

1. Home (<https://www.gov.uk>)
2. Housing Benefit adjudication circulars 2018 (<https://www.gov.uk/government/publications/housing-benefit-adjudication-circulars-2018>)

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Guidance

A7/2018 (revised) Universal Credit full service areas: Guidance for local authorities

Updated 20 September 2018

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Who should read

All Housing Benefit staff

Action

For information

Revision 20 September 2018

We apologise for any inconvenience caused but this circular is re-issued with additional guidance regarding 'New HB claims: Specified and temporary accommodation cases' at paragraph 12. Please destroy any copies of the version previously issued on 14 September 2018.

Guidance manual

The information in this circular does not affect the content of the Housing Benefit guidance manual.

Queries

For technical content of this circular, contact housing.benefitenquiries@dwp.gsi.gov.uk

For distribution of this circular, contact housing.correspondenceandpqs@dwp.gsi.gov.uk

Introduction

1. This circular provides guidance for local authorities (LAs) in Universal Credit full service (UCFS) areas and confirms the circumstances when:

- a new UC claim is required
- a Housing Benefit (HB) claim can remain in payment following a change of address
- a new HB claim may be accepted

Moving on to UC

2. When claimants on legacy benefits move on to UC this is known as migration. There are two types of migration:

- natural migration
- managed migration

Natural migration

3. Subject to some exceptions, claimants in a UCFS area cannot make new claims to any benefit that UC is replacing. These benefits are:

- income-based Jobseeker's Allowance (JSA(IB))
- income-related Employment and Support Allowance (ESA(IR))
- HB
- Income Support (IS)
- Child Tax Credit (CTC)
- Working Tax Credit (WTC)

4. If a legacy benefit claimant in a UCFS area has a change of circumstances that means they would have to make a new claim to one of those benefits or tax credits they will not be able to do so and must make a claim for UC.

5. The exceptions to these are:

- where a claimant has 3 or more children they should claim legacy benefits and tax credits up to 31 January 2019
- where a claimant is already in receipt of legacy benefits and needs help with their housing costs because they are in, or have moved to, specified or temporary accommodation, they must apply for HB for support with housing costs
- where the same claimant is not receiving legacy benefits or needs to make a new claim for help with daily living costs, they must claim UC alongside HB
- UC claimants living in specified accommodation or temporary accommodation will be treated as having an underlying entitlement to UC housing costs to ensure they remain able to apply for Discretionary Housing Payments (DHP) should they require additional assistance for any gap in housing costs support

When is a new UC claim required in a UCFS area?

6. If any of the circumstances in the table in Annex A apply then the claimant will need to claim UC.

7. This is not an exhaustive list, so when deciding whether a claim to UC needs to be made it is important that the individual circumstances of the existing benefit claimant are taken into account when deciding whether a move to UC is applicable.

8. It should be noted that once a claim to UC has been made the gateway to legacy benefits is closed. In practice, the UC claim triggers the termination notice (known as an HB Stop Notice). Even if a claimant withdraws or ends their UC claim (regardless of whether they have received payment), they cannot choose to claim, re-claim or seek re-instatement of a legacy benefit. This continues to apply irrespective of whether the legacy benefit termination has been actioned 'on time'.

Change of address within an LA area

9. If an existing HB claimant moves home within the same LA area, a new HB claim is not required and LAs may continue to award HB based upon the change of circumstances. A claim to UC is not needed if the claimant moves house within the same LA area.

10. It is only when a claimant moves out of the LA boundary that an HB award ends and a new HB claim would have to be made but is prevented by the UCFS rules. This means that a UC claim must be made for housing costs instead.

New HB claims: Specified and temporary accommodation cases

11. Claimants living in specified or temporary accommodation must claim HB in order to receive support with their housing costs alongside UC.

12. For temporary accommodation:

- HB is claimed from the LA who made the temporary accommodation placement where rent payments are payable to the same LA
- HB is claimed from the LA in whose area the accommodation is located where rent payments are payable to a provider of social housing other than a local authority

13. For specified accommodation, HB is claimed from the LA in whose area the accommodation is located.

Managed migration

14. This occurs where the Department for Work and Pensions (DWP) initiate the transfer of an entire household from legacy benefits to UCFS and is planned to start in 2019.

