firstly, thinking about the option to receive UC in **twice monthly instalments** –

- Why, in your view, do some people choose this?
- Why do others stick to monthly payments?
- Are they particular types of UC recipients that find this flexibility more useful than others? Why? [E.G. THOSE IN CERTAIN SITUATIONS / WITH PARTICULAR NEEDS]
- Do you know of anyone that chose this flexibility and then changed their mind?
 - If so, why did they do this? PROBE FULLY – *we need to understand exactly what the reasons are, and if they relate to the flexibility itself, or some administrative element of how it is implemented, or something else (e.g. how it interacts with some other element of UC).*
 - How common is this (changing your mind), in your experience? Are there particular groups who are more likely to change their minds and revert to monthly payments?
- What difference, if any, do you think the twice monthly instalments make to peoples' lives? PROBE FOR REASONS AND ANY EXAMPLES – PROBE FOR POSITIVE AND NEGATIVE DIFFERENCES.
 - *Again, note that we need to understand reasons for any negatives - whether they relate to the flexibility itself, some administrative element of how it is implemented, or something else (e.g. how it interacts with some other element of UC).*
- Has this flexibility helped people you work with manage their budgets?
- Has it had any effects on:
 - Levels of debt
 - Rent arrears
 - Evictions or homelessness
- EXPLORE: extent of impact / difference they feel it has made, pros / cons
- Overall, could this flexibility be improved in any way?

Views of payment to landlord option

Thinking about the option to have the **housing element paid directly to landlords**

- Why, in your view, do some people choose this?
- Why do others stick to monthly payments?
- Are they particular types of UC recipients that find this flexibility more useful than others? Why? [E.G. THOSE IN CERTAIN SITUATIONS / WITH PARTICULAR NEEDS]
- Do you know of anyone that chose this flexibility and then changed their mind?
 - If so, why did they do this? PROBE FULLY – *we need to understand exactly what the reasons are, and if they relate to the flexibility itself, or some administrative element of how it is implemented, or something else (e.g. how it interacts with some other element of UC).*
 - How common is this (changing your mind), in your experience? Are there particular groups who are more likely to change their minds about the direct payments to landlord element?

- What difference, if any, do you think direct payments to landlords make to peoples' lives?
 - PROBE FOR REASONS AND ANY EXAMPLES – PROBE FOR POSITIVE AND NEGATIVE DIFFERENCES
 - PROBE FOR IMPACTS ON CLAIMANTS AND LANDLORDS
 - *Again, note that we need to understand reasons for any negatives - whether they relate to the flexibility itself, some administrative element of how it is implemented, or something else (e.g. how it interacts with some other element of UC).*
- Has this flexibility helped people manage their budgets?
- Has it had any effects on:
 - Levels of debt
 - Rent arrears
 - Evictions or homelessness
- EXPLORE: extent of impact / difference they feel it has made, pros / cons
- Overall, could this flexibility be improved in any way?

Views of broader impacts of SC

Going back to thinking overall about Scottish Choices:

- Are there ways that the Scottish Choices offer could be improved for people on UC? EXPLORE FULLY – *make sure to distinguish as clearly as possible between suggestions that are about improving how it is administered, how it interacts with other elements of UC, the structure of SCs, etc.*
- Is there a better way to deliver Scottish Choices?
- How could awareness of Scottish Choices be improved?
 - Among those on UC? Among those working with people on UC?
- Are there any other broader impacts of Scottish Choices we've not covered so far? EXPLORE FULLY

Summary and final thoughts

[ASK ALL]

- What would you like to see happen to the Scottish Choices in the future?
- What would make them work better for people on UC?
- Do you have a final message for the Scottish Government in relation to the Scottish Choices?

THANK AND CLOSE

IF NECESSARY, CONFIRM ARRANGEMENTS FOR SHARING NOTES.

