Removal of Spare Room Subsidy in SRS

Removal of spare room subsidy
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Removal of spare room subsidy

Universal Credit claimants in social rented sector (SRS) housing normally have their full rent and any eligible service charges included in the housing costs calculation.

Where the accommodation is under-occupied a standard percentage-rate deduction is applied. The deduction depends on whether the property is under-occupied by either one bedroom or two or more bedrooms. If the removal of the spare room subsidy applies, the eligible rent (housing cost) is reduced by either:

- 14% if there is one more bedroom in the property than required according to the size criteria
- 25% if there are two or more bedrooms in the property than required according to the size criteria

This reduction does not apply if the claimant is a joint tenant, except where they form a couple in a household.

The removal of spare room subsidy does not apply to home owners or shared ownership properties, inclusive of rental cost within shared ownership.

Size criteria

When calculating the amount of the housing costs for a claimant, a decision is made on the number of bedrooms needed (size criteria). The criteria used allows for one bedroom for each of the following:

- the claimant or couple
- each additional member who is aged 16 years or over
- two children who are under 10 years old
- two children of the same sex under the age of 16
- any other child under the age of 16

The calculation may produce different outcomes because of the age and/or gender of the children.

The outcome that results in the lowest number of bedrooms is the one used to determine the size of the accommodation (number of bedrooms) the household is entitled to.

An additional bedroom may also be allowed in the following circumstances:

- there is a disabled child or adult who are unable to share a bedroom
- the claimant or disabled child or non-dependent requires a carer overnight
- the claimant or couple is a foster parent(s).

Where there is a disabled child in the household

If there is a disabled child in the household and it's unreasonable for them to share the bedroom with another child, an additional room can be awarded.

This is not an automatic right. The child must be receiving DLA high or medium rate care component and the claimant must show why it is unreasonable for a disabled child to share.

If there is more than one disabled child in the household who satisfies the conditions for a bedroom of their own, the claimant or couple is entitled to a bedroom for each child.

Where there is a disabled adult in the household

An extra bedroom is allowed when a couple is unable to share a bedroom due to disability. The disabled adult must be in receipt of one of the following:

- Attendance Allowance including Armed Forces Independent Payment
- DLA care component at the middle or higher rate
- PIP daily living component (either rate)

Where an adult, non-dependent or disabled child requires overnight care

An extra bedroom can be allowed for a carer when they need to provide overnight care for a severely disabled child, adult or non-dependent. In these cases:

- regular overnight care must be provided
- the carer must not live in the claimant's home
- the person needing care must receive Attendance Allowance (including Armed Forces Independence Payment) or DLA care component at the middle or higher rate or PIP daily living component (either rate)

Only one additional bedroom is allowed regardless of how many disabled people live in the property.

Foster Parent

An extra bedroom is allowed where the claimant or couple is a foster parent or an adopter with whom a child has been placed for adoption.

Only one extra bedroom is allowed regardless of the number of children fostered, their ages or gender.

A foster parent is:

- an approved foster carer who is between placements, but only for up to 52 weeks from the end of the last placement
- a newly approved foster carer for up to 52 weeks from the date of approval if no child is placed with them during that time

Other situations where an additional bedroom is allowed

A bedroom is not counted as 'spare' if one of the following is away and intends to return home:

- student who lives away but is intending to return home
- member of the armed forces away on deployment
- member of the reserved forces away on deployment
- absent from GB due to the death of a close relative abroad

For information on the housing cost contribution, see Non dependants.