Discretionary Housing Payments for UC claimants

15. DWP has received a number of enquiries recently over the use of Discretionary Housing Payments (DHPs) to support claimants with housing costs on UC including those who are subject to the benefit cap. The following information repeats the advice published on 3 February 2017 in HB G12/2016 REVISED.

16. The department works closely with LAs to ensure tenants are able to meet their housing costs. Where it is in a claimant's best interests to have their housing costs paid direct to the landlord, for example because they have difficulty budgeting or have problems with arrears, an Alternative Payment Arrangement can be put in place, such as a Managed Payment to Landlord (MPTL). This does not change the overall amount of the UC award but simply how it is paid.

17. DHPs can be made to people who are entitled to either HB or a UC award that includes an amount for housing costs and who have difficulty meeting their rent commitments. These payments are very flexible and are made at the discretion of the LA where they consider that further financial assistance towards housing costs is required. UC claimants who meet the eligibility criteria are considered for a DHP award in the same way as anyone else.

18. DWP does not see any legal reason why DHPs cannot be paid to UC claimants who have an MPTL in place.

19. Recipients of UC are eligible to be considered for DHPs and they should be assessed in the same way as anyone else. LAs have a duty to accept a claim for a DHP; however it is still the LAs choice as to whether or not they grant it.

Annex A: Circumstances in which a new UC claim is required in a UCFS area

Circumstance for new UC claim	Additional information and exceptions
Move from in work to unemployment, and also claimants whose hours reduce to less than 16 hours per week	Claimants subsequently claim UC (because JSA(IB) is abolished in their area). Claimants may also apply and qualify for new style JSA – contribution-based only – alongside UC ¹ .
Move from out of work to employment / self-employment	Exception – Claimants who already have an award of CTC can apply for WTC. The award of WTC is a change of circumstances to the existing Tax Credits award, so they do not need to claim UC.
Move from ESA(IR) to jobseeking	<p>For example, claimant's ESA(IR) award is terminated as they are found not to have LCW. The claimant subsequently claims UC (because JSA(IB) is abolished in their area) and must remain on UC even where any subsequent appeal against the ESA disallowance is found in their favour.</p> <p>Exception – Claimant does not claim UC during mandatory reconsideration period and, on appealing, is then awarded ESA pending appeal (a new claim not required); where subsequent appeal is allowed, they remain on ESA(IR).</p>
Move from ESA to employment / self-employment	Exception – Claimants that already have CTC can continue to claim tax credits. This is because a new claim to WTC in these circumstances is not prevented under UCFS rules and so they do not need to claim UC.
Move from unemployed (in other words, IS or JSA(IB)) to being sick	Claimants may apply and qualify for new style ESA – contributory only – alongside UC.
Become responsible for a child for the first time	Exception – Claimants who already have an award of WTC can claim CTC. This is because a new claim to CTC in these circumstances is not prevented under UCFS rules and so they do not need to claim UC.
Existing HB claimant who moves from one LA to a new LA in a UCFS area	Exception – Only claimants who move into specified accommodation or temporary accommodation can continue to make a new claim for HB. Claimants with 3 or more children can continue to make a new claim for HB up to 31 January 2019.
Income Support award ends because the	Examples –

claimant no longer satisfied the conditions of entitlement	<p>The claimant is no longer a carer.</p> <p>The claimant is a lone parent whose youngest child reaches age 5.</p>
Claimant receiving a legacy benefit or tax credits forms a couple with a UC claimant	<p>They will not be able to remain on their existing benefits or tax credits and, on forming the couple, are treated as making a joint UC claim with their new partner.</p>

1. To enable Universal Credit and contribution-based JSA or ESA to be paid together, new style' ESA and new style JSA have been introduced. The new style benefits consist of the contribution-based part of the benefits only. They can be paid regardless of whether a claimant is also entitled to Universal Credit or not. Claimants can't have entitlement to both Universal Credit and legacy ('old style') versions of ESA and JSA, because these benefits include both the contribution-based and income-based parts of the benefit and UC replaces the income-based part. ↩