Organisations working with landlords

Introduction

- Introduce self and Ipsos MORI
- This research has been commissioned by the Scottish Government to evaluate the impact of the Scottish Choices, particularly in terms of whether or how they benefit UC recipients and what impacts landlords have experienced since its launch in 2017
- We are speaking to professionals from a range of organisations, like yourself, about your views and experiences on the Scottish Choices
- We also plan to interview UC recipients and landlords, and will explain a little more about that at the end, as we are looking for help in reaching UC recipients for that phase of the project
- Participation is voluntary – all questions are optional, you do not have to answer anything you do not wish to, and we can finish the interview at any time
- There are no right or wrong answers – we just want to know what you think
- Ensure confidentiality and anonymity – no identifying information will be passed onto the Scottish Government.
- We would like to include some anonymous quotes from stakeholders, if that's OK with you. If you feel that anything you say is potentially identifiable of you/your organisation, and you would rather it wasn't quoted or referred to directly, then just let me know. I can also share a copy of my notes with you if you would like.
- Request permission to record – recording will not be shared with anyone outside the research team and will be securely deleted after the research is complete.
- AT START OF RECORDING – record permission to record and confirm whether happy to include anonymous quotes, and whether wants to see a copy of their notes.

Warm up (organisation and knowledge of SC)

I'd like to start by hearing a little about what you do.

- Please can you describe what your organisation does?
- And briefly, what your role involves?
- What kinds of contact do you / your organisation have with landlords in Scotland?
 - Any direct contact with people on UC in Scotland?

Awareness of SC

- Before I contacted you about this interview, what had you heard about the Scottish Choices?
- And how, if at all, do the Scottish Choices feature in your job?

- How much awareness do you feel your members have of the Scottish Choices? Any types of landlords who are more/less aware of it, in your view? Why are some more/less aware?

Views of the two SC options

As you may know, there are two parts to the Scottish Choices: the option to receive UC in twice monthly instalments and the option to have the housing element paid directly to you landlord.

- What are your views on each of these options?
 - How, if at all, do you think they affect landlords?
 - How, if at all, do you think they affect tenants?
- What, if any, impact has the introduction of the direct payment element had on rent payments / arrears across the landlords you work with?
- What, if any, effect has the option to receive benefits in two payments each month had on rent payments / arrears?
- How do landlords feel about their tenants taking up either or both of the two Scottish Choices?
 - Supportive? Not supportive? Why? PROBE FULLY FOR REASONS FOR VIEWS.
- Have the Scottish Choices overall, caused any other financial or other impacts for landlords?
 - EXPLORE FULLY – probe for positives and negatives.
 - *Probe on precise nature of any negatives raised – need to try and understand what causes the issue from landlord's perspective.*

Implementation / practicalities

- What, if anything, have landlords in Scotland had to do to support the implementation of Scottish Choices?
 - Would you say this has gone well?
 - How well would you say it is working now, for landlords?
- As far as you are aware, do landlords encourage or discourage people from taking up:
 - Direct payments to landlords?
 - Twice monthly payments?
 - PROBE FULL ON EACH:
 - How do they encourage or discourage them?
 - Why?
 - How prevalent is this / how many landlords are doing this?
 - Particular types of landlord more likely to encourage/discourage than others?
- Are there any other practical matters landlords have had to deal with as part of the administration of the Scottish Choices that you'd like to mention?
 - EXPLORE: how has this gone? were these good / bad? Why?

Perceived impact for tenants

- From what you have heard or observed, do you think most tenants that are eligible to take up either or both of the Scottish Choices are aware of this?

- Do you have any thoughts on whether the Scottish Choices benefit tenants?
EXPLORE
- Do you think the direct payments to landlords is effective in helping tenants manage their money? Why / why not?
- And what about the twice monthly payments? Is this effective in helping tenants manage their money? Why / why not?
- Have you heard of tenants signing up for the Scottish Choices but then opting out again? EXPLORE – why does this happen? What impact does it have on landlords?

Looking forward

- Are there ways that the Scottish Choices offer could be improved for landlords?
EXPLORE FULLY
- How could awareness of the Scottish Choices be improved?
 - Among landlords? Among tenants?
- Do you think that the Scottish Choices have had any other effects, that we've not discussed, on the housing sector in Scotland as a whole?
- Are there any other broader impacts of the Scottish Choices we've not covered so far? EXPLORE FULLY

Summary and final thoughts

[ASK ALL]

- What would you like to see happen to the Scottish Choices in the future?
- What would make them work better for landlords? And for tenants?
- Do you have a final message for the Scottish Government in relation to the Scottish Choices?

THANK AND CLOSE

IF NECESSARY, CONFIRM ARRANGEMENTS FOR SHARING NOTES.

