

Universal Credit and rented housing

Updated 28 January 2016

UC gateway for single claimant

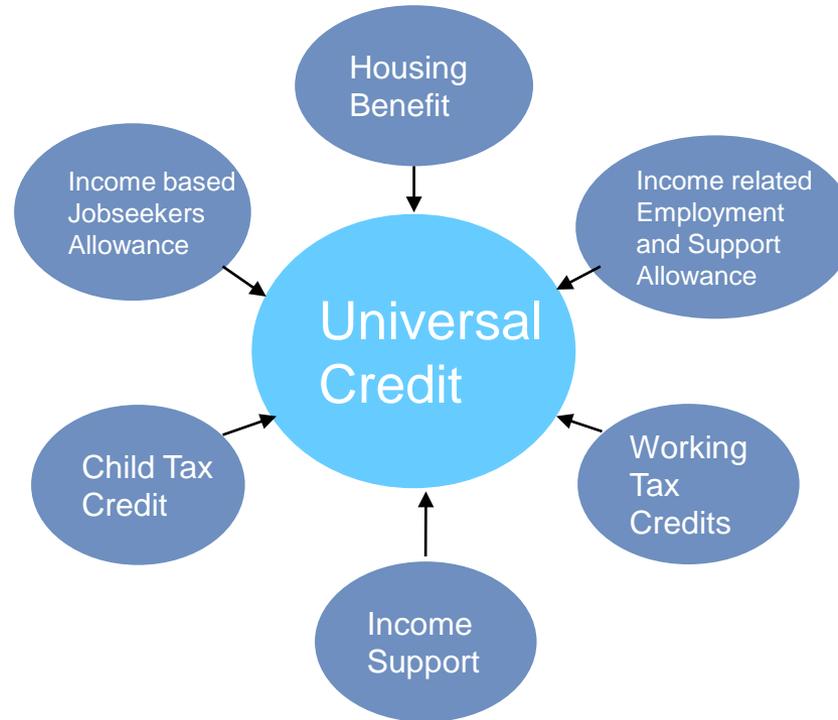
Couples and people with dependent children are excluded from the UC 'single' claimant gateway for national roll out. In order to claim UC the single claimant with no children must:

- Have a National Insurance Number.
- Be in the correct postcode area.
- Be aged between 18 and 60 and 6 months.
- Not own or partially own the home they live in.
- Not be homeless or living in temporary or supported accommodation.
- Be a British citizen.
- Have lived in the United Kingdom (UK) for last 2 years.
- Not be required to pay child maintenance for a child.
- Not in receipt of a disability benefit.
- Not be unfit for work.
- Not be pregnant or given birth in the last 15 weeks.
- Not be a carer.
- Require a Personal Acting Body (PAB) or Corporate Acting Body (CAB).
- Not be in education or training or expect to start in next month.
- Not be self-employed.

