

Landlord Newsletter

Special Universal Credit Edition

Wirral Council gave Private Landlords a commitment to keep them informed regarding information and changes about Universal Credit.

The next phase of Universal Credit implementation starts on 15 November 2017 in all Wirral postcodes, except CH44 & CH45, these particular postcodes follow on from 24 January 2018.

This next phase is Universal Credit Full Service and this will accelerate the rate of movement for tenants who move from existing legacy benefits* to Universal Credit, causing their Housing Benefit to end. This next phase will not move everyone over to Universal Credit, it's a continuation of the natural migration started in July 2014 in Wirral.

Here are some frequently asked questions that may help landlords with this transition:

What is Universal Credit?

Universal Credit is a combined benefit which replaces six of the main legacy benefits*, these are :

- Income-based Jobseeker's Allowance
- Income-related Employment and Support Allowance
- Income Support
- Working Tax Credit
- Child Tax Credit
- Housing Benefit

Universal Credit includes a housing element which replaces Housing Benefit. It uses the same method to calculate entitlement for private tenants, based on the claimant's household composition and Wirral's Local Housing Allowance rates.

It is a monthly paid benefit and is also paid to working claimants.

How can I help my tenant make a claim for Universal Credit?

Universal Credit has to be claimed online at www.gov.uk/universalcredit

If tenants don't have access to the internet or lack confidence using a computer, advise them to get help from friends or family. They can also make an appointment at a One Stop Shop to get help to set up an e-mail address, a Universal Credit account and make a claim for Universal Credit, plus opening a basic bank account if they don't have one. They can also drop into their local Jobcentre where staff will assist them in making a claim. You will need to make sure your tenant has valid proof of their rental liability to submit, in support of their claim.

How will my tenant be paid?

In most cases Universal Credit will be a single, monthly payment which is paid directly into the claimant's bank account. Direct payments to landlords can be requested when there are arrears or a doubt of non-payment due to specific circumstances.

How can my tenant get financial help when they are waiting for their first Universal Credit payment?

Tenants can ask the Department for Work and Pensions(DWP) for an advance of Universal Credit. Once they have made their claim and verified their identity they can ask for a Universal Credit advance. They should call 0345 600 0723 (Monday to Friday 8am to 6pm). DWP can make urgent advance payments on the day they are requested or after 3 days if it is less urgent. This advanced payment will be up to 50% of their likely monthly entitlement.

How can Landlords apply for direct payments for a tenant's rent?

Landlords should apply online directly to DWP by going to www.gov.uk/government/publications/universal-credit-landlord-request-for-a-managed-payment-or-rent-arrears-deduction

How do I let the DWP know that my tenant is in arrears?

You should access the link above and upload evidence to send to the DWP

How would any overpaid Housing element be recovered from a Landlord?

Any overpayment of Universal Credit will always be recovered from the Tenant.

If there are any other questions or concerns, who can the Landlord contact?

DWP will only speak to you about your tenants Universal Credit claim if they have given their explicit consent and entered this in their electronic journal so the DWP call handler can see the tenant has agreed to their information being discussed with a named third party. Ask your tenant to make a journal entry before you call DWP. They will have to do this each time you need to call DWP.

What should I do if my tenant can't manage their rent payments?

A tenant can ask DWP to have their housing cost payment switched to the landlord for a period of time while they get the support they need to manage their monthly budget. Help and support for this is available from Wirral Council and your tenant can make an appointment for Personal Budgeting Support at any One Stop Shop.

How can I make sure that rent is paid?

Tenants will be expected, where possible, to arrange their own rent payments as they would if they were in full-time work. You will need to think about how this will fit with your own payment calendars. If you have previously received direct Housing Benefit payments from Wirral Council you will need to speak to your tenants to agree arrangements for collecting rent from them.

If my tenant has a shortfall between the rent I charge and the Universal Credit housing element what can they do?

Your tenant can make an application to Wirral Council for a Discretionary Housing Payment. They should go to www.wirral.gov.uk/dhp Discretionary Housing Payments are designed to assist tenants, usually in the short term and give them time to manage their monthly budget , increase their income by moving into work or find more affordable accommodation.

Will my younger tenants, those 21 years or under be entitled to help with their rent costs?

Many tenants who are single and 21 years or under may be entitled to help to pay their rent with housing costs in their Universal Credit. These will be the tenants who can't live at home due to a wide range of reasons.

You can see more details at www.gov.uk/guidance/housing-costs-for-18-to-21-year-olds

However, there are rules in Universal Credit that mean some young single tenants who do not have any earnings will not qualify for help to pay their rent until they are 22 years old .

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