

Social rented sector

Contents

[Social rented sector](#)

[Value of housing costs element](#)

[Removal of spare room subsidy](#)

[Verification of housing costs](#)

Social Rented Sector

Social Rented Sector (SRS) is all accommodation which classed as social housing. Social housing is defined as low cost rental accommodation that is made available to rent, to those on a Local Authority Housing Register.

Any other accommodation which does not meet this definition is classed as Private Rented Sector (PRS).

SRS tenants will have a tenancy agreement but they may also have less formal arrangements such as, a use and occupation agreement.

A claimant will declare that they live in SRS housing on their Universal Credit claim.

Value of housing costs element

Universal Credit claimants in SRS housing normally have their rent and any eligible service charges included in their housing costs calculation.

Removal of spare room subsidy

Where the accommodation is under-occupied according to the size criteria, 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 there are spare bedrooms, the eligible rent (housing cost) is reduced by either:

- 14% if there is one bedroom in the property more than required
- 25% if there are two or more bedrooms in the property more than required.

This reduction does not apply if the claimant is:

- a joint tenant unless the other tenant is part of that claimants benefit unit.
- a home owner or in a shared ownership property where rental costs are due.

Some non-dependants are expected to contribute towards the rent when they live with a claimant who is not subject to an exemption. This may affect the claimant's support for housing costs, as the eligible housing costs will be reduced by a housing costs contribution (HCC). See housing costs from non-dependants.

Verification of housing costs

SRS housing costs are verified directly with the Social Landlord, either via the Landlord Portal or SRS email process.

Social Landlords will confirm the value of the rent and eligible service charges, the number of bedrooms in the accommodation and confirm the claimant occupies the property.

The claimant does not need to provide separate evidence of their housing costs but if their landlord provides a different amount to that declared by the claimant, the claimant will need to confirm the correct rent amount.