

# Universal Credit and your home

---

## What is Universal Credit?

Universal Credit is a new benefit that supports people who are on a low income or out of work, and helps ensure that you are better off in work than on benefits.

Universal Credit will give you the support you need to prepare for work, move into work, or earn more. In return for this support, it is your responsibility to do everything you can to find work or increase your earnings.

Universal Credit is being introduced in stages. It is available to single people, couples and families in some areas of the country. It is being rolled out to single claimants nationally from February 2015.

To find out more information see the [list of jobcentre areas where Universal Credit is available](#) and the [local authorities and jobcentre areas that will begin delivering Universal Credit over the coming months](#).

## Paying your rent

Universal Credit is paid monthly and may include money towards your housing costs. This is known as the Housing element.

You will be responsible for using this money to pay your landlord yourself.

The Housing element of your Universal Credit payment may not cover all of your rent, so you will be responsible for covering any shortfall yourself.

You will need to manage your money carefully so that you can pay your landlord on time. You should speak to your landlord to agree the best way to pay them, for example by setting up direct debits and/or standing orders to pay your rent and other bills like gas and electricity.

You may be used to managing your money in this way, but help is available if you could do with some support. You can speak to your work coach, use a simple monthly budget planner like the one available on the [Money Advice Service website](#) or have a look at [Universal Credit: guide to managing payments](#).

Most people who are in work are responsible for paying their own rent. Paying the Universal Credit Housing element to you rather than your landlord will help you get used to making these payments.

### Service charges

Universal Credit may include an amount towards service charges that you need to pay your landlord. Landlords can identify which charges are supported by Universal Credit and will be able to tell you the total amount you can get support for. It is the intention that all service charges that are covered by the current system will still be covered with Universal Credit.

### Paying your mortgage

If you and/or your partner own the home you live in, your Universal Credit payment may include Support for Mortgage Interest (SMI). The amount you receive will be based on a set rate of interest applied to your outstanding mortgage. It will be paid direct to your mortgage lender. Once you or your partner are receiving earned income, SMI will no longer be part of your Universal Credit.

If your house is leasehold you can also receive help with some service charges.

### Getting ready for Universal Credit

Universal Credit is being introduced in stages. When it affects you will depend on where you live and any benefits you currently claim. To find out if you can make a claim and for the latest information, visit [www.gov.uk/universalcredit](http://www.gov.uk/universalcredit).

The Universal Credit [Personal Planner](#) can help you prepare for the changes that the new service brings, such as paying rent to your landlord yourself. You provide the answers to some basic questions and it will tell you how ready you are for Universal Credit. It provides advice on what you need to do and the best sources of help. It will not tell you how much Universal Credit you will get as this will depend on your circumstances when you claim.

You can prepare for Universal Credit by doing things such as:

- opening a bank account if you don't already have one
- finding out where you can access the internet
- improving your internet skills

**For more information see [Universal Credit and rented housing – frequently asked questions](#).**

**For more information visit [www.gov.uk/universalcredit](http://www.gov.uk/universalcredit) or the [Universal Credit toolkit](#).**