

Private rented sector: Guidance

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Private Rented Sector

Any accommodation which is not classed as Social Rented Sector (SRS) is regarded as Private Rented Sector (PRS). This includes accommodation owned or managed by:

- private landlords
- charities
- third sector organisations including some housing associations

Please note that some charities and many housing associations are providers of social housing so fall within SRS.

Tenants should have a tenancy agreement but they may also have less formal arrangements such as a rent book or a verbal agreement with their landlord.

Boarders and lodgers are treated as PRS tenants.

Night Shelters

Where the night shelter is regarded as the claimant's home (the occupation condition is met) and they are charged for the bed space housing costs can be considered.

The occupation condition cannot be met if the claimant:

- can stay overnight but must leave in the morning with all their belongings
- has no right to stay in the shelter (which means that if they arrive at the shelter and it is full, they are turned away).

Housing costs are verified on a month-by-month basis. If the occupation is not met on the last day of the assessment period, the claimant is not eligible for housing costs.

Where the occupation is met on the last day of the assessment period, housing costs are paid for the whole of that assessment period.

Value of the additional amount for housing

The Universal Credit calculation will include either the:

- total amount of rent and service charges paid by the claimant, or
- the applicable Local Housing Allowance (LHA) rate

whichever is lowest.

Local Housing Allowance rates are based on local market rents. The LHA rate used is based on the number of bedrooms the claimant needs up to a maximum of 4.

Single claimants under 35 years of age will usually receive only the Shared Accommodation Rate unless subject to an exemption.

For information on the number of bedrooms a claimant needs; see The size criteria for renters.

Some non-dependents are expected to contribute towards housing costs if they live with a claimant who is not subject to an exemption. This may affect the amount of the claimant's support for housing costs.

For information on housing costs contributions and non-dependants; see Housing costs contributions from non-dependants.

Calculating the applicable housing costs

Example 1:

The claimant is under 35, lives alone and is not subject to any shared room exemptions. Their rent exceeds the amount of the Shared Accommodation Rate.

The housing costs will be at the shared accommodation rate.

Example 2:

The claimant rents a 3 bedroomed house and is eligible for 3 bedrooms. Their rent exceeds the Local Housing Allowance rate for their area.

Housing costs will be at the Local Housing Allowance rate.

Example 3:

The claimant rents a 3 bedroomed house but is only entitled to 2 of those bedrooms. The 2 bedroomed Local Housing Allowance rate is higher than the rent they pay to their landlord.

Housing costs can be paid on their current rent as this is less than the Local Housing Allowance rate.

Supporting evidence for new claims and changes of address

Claimants must provide evidence to confirm both of the following:

- that they are legally responsible for making payments of rent

This can be established from the tenancy agreement, rent book, rent receipt, invoice or a letter from the landlord or agent.

- that they are living in the property for which they are liable to make payments of rent

This could be established from any of the following pieces of evidence in the claimant's name and at the property address:

- a utility bill issued within the last 3 months
- Council Tax bill
- current driving licence
- bank, building society or credit union statement dated within the last 3 months
- HMRC self-assessment letters or tax demand dated within the current financial year

Claimants can use a telephone bill but only where it is a land line. The bill must include details of the landline element.

If no other proof is available, a letter from the landlord or agent is allowed where this explicitly confirms that the claimant is living at the address.

A single letter from a landlord confirming full details of the rent liability listed below, together with confirmation that the tenant is living in the property, is sufficient to meet both evidence requirements.

For information on housing cost payments; see Eligibility for housing support.

For the timescales for providing information; see Evidence verification

Evidence of rent liability for new claims and changes of address

Evidence of rental liability is usually included within a tenancy agreement which is a formal document. Evidence of rent liability may also be established from handwritten letters or notes from the landlord, a rent book or rent receipts or invoices.

A tenancy agreement or evidence of rent liability must include the:

- tenant and landlord's name, address and contact details
- address of the property rented
- date the tenancy began
- amount of rent and how often it is paid
- deposit amounts (this is usually mentioned on the tenancy agreement, but it may not be clear as to whether it has been paid)
- signatures in all relevant places by all tenants and landlord or agent

An expired tenancy agreement is also acceptable evidence. Once expired, these automatically convert to become 'Statutory Periodic' agreements or 'Rolling Tenancy' agreements if a notice to quit is not served.

Verifying evidence of Private Rented Sector housing costs

When a claimant declares that they have PRS housing costs, they must upload any supporting evidence to their Universal Credit account.

If they are unable to upload evidence to their account, DWP must contact them to provide additional support. The claimant may also be asked to post their documentation or bring it into the jobcentre where needed.

Once evidence has been received, it is reviewed to determine whether the claimant is living at the property and is liable for making payments of rent.

If the evidence provided is sufficient, the claimant's housing costs are verified, calculated and included in their Universal Credit entitlement.

If insufficient evidence has been provided, the claimant must be asked to provide additional evidence before their housing costs can be verified. However,

individual circumstances must be considered when requesting evidence and the claimant can be given additional time to provide evidence if they cannot obtain this within the prescribed timescales.