UC gateway for single claimant

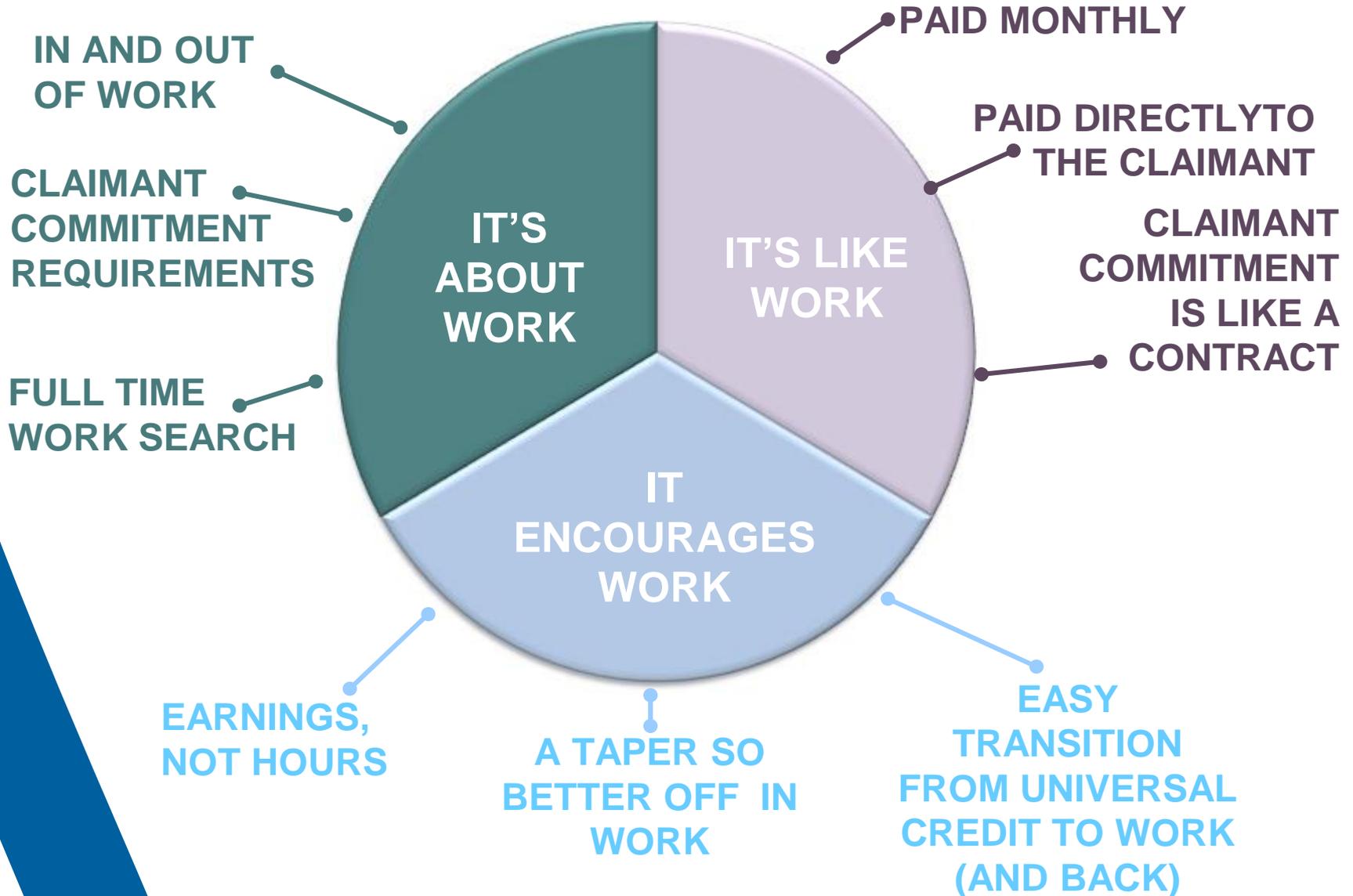
- Be unemployed or declared earned income for the first month of the UC claim is not expected to exceed £330.
- Capital must not exceed £6000.
- Must have a bank, building society, post office or current account with a credit union.
- Must not be receiving Employment and Support Allowance (ESA), Jobseekers Allowance (JSA), Income Support (IS), Incapacity Benefit (IB), Severe Disablement Allowance (SDA) , Disability Living Allowance (DLA), OR Personal Independence Payment (PIP).
- Must not be awaiting a decision on a claim for ESA, JSA, IS, Child Tax Credit (CTC), Working Tax Credit (WTC) or Housing Benefit (HB).
- Must not be awaiting the outcome of an application to revise a decision of non-entitlement to ESA, old rules JSA, IS and HB.
- Must not have an undecided appeal against non-entitlement to old rules ESA, old rules JSA and IS.

Universal Credit – overview



- One simple payment
- Paid monthly
- For people in and out of work
- Use PAYE in real time information (RTI)

What's different about Universal Credit?



Changes for claimants

- Make claim online
- Single household payment
- Paid monthly
- Housing costs paid direct to tenant
- Claimant Commitment
- Cohesive support

Universal Credit claimant journey

I get information or advice about how to claim Universal Credit.

I receive a telephone call inviting me to attend an interview in the jobcentre.

I attend my interview at the jobcentre, taking along any paperwork that has been asked for. I sign my Claimant Commitment, which records the activities I've agreed to do in return for receiving Universal Credit.

I receive my Universal Credit decision letter. It tells me when I will receive my payments, and confirms what I need to do in return for getting Universal Credit.

I telephone the helpline if there is a change in my circumstances, including if I start work. My Claimant Commitment is reviewed and may be changed to take into account my new situation.

I make my claim online at GOV.UK. If I need help, I can telephone the Universal Credit helpline for assistance.

