

# Housing – mortgage qualifying periods

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## Introduction

The Universal Credit award includes an amount in recognition of the eligible housing costs the benefit unit has to pay. For owner-occupiers, the amount is determined by reference to the amount of outstanding mortgage or loans secured on their home. This amount is usually paid direct to the lender.

## Changes to the mortgage qualifying period

Claimants may receive Support for Mortgage Interest (SMI) if they and/or their partner:

- have a mortgage and/or loan(s) secured on their property, or make alternative finance payments for the home they live in
- have been receiving Universal Credit, Income Support, Jobseeker's Allowance (income-based), Employment and Support Allowance (income-related) or Pension Credit continuously for 9 assessment periods (39 weeks)
- have not received any earned income during that time

Universal Credit claims where entitlement begins before 1 April 2016 have to wait three assessment periods (13 weeks) to be eligible for SMI. However, a change to the Social Security (Housing costs amendments) Regulations 2015, means

for claims made from 1 April 2016 the waiting period for SMI increases to nine assessment periods (39 weeks).

For claimants moving to Universal Credit from certain income-based legacy benefits, or claiming Universal Credit within one calendar month of the legacy benefit ending, time spent on that benefit will count towards the waiting period.

These legacy benefits are:

- Income Support
- income-based Jobseeker's Allowance
- income-related Employment and Support Allowance

If they were receiving SMI whilst on the legacy benefit, this support can continue on their Universal Credit claim providing they meet the eligibility criteria. The rules for legacy benefits and Universal Credit are different.

Time spent on a legacy benefit will count towards the qualifying period for SMI for claimants who move to Universal Credit.

The claimant will have to re-serve the qualifying period if their Universal Credit claim is made:

- more than one calendar month after the claimant last received a legacy benefit,
- or
- because of a change in circumstances

If there is a break in the claim, or any earned income is recorded for an adult member of the benefit unit, the waiting period will start again when the earned income ceases and no linking period will apply. There are no income/earnings rules for time spent on the legacy benefit but the income rule will apply from the date they move to Universal Credit. The income rule applies not just to earnings from employment but also to, for example, Statutory Sick Pay and Statutory Maternity Pay.

There is no time limit for receipt of SMI in Universal Credit.

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