

Universal Credit case study

Single person aged 22 living in a council property and claiming Universal Credit since 04.12.2017. Has lived at this address since 30.05.2016

Jobseekers Allowance ended 31.10.17 due to starting work

Previously had claimed Jobseekers Allowance and received Housing Benefit based on this JSA until 06.11.2017

HB £76.77

CTS £14.21

CTS award whilst in receipt of UC

11.12.2017 to 08.01.2018	£14.00 a week
08.01.2018 to 31.03.2018	£14.21 a week
01.04.2018 to 01.04.2019	£14.91 a week

Weekly council tax liability is £16.295. Council Tax Support scheme restricts the amount of CTS for working age applicants to 91.5% of the charge. 91.5% of £15.53 is £14.91.

2018-19 Council Tax account

Council Tax Support charge	£849.67
Council Tax Support	£777.45
Amount to pay	£72.22
Payments total	£38.38 – 06.08.18 and 13.09.18. 19.06.18 payment mainly went to clear 2017-18 balance owed. Current arrangement since 11.09.18
Prior year debts owed	£0.00

Universal Credit award paid monthly on the 10th of the month

	Monthly	Weekly equivalent
UC award	£558.85	£128.96
Made up of:		
Living cost allowance	£251.77	£58.10
Housing cost allowance	£307.08	£70.86
	£558.85	

Less deductions for advance of £48.81 which should be due to end	£510.04	In theory reduces living costs to £46.84 a week
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Council Rent account

Living in a 1 bedroom property.

2018-19 rent is £76.77 a week. The DWP are not paying the correct amount of housing costs. They are using £307.08 a month when should be using £332.67. This is because they are still calculating based on 48 rent weeks instead of 52. Please see notes below regarding what action we are taking on these cases.

There were no rent arrears on 06.11.2017. Housing Benefit payments were meeting the weekly rent liability in full.

06.11.2017 Housing Benefit payments stopped following starting work. Would have had to wait for his first earnings payment.

25.11.2017 Rent payment £100.00 balance £53.54.

02.12.2017 Rent payment £110.00 balance 20.31

11.01.2018 Rent payment £190.00 balance £214.16

13.02.2018 Requested managed payments for rent from the DWP

13.02.2018 Discretionary housing application made to us 13.02.2018. At this point rent arrears were £751.55.

19.02.2018 A DHP decision was made 14.02.2018 to award DHP of £614.16

26.02.2018 The £614.16 DHP award was paid to the rent account bringing the balance down to £137.39.

We applied for were granted managed payments which is where the DWP pay the housing costs directly to us. The first payment we received was 27.03.2018. We were paid £307.08 for the normal monthly rent (please see note above re this being the incorrect value), and £25.18 for rent arrears.

19.06.2018 After the DWP payment to us the rent account was in credit and we asked for the arrears deductions from Universal Credit to stop.

17.07.2018 Received normal managed payment only

No Managed payment in August. Because managed payments are paid to us 4 weekly but deductions from claimants are calendar monthly.

11.09.18 Managed payment £307.08 (arrears £109.36)

09.10.18 Managed payment £307.08 (arrears £82.88)

28.10.18 Rent account balance is £293.33 with the next managed payment due to be received and posted 05.11.18.

Action regarding Council Tenant rent changes- reduction and rent free weeks.

We have told the DWP that rent free weeks have been removed for Council Tenant cases but they won't amend claims on our say so. This is increasingly problematic for us. Our rent notification letters for the 2018-19 rents did specify what Universal Credit claimants needed to report to the DWP.

We now send a weekly report to a contact at the DWP Derby processing centre of cases we want reviewing. However this alerts them to make contact with the claimant but they won't carry out any amendment unless the claimant also reports the change/error.

The error on this claim has now been reported to the DWP.