Appendix D – Landlord online survey questionnaire

[INTRO SCREEN]

Ipsos MORI, the independent research organisation, has been asked by the Scottish Government to carry out research on the Universal Credit Scottish Choices. The research aims to gather views about how the Scottish Choices work for landlords and claimants and how they could be improved.

As a landlord in Scotland, your views are really important to understanding how Scottish Choices are working. The survey is very short – it should only take 5 minutes of your time

[NEXT SCREEN]

Your responses will be kept strictly confidential in accordance with GDPR – it will not be possible to identify any organisations or individuals from the findings, which will be reported as percentages (e.g. “50% of landlords thought that ...”). We will not share your individual responses with the Scottish Government or anyone else.

If you would like any more information on the survey, please contact UCScottishChoices@ipsos-mori.com or phone 020 7347 3814. If you would like to read the survey privacy policy, this can be accessed here: <https://assets.ipsos-mori.com/scotland/ucsc recipients/privacy.pdf>

Please click ‘next’ to begin the survey.

Q1a

[ASK ALL]

Which of the following best describes you or the organisation you work for?

[MULTI CODE – 3 AND 4 ARE EXCLUSIVE, BUT CAN BE BOTH 1 AND 2. NO DK, NO REFUSED]

Private landlord	1
Private letting agent	2
Local Authority Housing Department	3
Housing Association	4
Other (PLEASE SAY WHAT)	5

Q1b

[ASK ALL]

If you work for an organisation (e.g. an agency, company, Council or Housing Association), please try and answer the following questions based on your knowledge of the properties your organisation lets out.

If you are a private landlord, please try and answer the following questions based on your knowledge of the properties you yourself let out.

Q2

[ASK ALL]

How many properties are you or your organisation responsible for? (If you are not sure exactly, please answer with your best estimate)

0-5	1
6-19	2
20-40	3
40-99	4
100-499	5
500+	6
Don't know	7
Prefer not to say	8

Q3

[ASK ALL]

Which Scottish local authority (or authorities) are your properties / your organisation's properties located in?

[MULTI-CODE]

Aberdeen City Council	1
Aberdeenshire Council	2
Angus Council	3
Argyll and Bute Council	4
City of Edinburgh Council	5
Clackmannanshire Council	6
Comhairle nan Eilean Siar	7
Dumfries and Galloway Council	8
Dundee City Council	9
East Ayrshire Council	10
East Dunbartonshire Council	11
East Lothian Council	12
East Renfrewshire Council	13
Falkirk Council	14
Fife Council	15
Glasgow City Council	16
Highland Council	17
Inverclyde Council	18
Midlothian Council	19
Moray Council	20
North Ayrshire Council	21
North Lanarkshire Council	22

Orkney Islands Council	23
Perth and Kinross Council	24
Renfrewshire Council	25
Scottish Borders Council	26
Shetland Islands Council	27
South Ayrshire Council	28
South Lanarkshire Council	29
Stirling Council	30
West Dunbartonshire Council	31
West Lothian Council	32
Scotland-wide	33
Rather not say	34

Q4

[ASK ALL]

How much would you say you know about the Universal Credit Scottish Choices scheme?

[SINGLE CODE]

I know a lot about it	1
I know a fair amount about it	2
I know a little about it	3
I don't know much about it	4
I know nothing about it	5
Unsure	6
Prefer not to say	7

[INFORMATION SCREEN- SHOW TO ALL]

As you may know, people on Universal Credit in Scotland can choose to:

- Have their rent paid direct to their landlord
- Get their Universal Credit payment twice a month, instead of monthly.

These two options are called Universal Credit ‘Scottish Choices’.

Q5A

[ASK ALL]

As far as you know, in the last 18 months, have you / your organisation had any tenants who were receiving Universal Credit?

[SINGLE CODE]

Yes	1
No	2
Don't know	3

Q5B

[ASK IF Q5A = 1]

In the last 18 months, how many tenants would you say you / your organisation have had who have been on Universal Credit?

Again, if you are not sure please give your best estimate.

[SINGLE CODE]

0-5	1
6-10	2
10-19	3
20-40	4
40-99	5
100 or more	6
Unsure	7
Prefer not to say	8

Q5C

[ASK IF Q5A = 1]

Were any of those tenants having all or part of their rent paid by DWP to you / your organisation directly (rather than the tenant paying it from their own account), via the Universal Credit Scottish Choices scheme?

