



November 2017

Dear sir/madam

Universal Credit (UC) Full Digital Service Rollout

I am contacting you as a landlord who has tenants currently in receipt of Housing Benefit or has had tenants previously and therefore may be letting to tenants in the future who need help with their housing costs.

You may already be aware the scope of Universal Credit is being extended by the Government across the country on a rolling programme due to be completed by 2024. Universal Credit is replacing Housing Benefit for most working age people who require assistance with their rent.

The full digital service of Universal Credit will become available for people living in the area served by:

- Plymouth, Bude and Launceston Jobcentre Plus from 06 December 2017, (postcodes affected are PL16 0, EX22 6, EX23 9, PL15 9);
- Bideford Jobcentre Plus from 04 July 2018, (postcodes affected are EX19 8, EX21; EX22 7 (Bude); EX22 (Holsworthy); EX38 and EX39) and
- Exeter Jobcentre Plus from 26 September 2018, (postcodes affected are EX20 3, EX20 4 and EX21 5)

It is important that you understand how Universal Credit works and the impact on your tenant to ensure you continue to receive the rent for your property and your investment remains protected. The information overleaf clarifies how Universal Credit differs from Housing Benefit and the support which is in place to protect you and your tenant to enable the rent to be paid in accordance with the tenancy agreement.

Many tenants who currently receive Housing Benefit will continue to do so for some time and will not be affected immediately, however, they may need to claim Universal Credit if their circumstances change which meet certain criteria within the new legislation.

You can find out more about Universal Credit on the internet:

- The government's website www.gov.uk/universal-credit has a toolkit and detailed information for landlords; www.gov.uk/government/publications/universal-credit-and-rented-housing--2
- The Residential Landlord's Association website www.rla.org.uk/universalcredit has a lot of helpful information for landlords on how Universal Credit works;
- Torrige District Council's website www.torrige.gov.uk/universalcredit

Yours faithfully

Benefits Team

Quick Guide to Full Digital Service Universal Credit

From 06.12.17 more people, within the Torridge District Council area, will begin to claim Universal Credit, gradually replacing six existing benefits: Housing Benefit, Income Support, Income Based Jobseekers Allowance, Income-Related Employment and Support Allowance, Working and Child Tax Credits.

The housing costs element of Universal Credit shares many features of Housing Benefit with maximum award rates being based on Local Housing Allowance, and it being means-tested broadly along similar rules. The change to migrate households is being introduced gradually.

- **Most new claims for help with housing costs for working age tenants will start to become Universal Credit claims from 06 December 2017;**
- **Existing recipients of Housing Benefit will only change to Universal Credit should they have a major change in their circumstances which would mean they needed to claim any of the six benefits listed above;**
- **Unless there is a change of circumstance, Housing Benefit will continue as it does now until migration takes place. This is not expected until sometime during 2020 to 2024.**

Despite the similarities, and in many cases being better off, some tenants have found the transition difficult to manage, particularly in the early months of their claim. This is in part due to some of the differences with the current benefits schemes.

- **In all cases there is a minimum period of 6 weeks before the UC is paid. Claimants may ask for an advance of their UC which is recovered from their ongoing award; this sometimes makes it difficult for the household to budget over a longer period;**
- **Universal Credit is paid in a single monthly payment, which is a change for a number of households;**
- **Claims are fully managed on-line by the claimant;**
- **The administration of the benefit is carried out by the Department For Work and Pensions not the Council which changes how support is provided to resolves issues;**
- **Awards are calculated on a monthly basis and subject to more frequent changes.**

The payment of benefit, including housing costs, is to the claimant by default which is the same premise as exists within Housing Benefit. In order to mitigate the problems some tenants are facing under Universal Credit, support is in place to help people adjust and safeguards in place for landlords.

The list below details some of this support. If your tenant is struggling to pay their rent and / or manage their claim for Universal Credit you could help them by ensuring you signpost them to the support available. You may wish to consider changing the day rent is due in order to fall in line with their benefit payment, to ensure the rent is paid as a priority. Further information is available on the websites as detailed overleaf.

- **If a tenant is more than 8 weeks in arrears, regularly underpaying and struggling to manage their money landlords can be paid housing costs directly.**
- **A wide network of free-to-use on-line access is available across the council area with support to get on-line available in various locations.**
- **Personal budgeting and support is available to those in receipt of Universal Credit providing help and support to manage personal finances and enable payment of rent.**
- **The council continue to operate Rent-in-Advance; Bond Schemes and Discretionary Housing Payments to protect homes for those suffering exceptional financial hardship.**
- **Credit Unions have a number of supporting products including access to affordable credit and budgeting accounts which can be configured to pay the landlord directly.**