



# HOUSING BENEFIT GENERAL POLICY

**Responsible Director:** Director of Homes and Wellbeing

**Responsible Manager:** Head of Homes and Wellbeing

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## D5 Housing Benefit General

### 1. Policy

- 1.1 The general rule is that anyone on a low income, receives Welfare Benefits and pays rent, can claim Housing Benefit. There are some exceptions to this. They include:
- a) Most Students
  - b) Tenants with savings above a certain amount
  - c) Persons from abroad, e.g. those with temporary Visas
- 1.2 NCHA will calculate a tenant's entitlement to Housing benefit, help tenants claim Housing Benefit and advise them about their claims.
- 1.3 Only one claim can be made for each household living in a house. The household usually includes the claimant and their partner.
- 1.4 A tenant can get Housing Benefit if he/she leaves home temporarily, but only if they intend to come back and live in the property. This is dependent on their home not being let or sub-let to anyone else and that they do not intend to be away for more than 52 weeks. After 52 weeks of absence it will stop.
- 1.5 It is not normally possible to get Housing Benefit on two addresses at once. The exceptions to this rule are:
- a) Where the claimant is staying away from the normal home because of violence
  - b) Where a family because of its size is being housed in two separate homes as a result of a nomination from the local Council.
  - c) Where the claimant is moving to a new home and remains liable for payments on the old home. (4 weeks maximum)
  - d) Nursing home/hospital
- 1.6 This policy will be reviewed every 3 years or when legislation changes.

**2. Welfare Reform**

- 2.1 The introduction of the Under Occupation charge and the Benefit Cap in 2013 started the shift away from the long held notion that Housing Benefit (HB) will pay the full rent due for social housing tenants based on a tenants income and benefit entitlement.
- 2.2 The Welfare Reform Act 2012, implemented in April 2013, restricted the Housing Benefit paid to tenants who were under occupying their homes. The reduction was 14% for one bedroom and 25% for two bedrooms.
- 2.3 The introduction of the Benefit Cap in September 2013 reduced the amount of Housing Benefit tenants receive, where benefits exceed the figures set by the Government.

**3. Universal Credit**

- 3.1 When Universal Credit is claimed, assistance towards housing costs are paid by the Housing Cost Element (HCE) in the monthly Universal Credit payment.
- 3.2 Currently 99% of Housing Benefit is paid direct to NCHA. Under Universal Credit, the HCE will be paid to tenants and they will have to pay their rent to NCHA themselves.
- 3.3 If there are rent arrears of more than 8 weeks or the tenant has certain vulnerabilities, NCHA can apply for an Alternative Payment Arrangement (APA) under which the HCE is paid direct to NCHA. It is expected that about 30% of tenants will be subject to APA's.
- 3.4 The HCE is claimed by the tenant when they make a claim for Universal Credit. NCHA is asked to verify the rent and any eligible service charges.
- 3.5 The Universal Credit Policy contains the policy and procedure relating to the HCE

**4. Housing Benefit Claims - New Tenants**

- 4.1 Note that where a new tenant is claiming Universal Credit, they will be expected to tell DWP that they wish to claim the HCE. NCHA will provide a rent statement and send it to the DWP.
- 4.2 The number of tenants claiming Universal Credit is currently 300 in November 2018. Therefore, the rest of this policy still refers to Housing Benefit. The Universal Credit Policy contains the policy and procedure relating to the HCE.

- 4.3 New tenants claiming Universal Credit who are already claiming Housing Benefit will be paid Housing Benefit for 2 weeks in the Universal Credit claim period.
- 4.4 Housing Benefit will be granted from the start of the tenancy if the claim is received by the Housing Benefit Department or verified by NCHA within the week the new tenancy begins.
- 4.5 Tenants are informed when they are offered a property that they should move in immediately the tenancy commences and that they should inform the D.W.P. the date that they are moving in. If they are claiming Income Support, the tenant should complete an NHBI form from the Benefits Agency. It is good practice for staff to complete Housing Benefit forms at the sign up of the property, so that NCHA can monitor and control the HB processing and payments after the tenancy starts.
- 4.6 The Estate Officer, Lettings or Housing Benefit Officer will complete the Housing Benefit Form on sign-up and ensure that it is accompanied by:
- a) Proof of rent
  - b) Proof of income
  - c) Proof of capital
  - d) Proof of identity
- 4.7 NCHA will supply proof of rent. If the tenant does not have proof of income or capital readily available, forms should still be sent to the Housing Benefit Department with a receipt stating what information is still needed to complete the claim.
- 4.8 The tenant will also be asked to agree that the Housing Benefit be paid direct to N.C.H.A. This is usually done by ticking the appropriate box on the Housing Benefit form. The tenant can choose to have Housing Benefit paid direct to themselves.
- 4.9 The tenant should be informed at the sign-up that they are responsible for ensuring that their Housing Benefit claim is current and paid. The Housing Benefit form should be sent or taken to the appropriate Housing Benefit Department.
- 4.10 The Income Officer will monitor the rent account during the first weeks of the tenancy and inform the tenant if the Housing Benefit application is not assessed. If the rent arrears reach five weeks, a Notice of Seeking Possession should be served (see Section D3 Rent Arrears – General for exceptions to this rule).