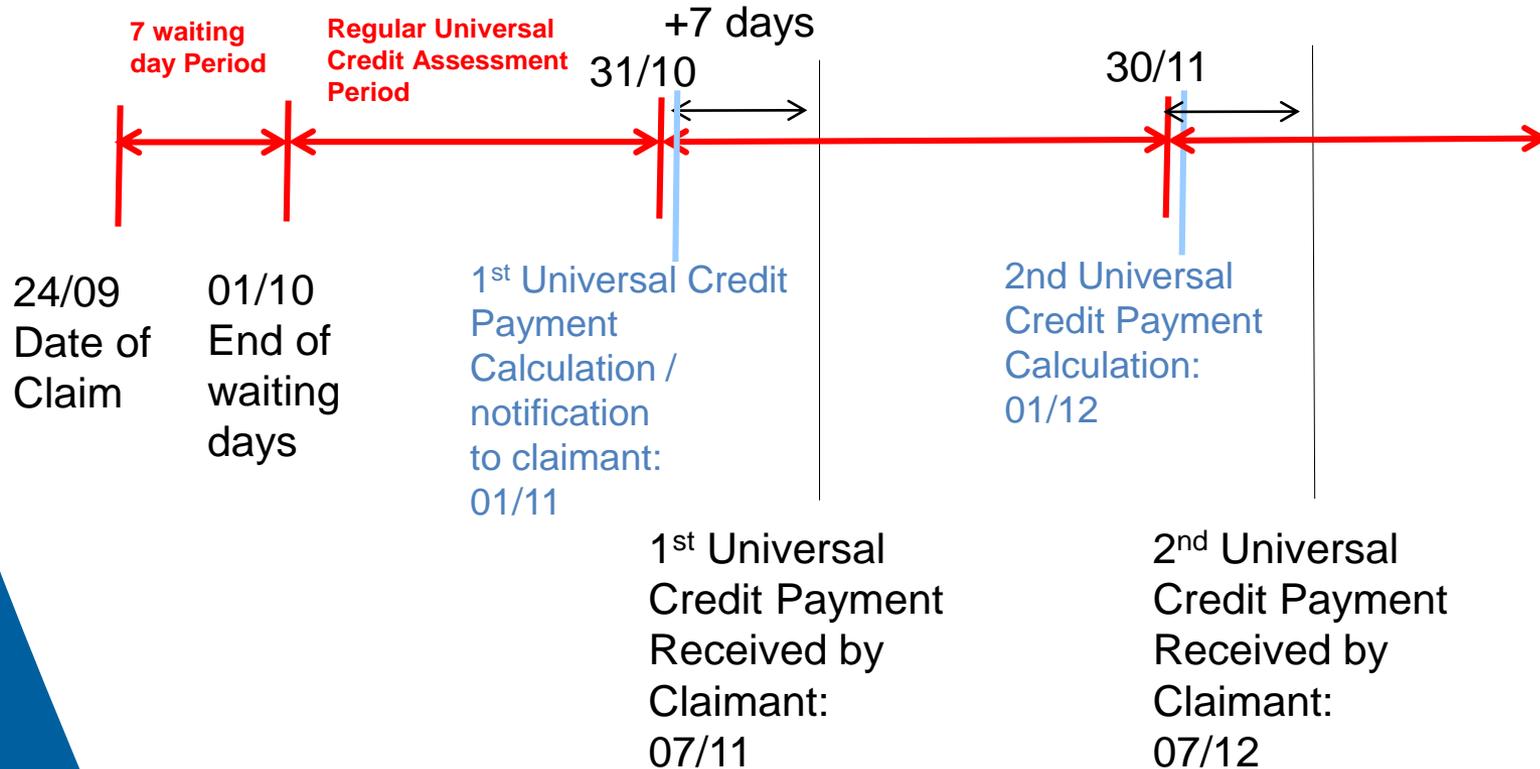
I receive an email (or text message if no email address) to remind me about my interview at the jobcentre.

I undertake my agreed activities. I can get advice on jobseeking, budgeting and going online from my work coach.

I regularly visit the jobcentre where my work coach and I discuss the actions we've agreed in my Work Plan.

If a change in my circumstances means my Universal Credit payments change, I receive a letter confirming the new details.

An example claim





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

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

We would expect landlords to follow their usual rent collection practices. However, if the claimant is unable or unwilling to resolve a payment issue that puts them at risk of eviction, DWP can assist landlords by considering if a managed payment to the landlord (Alternative Payment Arrangement) is appropriate.

When arrears reach the equivalent of one month's rent, DWP will review the situation following notification from the claimant or the landlord. At this point DWP can offer the claimant budgeting support and may decide to pay the rent directly to the landlord.

When arrears reach an equivalent of two months' rent the landlord (or the claimant) can ask DWP to consider if an Alternative Payment Arrangement would be an appropriate course of action.

