

ANONYMOUS 1 – WRITTEN EVIDENCE (EUC0008)

The economics of Universal Credit

I am responding to this as a landlord who has tenants still on the traditional housing benefit V those on universal credit.

How well has Universal Credit met its original objectives?

If this is to unify the payment then yes

Were the original objectives and assumptions the right ones?

The majority of tenants may not have the correct ability to apportion the amount of benefits they have for each section of their lives, they may see one payment as a windfall and not necessarily have the skill to allocate the funds to each department of their lives. I would think the only objective was to reduce transactions and staff work time,

How should they change?

If you ask any landlord from the off the housing benefit element should be paid directly to the landlord regardless of the tenants circumstances.

What have been the positive and negative economic effects of Universal Credit?

I have seen no positive effects

The negatives effects are:

Rent not being paid, tenants pretending the haven't been paid so they can use the money for other thing, tenants not wanting the rent paid direct to the landlord even when they are 8 weeks in arrears and it should automatically be paid to the landlord, even when tenants are in arrears and they say that its okay to pay direct; the universal credit office saying the tenants not given permission for direct payment. For the tenants to receive a large initial payout which may have months of arrears in, that is then used towards other bills or to pay back family of friends from whom it has been borrowed, or its spent. Then when we apply for the missing rent to be paid for the tenants to be much harder up for months because the initial money has not been saved, it was spent, usually on passing items which hold no value. It has been damaging because our tenants with drug or drink addictions who are suddenly in funds go bonkers with this money and go on huge drink or drug binges.

What effect has fiscal retrenchment had on the ability of Universal Credit to successfully deliver its objectives?

There is no doubt that universal credit will be driving down the number of people on benefits to an all-time low which is a positive thing, however I strongly believe that whilst the tenants can chose what they spend the money on, no shop or newsagent can lay claim to money given to the tenant who then doesn't spend it at the shop, however there really needs to be just a little bit of respect for those private landlords who are missing out on rents that are legally owed to

them for services rendered. If the government does not feel that landlords should be paid for someone who is claiming the housing benefit element of their claim then it needs to be addressed who instead should house these people? Where you or they do not have the facilities then it needs to be fairly acknowledged that the people who are fairly and squarely providing the accommodation be paid correctly and in a timely manner.

Which claimants have benefited most from the Universal Credit reforms and which have lost out?

It is impossible to say as I do not see the value of peoples claims, however what I see is that it is mainly the mothers with families who are worse off, where as gentlemen without dependants seem to be managing better.

How has the world of work changed since the introduction of Universal Credit? In terms of my world of work its been very stressfull filling out UC 47 forms which are unanswered for weeks if at all, but when they are finally acknowledged the call handlers call at 8 am when I am unable to take calls, they do not leave the correct phone numbers to call back so when I do call back I can often spend 1 hour on the phone, sometime just for my bank details which have already been provided. This is a terrible use of my time. I can then also spend a lot of time talking to my tenants who become extremely concerned or anxious about late payments and how they will then manage the arrears. I also have some connections to nursing homes, which are common places for women to work. I would imagine due to the need to apply for work in order to keep the benefits we receive a disproportionate amount of enquiries from people who we arrange to meet for interview or look to take on who then disappear having fulfilled their brief.

Does Universal Credit's design adequately reflect the reality of low-paid work?

I think it does however I think it would be better managed if the core elements were managed on their behalf given some of their capabilities and the resulting consequences.

If Universal Credit does not adequately reflect the lived experiences of lowpaid workers, how should it be reformed?

I feel as I have stated frequently here that the essential elements of survival need to be maintained for the health and wellbeing of the tenants and the landlords who help them. I suffered a miscarriage from the emotional stress caused by a tenant refusing to hand over the housing element of the housing benefit saying that she needed to use it for other things, which I found out later was to learn to drive and buy a car so she could drive her children to school so she could look cool. She lived close to the school but as her friends had a car she felt that she needed one. This caused unbearable grief which I have never ever and nor will I ever forget and I hold the universal system responsible for my grief, stress and loss.

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