## **5. Housing Benefit - New Claims for Existing Tenants**

- 5.1 Housing Benefit will be granted from the Monday following the date of claim. Therefore, it is important if tenant's circumstances change and Housing Benefit is payable that they inform the Housing Benefit

Department and the tenant may need to make a new claim immediately. The Income Officer or Housing Benefit Officer will assist tenants in making Housing Benefit claims, but it should always be made clear that the responsibility lies with the tenant to ensure that their rent is paid.

- 5.2 The same rules apply for the completion of the forms as for new tenants above.

## **6. Changes in circumstances**

- 6.1 It is important that tenants inform the Housing Benefit Department of any changes in their circumstances. If they do not provide this information the tenant may be investigated in relation to a fraudulent claim.
- 6.2 NCHA staff have a duty to inform the Local Authority themselves of any changes to a tenants personal or household circumstances, to ensure benefit is calculated correctly. This will help to prevent any overpayments.

## **7. Housing Benefit - How Much Of the Rent Is Eligible**

- 7.1 Ineligible Service Charges - When a Housing Benefit Department receives a claim for Housing Benefit the charge for services will be checked to ensure that they are all eligible for Housing Benefit. This is done by looking at Schedule I of the Housing Benefit Regulations.
- 7.2 In General Needs Housing, there are schemes which have elements of the service charge which are ineligible, e.g. heating bills for heating individual homes or the charge for emptying cess pits.

## **8. Non-Dependent Deduction**

- 8.1 A non-dependent is someone who lives in the claimant's house who is usually a child, a boarder or sub-tenant, a visitor who normally lives somewhere else, or a joint tenant.
- 8.2 Where there are non-dependants living in the household they are normally expected to make a contribution towards the rent. The amount of this contribution is laid down in regulations and is deducted from the claimant's Housing Benefit entitlement.
- 8.3 There is no deduction if the non-dependent is:
- a) Under 18
  - b) Under 25 and on Income Support unless they are on the Employment Training Scheme On the Youth Training Scheme
  - c) A full time student.

8.4 There is also no deduction if the claimant or their opposite sex partner is:

- a) Registered blind
- b) Getting Attendance Allowance or the Care Component of the Disability Living Allowance.
- c) PIP at the daily living component at the enhanced rate.

## **9. Calculation of Housing Benefit**

9.1 The Lettings Office, Income Officer or Housing Benefit Officer should calculate entitlement to Housing Benefit by assessing the eligible rent and using the claimant's applicable amount and the claimant's income. If a Housing Benefit calculation is done the claimant should be made aware that the amount given is an estimate and that the Housing Benefit Department will calculate the exact amount.

## **10. Discretionary Housing Payments**

### Under Occupation

10.1 NCHA will help and advise tenants who are under occupying their homes to apply for Discretionary Housing Payment. If granted this will help cover the shortfall in rent payable.

10.2 Where Housing Benefit is reduced, tenants will be expected to make up the shortfall in their rent, until a decision is made about their application for Discretionary Housing Payment.

### Benefit Cap

10.3 NCHA will help and advise tenants whose Housing Benefit is affected by Benefit Cap to apply for Discretionary Housing Payment. If granted this will help cover the shortfall in rent payable.

10.4 Where Housing Benefit is reduced, tenants will be expected to make up the shortfall in their rent, until a decision is made about their application for Discretionary Housing Payment.

10.5 If a tenant is experiencing severe hardship because of a shortfall in benefit, the Income Officer should contact them to offer advice.