If DWP cannot determine whether the evidence is genuine, the claimant may be required to attend an appointment where their documents can be reviewed in person. If after this appointment there is still a doubt that the documents are genuine the case is referred to the Enhanced Review team (ERT) for further investigations.

Verifying Private Rented Sector housing costs: Video

For more information on how to verify Private Rented Housing costs, see: Private rented housing verification: Video.

Private Rented Sector housing costs not verified

DWP may be unable to verify a claimant's PRS housing costs where:

- they have failed to provide evidence
- insufficient evidence has been provided to determine occupancy and liability

If the claimant does not agree with DWP's decision that insufficient evidence of their housing costs has been provided, they can request a Mandatory Reconsideration.

If the claimant can provide acceptable evidence that they are eligible for housing costs support in the future, they must make a new declaration and provide all acceptable evidence. At this point, the verification process will start again.

Landlord requests access to a claimant's Universal Credit account

The tenant can use their online account to access and notify their landlord of any information they wish to provide to them.

The tenant should never share security details of their log-in access to their online account with their landlord or provide them with access to their online account.

The tenant can share the information from their account with their landlord or other representative if they wish as this contains information about housing payments made.

The landlord must not:

- request the log-in details from the tenant and / or
- make disclosing these details or allowing access to the tenant's online account a condition of the tenancy

Tenancies not signed

When the claimant confirms they have signed a tenancy agreement but have only provided an unsigned copy, payment cannot be made until they provide a signed version.

Tenancies never signed

When the claimant confirms they have never signed a tenancy agreement, Universal Credit is not paid until they provide supporting evidence from their landlord or a signed tenancy agreement.

Claimants must provide evidence of their housing costs and tenancy occupation within 1 month for a new claim and 14 days for a change of circumstances.

If the claimant fails to provide evidence, the additional amount for housing cannot be awarded.

Digital agreements

Digital tenancy agreements may be accepted as evidence if they contain a digital or wet digital signature from both the landlord and tenant.

Selective licensing of landlords in England

Local authorities have powers to introduce selective licensing of privately rented homes. Housing costs can still be paid to the claimant when liability and occupancy are verified, even when the landlord is not registered.

There is no need to check if a landlord is registered.

Tenancies in Scotland

In Scotland it is a legal requirement that a landlord registers with their local authority. See [Landlord registration Scotland](#).

Housing costs can still be paid to the claimant when liability and occupancy are verified, even when the landlord is not registered.

There is no need to check if a landlord is registered.

If a landlord fails to register, they may be served with a Rent Penalty Notice by the local authority.

Rent Penalty Notices

If the landlord is served a Rent Penalty Notice (RPN) by the local authority for failing to register, the claimant no longer has any liability to pay rent for the period of the notice so is not entitled to the additional amount for housing. A copy of the RPN is also sent to the tenant.

It is a requirement that the claimant reports a change to their housing costs when a RPN is served. If a Managed Payment to a Landlord is in place, the landlord also has a duty to report the change of circumstances.

The claimant is entitled to 1 month's housing support provided that they have rental liability at the end of the assessment period. If a Rent Penalty Notice is introduced which covers the last day of the assessment period, the claimant will lose housing costs for that whole assessment period. This is regardless of how many days of the assessment period the RPN covers.

The claimant must report a change of circumstances and re-declare housing costs when the RPN is lifted. Any Managed Payment to a Landlord which previously existed will need to be reinstated.

If the RPN commences and ceases within an assessment period so that there is rental liability on the last day of that assessment period, the housing costs will still be paid for the whole of that month.

Failure to report the RPN may result in an overpayment.

Tenancies in Wales

In Wales it is a legal requirement for landlords to register with Rent Smart Wales. See [Rent smart register](#).

Housing costs can still be paid to the claimant when liability and occupancy conditions are met, even when the landlord is not registered.

There is no need to check if a landlord is registered.

If a landlord fails to register, Cardiff Council (on behalf of Welsh Government) may make an application for a Rent Stopping Order.

Rent Stopping Orders

If a Rent Stopping Order (RSO) is made by the Residential Property Tribunal for the landlord failing to register, the claimant no longer has any liability to pay rent for the period of the notice so is not entitled to the additional amount for housing.

It is a requirement that the claimant reports a change to their housing costs when a RSO is made. If a Managed Payment to a Landlord is in place, the landlord also has a duty to report the change of circumstances. Failure to do so may result in an overpayment.

The claimant is entitled to 1 month's housing support provided that they have rental liability at the end of the Universal Credit assessment period. If a RSO is introduced which covers the last day of the assessment period, the claimant will lose housing costs for the whole of that assessment period. This is regardless of how many days of the assessment period the RSO covers.

The claimant must report a change of circumstances and re-declare housing costs once the RSO is lifted. Any Managed Payment to a Landlord which previously existed will need to be reinstated.

If the RSO commences and ceases within an assessment period so that there is rental liability on the last day of that assessment period, housing costs will still be paid for the whole of that month.