

Housing - At a Glance

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18 to 21 year olds and housing costs

Housing costs will not be payable to claimants who are aged between 18 and under 22 years old with all work related requirements conditionality. However exemptions apply see [18 to 21 year olds and housing costs](#).

Annual rent changes

Rent changes must not be reported in advance of the effective date. In England from year 2015/16 SRS rents decrease 1% per year for 4 years, see [Annual rent changes](#)

Bereavement run-on

A benefit unit's maximum award is maintained for the assessment period in which a death occurs and the following two assessment periods. This provides a grace period following a death for the housing cost which may reduce the maximum award for example, the Removal of the spare room subsidy.

See [Death and bereavement](#)

Commercial tenancy agreements

These are formal, legally enforceable, contract to make payments between a tenant and landlord. The term 'commercial agreement' does not apply to business premises, rather an agreement for renting the property where a tenant lives. See [Private Rented Sector](#) 'Non-commercial agreements with landlords' section for more information

Contrived Tenancies

If a tenancy is declared by a decision maker to be 'contrived' the benefit unit is treated as not liable for rent. Contrivance can be on the part of the claimant, landlord or both. A valid reason for believing the tenancy is contrived must exist before referring to a decision maker.

For more information, see [contrived tenancies](#)

Definition of Rent

Rent payments can be defined to be any of the following:

- payments of rent
- payments for a licence or other permission to occupy accommodation
- mooring charges payable for a houseboat
- in relation to accommodation which is a caravan or mobile home, payments in respect of the site on which the accommodation stands;
- contributions by residents towards maintaining alms-houses, and essential services in them provided by a housing association which is either a registered charity, or an exempt charity within Schedule 3 to the Charities Act 2011

Discretionary Housing Payments

Local authorities have discretion to make monetary awards to claimants facing financial difficulty meeting their housing costs. Certain charges and costs are not covered. For more information, see [Discretionary Housing Payments](#)

Joint and untidy tenancies

A joint tenancy is one where more than one person is liable for the rent. Tenants with separate rental agreements are not classed as joint tenants. If a joint tenant leaves the property and stops paying rent, but the landlord cannot remove them, it is classed as untidy. For more information, see [joint tenancies](#)

Mortgages and Support for Mortgage Interest

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.

Support for Mortgage Interest is subject to a waiting period of 39 weeks and capital limits. It is usually paid direct to the lender and is monthly in arrears. For more information, see [mortgages](#)

Non-dependants

The extended benefit unit in Universal Credit may include some non-dependants in calculating the number of rooms required. There are exemptions to which non-dependants are included in the housing cost contribution. Special circumstances exist for those renting in the Social Rented Sector.

For more information, see [non-dependants](#)

Paying for two homes

Universal Credit can be paid on 2 homes where:

- adaptations are required due to a disability
- a fear of violence exists
- large families housed in two homes
- a claimant is moving from hospital or a care home

For more information, see [paying for two homes](#)

Prisoners

Single person prisoners can retain entitlement to housing costs if they were already in receipt of Universal Credit with housing costs immediately before becoming a prisoner and are in prison for no longer than 6 months. If they are in prison for more than 6 months no housing costs will be payable from the outset of their prison sentence.

If one member of a couple is temporarily or permanently absent from the household due to being in custody or prison, they stop be treated as part of a couple claim. The remaining eligible adult must make a single claim to continue to receive Universal credit.

If a couple claim exists, the prisoner is still included as part of the benefit unit for room allocation purposes. See [Prisoners](#)

Private Rented Sector

The [Private Rented Sector](#) housing process is detailed in 'annexe A' of the guidance. For more information, see [Private Rented Sector – at a glance](#)

Removal of Spare Room Subsidy

Claimants in the social rented sector have their full rent and eligible service charges paid as part of the housing calculation, unless under-occupation applies. Room allocation and room entitlement conditions apply.

For more information, see [Removal of Spare Room Subsidy](#)

Related to a landlord

If the details on a tenancy agreement raise concerns that the landlord and claimant could be related, tenancy abuse may exist. For instance, the claimant and the landlord have the same surname, addresses or other relatives details match. If tenancy abuse is suspected, further questions are made of the claimant to check if a relationship to the landlord exists.

If a Landlord and tenant are related and live at the same address, no housing costs are normally payable. Any doubt must be referred to a decision maker

If tenancy abuse is apparent, this may be a [contrived tenancy](#) and a referral to a decision maker is required. However not all cases where the landlord and claimant are related are tenancy abuse. A genuine [commercial arrangement](#) may exist between the two parties. See [contrived tenancies](#). Also see Private rented sector, sections 'When landlords are related to the claimant' and 'Non-commercial agreements with landlords'

Service Charges

Service charges are treated differently depending upon the claimant's rental sector, or, if a property is owned. Claimants in the private rented sector have service charges included but housing costs are limited to the relevant Local Housing Allowance.

Categories of service charges are defined for the social rented sector and owner-occupiers. Certain costs are not included

For more information, see [service charges](#)

Shared ownership

These are usually provided through housing associations. A share of the home's value, usually between 25% and 75%, is purchased and rent is paid on the remainder.

For more information, see [shared ownership](#)

Social Rented Sector Process Map

See the [Map](#) on payment calculation

Specified accommodation

Claimants classified as living in the above accommodation can be some of the most vulnerable citizens. They are not liable for housing costs in Universal Credit; local authorities pay Housing Benefit in these cases. Exceptions apply for Claimants fleeing violence. They may be paid on two properties for up to 12 assessment periods. See also [Paying for two homes](#)

Checks are made with local authorities to ensure rent isn't paid twice, as recovery action could cause further problems for vulnerable claimants see [specified accommodation](#)

Temporary Accommodation

If a claimant is in temporary accommodation they are treated as a private rented sector tenant. However, when verifying a claimant's rent or when considering a Managed Payment to Landlord Alternative Payment Arrangement the Social rented Sector process is followed.

Under 35 rules

In the private rented sector, single, childless claimants under the age of 35 are paid a shared accommodation rate within the housing costs which at a lower rate of the Local Housing Allowance. If they fall into an exemption group, a one bedroom rate will apply, even if they live in self-contained accommodation. For more information, see [under 35 rules](#)

Use and Occupation agreement

If a claimant does not have a rental agreement with the landlord but has been given permission to occupy the property by the landlord, any payments made by the claimant can be considered to be "rent payments"

A Use and Occupancy agreement is an arrangement made between the landlord and the occupant of the property to meet a specific situation. It allows someone to occupy and pay rent for accommodation without a formal landlord-tenant agreement.

Associated housing guidance

Alternative payment arrangements

Where claimants have difficulty managing their Universal Credit payments, alternative arrangements can be made. 'Managed payments to landlords' are available to send payment direct to the landlord of a property.

For more information see [Personal Budgeting Support and Alternative Payment Arrangements](#) and [factors to consider for Alternative Payment Arrangements](#)

Local Council Tax Reduction is a discount on the domestic household charge, administered by local authorities.

For more information see [Council Tax](#)

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