

Calculating rent as a monthly amount and rent free weeks in Social Rented Sector

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Monthly average

All payments of rent and service charges are paid in as a calendar monthly amount, regardless of the actual frequency the rent is due to be paid.

Where any payment of rent and service charges are paid at a frequency other than calendar monthly, all the payments due in a 12-month period are calculated to give an average monthly amount for Universal Credit housing costs.

Calculation of a monthly average:

Weekly payments

Where rent and service charges are payable weekly, the monthly average is calculated by;

- weekly amount x 52 divided by 12.

There are 52 weeks in a year, regardless of the number of rent payments due.

Two weekly payments

Where rent and service charges are payable two weekly, the monthly average is calculated by;

- Two weekly amount x 26 divided by 12.

4 weekly payments

Where rent and service charges are payable four weekly, the monthly average is calculated by;

- Four weekly amount x 13 divided by 12.

3 monthly payments

Where rent and service charges are payable quarterly (every 3 months) the monthly average is calculated by;

- Three monthly payment x 4 divided the by 12.

Annual payments

Where rent and service charges are payable annually the monthly average is calculated by

- Annual payment divided by 12.

Rent free weeks

Some Social Rented Sector (SRS) tenants do not pay rent for 2 to 4 weeks per year as part of their tenancy agreement. These weeks are known as rent free weeks or non-collection weeks.

Where a tenant has a tenancy which includes rent free weeks, we must establish the payment frequency of the rent and the number of non-payment periods.

The monthly average is established by:

Weekly payments;

- 52 minus number of rent free periods divided by 12

Two weekly payments;

- 26 minus number of rent free periods divided by 12

Four weekly payments;

- 13 minus number of rent free periods divided by 12