To notify DWP at either the one or two month stage, please open the Universal Credit: Rent Arrears Form and either email it (if you have access to a secured email system)

What information can DWP disclose to landlords calling the Universal Credit Service Centre regarding managed payments and third party deductions?

For Private Landlords

Where a confirmed managed payment/ third party deduction for rent arrears is in place, the telephony agent may disclose the following details:

- when to expect to receive the next payment of the Housing additional amount and/or third party deduction.
- The amount of the payment and the period it covers (this may reduce if there is a change in the claimant's circumstances for example in earnings). However, the circumstances that led to the change will not be discussed.

Telephony agents are not able to disclose any additional information to either social or private landlords over the telephone.

Personal Budgeting Support – Alternative Payment Arrangements

- For a minority of claimants, Alternative Payment Arrangements may be required; these might include
 - DWP will pay housing costs directly to the landlord (managed payment to landlord)
 - making payments more frequent than monthly
 - splitting the payment within the household
- Option to make managed payments directly to the landlord if a claimant reaches a certain level of rent arrears (usually 2 Calendar months / 8 weeks)
- Considered on a case by case basis and assessed on their individual needs
- The decision about whether an Alternative Payment Arrangement is suitable will be made by a Universal Credit Decision Maker through the Personal Budgeting Support process
- All Alternative Payment Arrangements are subject to review

Alternative Payment Arrangements: consideration factors

Highly likely / probable need for Alternative Payment Arrangements
Drug / alcohol and / or other addiction problems e.g. gambling
Learning difficulties including problems with literacy and/or numeracy
Severe / multiple debt problems
In temporary and / or supported accommodation
Homeless
Domestic violence / abuse
Mental Health Condition
Currently in rent arrears / threat of eviction / repossession
Claimant is young: either a 16/17 year old and / or a Care leaver
Families with multiple and complex needs
Less likely / possible need for Alternative Payment Arrangements
Third party deductions in place (e.g. for fines, utility arrears etc.)
Claimant is a refugee / asylum seeker
History of rent arrears
Previously homeless and / or in supported accommodation
Other disability (e.g. physical disability, sensory impairment etc.)
Claimant has just left prison
Claimant has just left hospital
Recently bereaved
Language skills (e.g. English not spoken as the 'first language').
Ex Service personnel
NEETs - Not in Education, Employment or Training

Useful links for stakeholders

- **An introduction to Universal Credit video**
<http://youtu.be/E7GUu7Xa7Nw>
- **Universal Credit – managing your money video**
https://www.youtube.com/watch?v=ZOjGmDWf6IU&list=PLeysxjNpEPy_UnltAtlw9u3tTwE4oMliL&index=17
- **Universal Credit pages on GOV.UK**
<https://www.gov.uk/universal-credit>
- **A toolkit for Partners**
<https://www.gov.uk/universal-credit-toolkit-for-partner-organisations>
- **The Claimant Commitment**
<https://www.gov.uk/universal-credit-toolkit-for-partner-organisations#the-claimant-commitment>
- **A Personal Planner to help claimants prepare for Universal Credit**
<http://ucpp.dwp.gov.uk/universal-credit-preparation/>
- **A pictorial representation explaining Better off in Work**
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/301408/how-uc-tops-up-earnings-to-make-work-pay.pdf
- **Budgeting help and support**
<https://www.gov.uk/government/publications/budgeting-your-universal-credit-quick-guide>
- **Operating Guidance for Personal Budgeting Support & Alternative Payment Arrangements**
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/181399/personal-budgeting-support-cover-note.pdf
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/181400/personal-budgeting-support-guidance.pdf

Useful links for stakeholders

- **The Local Support Services Framework**
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/181395/uc-local-service-support-framework.pdf
- **The Money Advice Service**
<https://www.moneyadviceservice.org.uk/en>
- **A Money Advice Service Universal Credit video**
<https://www.moneyadviceservice.org.uk/en/videos/get-ready-universal-credit>
- **Making work pay comparison graph explaining how Universal Credit compares to the current system when claimants increase their hours**
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/301411/how-uc-helps-to-make-work-pay.pdf
- **A quick guide for employers about Universal Credit and RTI**
<https://www.gov.uk/government/publications/universal-credit-works-for-employers-and-claimants-quick-guide>
- **HMRC and RTI**
<http://www.hmrc.gov.uk/payerti/getting-started/payee-basics/rti.htm>
- **Eight Ways Universal Credit can help your business**
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/307091/how-uc-can-help-your-business.pdf