

Universal Credit for landlords

This information is for private landlords. Private tenants can find information and advice [here](#).

Your tenants may need help to pay their rent. Usually, this means applying for Universal Credit.

Some tenants will need to claim [Housing Benefit](#) instead of Universal Credit.

Applying for Universal Credit

Tenants have to [apply for Universal Credit online](#). An [advice agency](#) can help if they cannot do this by themselves.

You'll need to give your tenants:

- your name and email address
- a tenancy agreement or letter showing the full rent amount
- your bank account details if you want payments made to you directly

Waiting for the first Universal Credit payment

A person usually gets their first payment between five and six weeks from the date they applied. It can take longer if the applicant hasn't sent all the information needed.

Tenants moving from Housing Benefit to Universal Credit may be able to get a 'run-on' payment. This is an extra two weeks of Housing Benefit that will help while they wait for their first Universal Credit payment.

Tenants may be able to [get a grant or loan while they're waiting for their first payment](#). Your tenants should [get advice](#) if they're worried about paying rent.

How often Universal Credit is paid

Universal Credit is paid once a month. The payment date depends on when your tenant started their claim. A tenant who claims on the 15th of a month will usually get their payment on the 22nd of the next month.

Universal Credit pays in arrears. This means your tenant cannot make a claim until after they have moved into the property.

How much Universal Credit pays towards rent

Universal Credit makes one payment directly to a claimant for living costs. This can only be paid to your tenant.

A separate payment, called housing costs, is paid to help with rent. This can be paid to you or your tenant.

Universal Credit rarely covers the full amount of rent in a privately rented property. Depending on the tenant's circumstances, there is [a maximum amount of housing costs Universal Credit will pay](#).

When deciding how much to pay in housing costs, Universal Credit considers the tenant's:

- personal circumstances
- income, savings and assets
- household or family, their income and circumstances

Extra help if Universal Credit doesn't cover the full rent

Tenants can apply for a [Discretionary Housing Payment \(DHP\)](#) if their benefits do not cover all their rent. Housing Rights can help tenants to apply for this payment.

Help to pay rates

Universal Credit does not help with rates. Your tenants have to [apply for a Rate Rebate](#) to get help with rates.

A Rate Rebate is credited to the property's rates account. The tenant cannot get a cash payment instead.

You'll need to [set up your own Rate Rebate account](#) for the rebate to be credited.

Who Universal Credit pays

Your tenant can choose for housing costs to go to their bank account or yours.

If your tenant arranges for payments to go directly to you, talk to them about how they will pay any shortfall between the Universal Credit payment and the full rent.

Sometimes the first payment can mistakenly go to the tenant even if they've been told it will be paid to you.

Make sure to check your bank account regularly. Speak to your tenant if you haven't had a payment when you were expecting one.

Figuring out which payment is which

Some landlords may have lots of tenants claiming Universal Credit. It can be hard to know which payment is for which tenant.

You have to create a 16-digit tenancy ID when you set up a payment for each tenant. This will be used as the reference for your BACS payments.

Set up a direct payment if your tenant owes rent

You can ask Universal Credit to pay the housing part of your tenant's claim to you, instead of the tenant. They can only do this against the tenant's wishes if they owe at least two months' rent.

[Use this form](#) to ask for payments to go to your bank account.

You can also ask for a deduction from your tenant's Universal Credit to go towards rent arrears. You can only do this if they are still claiming Universal Credit for your property.

[Use the form in this booklet to apply for a deduction.](#)

Tenants who move out during their assessment period

Your tenant's housing costs payment is based on their circumstances at the end of an assessment period.

This can cause problems for a tenant who moves to a new property or ends their tenancy before their assessment period ends.

You shouldn't have problems with this type of tenancy change as long as your tenant paid the first month's rent in advance.

[Contact Landlord Advice](#) if you're worried that your tenant hasn't paid all they owe.

Getting help with Universal Credit problems

[Landlord Advice](#) can help with general questions about Universal Credit.

If you need to talk about specific payments, you can call Universal Credit on [0800 012 1331](#). Universal Credit normally only speaks to the tenant about their claim.

Universal Credit can speak to you about your tenant's claim if:

1. you have your tenant's date of birth and national insurance number, and
2. your tenant adds a note to their claim journal giving permission for you to speak to Universal Credit about the housing element of their claim

More advice

- [Getting help towards rent](#)
- [Issues with social security benefits](#)