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Armed forces accommodation

Servicemen and women may claim Universal Credit.

For information on how to treat armed forces accommodation see [Armed forces accommodation guidance](#).

Bed and breakfast / hotel accommodation

Claimants, who live in bed and breakfast accommodation (B&Bs) or hotels which have not been provided by the Local Authority (LA) to meet a homeless obligation, can receive the housing costs payment in Universal Credit. The accommodation is private rented sector (PRS) and the costs are treated the same as any other PRS case and subject to the local housing allowance (LHA) rates.

Claimants need to have been living in the B&B or hotel on the last day of their assessment period in order for housing costs to be included in the Universal Credit calculation at the end of the assessment period.

Contrived tenancies

A benefit unit will be treated as not liable to pay rent if a decision maker (DM) is satisfied the liability to rent has been contrived. A contrived tenancy is where a tenancy agreement or liability to pay rent has been deliberately created to abuse or to take advantage of Universal Credit. See [Contrived tenancies](#) for full guidance and examples of contrived tenancies.

Dual liability - caravans, mobile homes and boats

Caravans, mobile homes and houseboats are treated as non-standard housing. Evidence of the claimant's liability is needed to support the verification for the social rented sector (SRS) and / or private rented sector (PRS).

Housing costs include liability in respect of any site rent, mooring fees, and / or waterway license fees. The costs will be averaged across the year rather than met in full in the period in which they fall due.

A claimant's housing costs may be made up of both social rented sector and private rented sector. For example, a caravan dweller may have rent and site rent, or a houseboat may have a mooring fee and a waterway license.

Paying two landlords requires a manual calculation every assessment period. There can be separate 'alternative payment arrangement' requests for each landlord.

Housing costs – 18 to 21 year olds

Housing costs payable from 31 December 2018

18-21-year-olds may be eligible for housing costs if entitlement conditions for Universal Credit are met.

Housing costs from April 2017 to 30 December 2018

Housing costs which applied from April 2017 to 30 December 2018 will be determined using specific guidance detailed in the Housing costs – 18 to 21 year olds guidance.

Housing costs met by Housing Benefit

Claimants occupying some Specified accommodation and Temporary accommodation where their housing costs are met by Housing Benefit are not liable for housing costs in their Universal Credit award.

Other help with housing costs

Claimants or their landlord may be able to apply for Alternative payment arrangements (APA) if they are behind on their rent or having financial difficulties.

Claimants may be entitled to help with costs from their local council – Council tax reduction or Discretionary housing payments.

Claimants may have liability for rent on two homes. Housing costs can be considered for both homes, subject to circumstances and to a time limit. See [Paying for two homes](#) for details.

Claimants, who move from Housing Benefit to Universal Credit, will continue to be paid for 2 weeks Housing Benefit after they claim Universal Credit. See [Moving from Housing Benefit to Universal Credit](#).

Following a death housing costs are maintained for the assessment period in which the death occurs and the following two assessment periods. See [Death and bereavement](#) (link is external) guidance.

Joint tenancies and untidy tenancies

A joint tenancy is where the claimant and other tenants all signed a single tenancy agreement with the landlord and they are jointly and severally liable for paying the rent. See [Joint tenancies](#) for further guidance and details of untidy tenancies and permitted occupiers.

Mesne profits

When a former tenant remains in a property after the tenancy has been terminated, the landlord can charge for continued use of the premises. These payments are known as Mesne profits.

The amount payable is generally the same amount of rent the former tenant paid. Mesne profits do not count as rent payments and as such the landlord is not creating a tenancy agreement by accepting the payments.

These claimants are treated as not liable for housing costs. Verification/evidence of the housing costs is still required.

Where a landlord grants permission they may do so by way of a license.

See information on [use and occupation agreement](#).

Owner Occupiers

Owner-occupiers will not normally qualify for housing costs. Help with mortgage interest now comes in the form of a loan recoverable on the sale or transfer of the property. Information on support for mortgage interest can be found in the [Mortgages](#) guidance.

Those purchasing their home on a leasehold basis may be entitled to housing costs for any eligible Service charges.

Shared ownership schemes give first time buyers and those that do not currently own a home the opportunity to purchase a share in a property. The purchaser pays a mortgage on the share they own and pays rent to a housing association on the remaining share.

Prisoners

There are some circumstances where a prisoner is entitled to Universal Credit Housing Costs. For details of these conditions see Prisoners guidance.

Private Rented Sector

Private rented sector (PRS) is all rented accommodation that is not covered by the social rented sector (SRS).

Housing costs are based upon the lower of either their actual rent (including Service charges) or the appropriate local housing allowance (LHA) rate. See LHA rates in the PRS – under 35s and size criteria

Non-dependants are expected to contribute towards the claimant's housing costs unless in an exempt category.

For further guidance, spotlight and bitesize learning products go to the Private Rented Sector section in Housing.

Property guardian

A property guardian is someone who has entered into an agreement to live in an empty building or part of an empty building for the purpose of securing and safeguarding the property.

Generally, the properties are commercial or industrial buildings and not intended to be used as residential accommodation.

The cost of living in the building may be lower than the rent for a similar sized property and the license agreement provides less long term commitments as in a typical tenancy agreement.

The license will set out the terms for paying rent and in Universal Credit these arrangements are treated as in the private rented sector.

Scottish Choices

Universal Credit claimants living in Scotland are able to choose who their housing costs are paid to, either themselves or directly to their landlord. For further information see the Scottish Choices section in Money guidance and Alternative Payment Arrangements guidance.

Social Rented Sector

Social rented sector (SRS) is housing owned and managed by local authorities and other registered providers. Housing costs are usually based on their full rent plus eligible Service charges. The housing costs can be reduced where the accommodation is under-occupied.

Non-dependants are expected to contribute towards the claimant's housing costs unless in an exempt category.

For further guidance, spotlight and bitesize learning products go to the [Social Rented Sector](#) section of Housing

Universal Credit trusted partners

Universal Credit trusted partners provides a list of organisations listed as trusted partners that are allowed to request 'alternative payment arrangements' (APAs)