Please note that Scottish Choices is different from the DWP's Alternative Payment Arrangements (APAs). Anyone on UC in Scotland can use a 'Scottish Choice' to have their rent paid directly to their landlord if they prefer, whereas APAs are generally initiated if people on UC are going into arrears, having trouble managing their money, or are particularly vulnerable in some way. We are interested in UC Scottish Choices, not in APAs.

[SINGLE CODE]

Yes - - I have had tenants pay 1
all/part of their rent direct to me
through Scottish Choices

No - - none of my tenants have been 2
on this Scottish Choices option in
the last 18 months

Unsure 3

Q5D

[ASK IF Q5C = 1]

And in the last 18 months, how many of your tenants on Universal Credit have had all or part of their rent paid to you / your organisation directly by the DWP through Scottish Choices?

[SINGLE CODE]

All or most of them 1

Some of them 2

Only a few of them 3

Unsure 4

Prefer not to say 5

Q5E

[ASK IF Q5C = 1 – do have tenants on SC direct payments option]

In your experience, what difference, if any, has this made to the timeliness of rent payments when tenants opt to have all or part of their rent paid by the DWP to you directly through Scottish Choices?

[SINGLE CODE]

Much more likely to receive payments on time	1
A little more likely to receive payments on time	2
No difference one way or another	3
A little less likely to receive payments on time	4
A lot less likely to receive payments on time	5
Varies too much to say	6
Unsure	7
Prefer not to say	8

Q6

[ASK ALL]

If you knew that a tenant was receiving Universal Credit, how likely or unlikely would you be to encourage them to apply for Scottish Choices so that their UC housing element was paid directly to you?

[SINGLE CODE]

Very likely	1
Fairly likely	2
Fairly unlikely	3
Very unlikely	4
Unsure	5
Prefer not to say	6

Q7

[ASK ALL]

As part of this research project, we would like to speak to some landlords in a little bit more detail about their views on the Universal Credit Scottish Choices. Would you be willing for us to contact you sometime in the next couple of months to see if you would be interested in taking part in this follow-up research? You would be free to decide at that stage whether you wanted to take part.

[SINGLE CODE]

Yes 1

No 2

Q8

[ASK IF Q7 = 1]

What is your name?

(We need to know this so we can re-contact you to ask you if you would be interested in follow-up research. Your details will be held securely by Ipsos MORI, separate from your responses to this survey, and will not be used for any other purpose.)

Q8

[ASK IF Q7 = 1]

What is the best email address to contact you at?

TEXT ANSWER – PLEASE ADD STANDARD CHECKS ON WHETHER VALID EMAIL ADDRESS FORMAT

Q9

[ASK IF Q7 = 1]

And what is the best number to contact you on?

NUMERIC ANSWER – PLEASE ADD STANDARD CHECKS ON WHETHER VALID PHONE NUMBER FORMAT

END

Thank you very much for taking the time to complete this survey. The findings will help inform the Scottish Government's evaluation of the Universal Credit Scottish Choices. Your individual responses will be kept strictly confidential.

How to access background or source data

The data collected for this social research publication:

- are available in more detail through Scottish Neighbourhood Statistics
- are available via an alternative route
- may be made available on request, subject to consideration of legal and ethical factors. Please contact social.research@gov.scot for further information.
- cannot be made available by Scottish Government for further analysis as Scottish Government is not the data controller.



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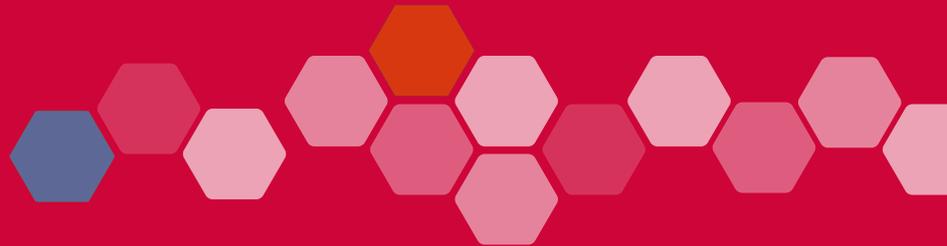
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