Annex 3

Universal Credit changes 2017/18

Universal Credit Advance

From January 2018, the amount a claimant could receive from an advance payment of Universal Credit increased from up to 50% of their estimated entitlement to up to 100%. Claimants will be able to receive an advance payment within five days of applying. The period in which the advance is recovered will be increased from six months to 12 months

From February 2018, the government will remove the seven-day waiting period for Universal Credit, so that the claim starts from the date of application. This means that if Universal Credit is paid on time, claimants will wait five weeks for their first payment instead of six weeks.

Support for Mortgage Interest (SMI) payments

From 6 April 2018, Support for Mortgage Interest will no longer exist as a benefit for new or existing claimants. Claimants will instead be invited to apply for a loan if they want to continue to be supported. Loans will be repaid upon the sale of a claimant's house; or on a claimant's return to work if the borrower can afford it.

Continuing Benefit

From April 2018 those already on Housing Benefit will continue to receive their award for the first two weeks of their Universal Credit claim. This will be an unrecoverable payment.

Payment to Landlord

The government will also make it easier for claimants to have the housing element of their award paid directly to their landlord

Claimants who live in privately rented properties who have their Housing Benefit paid directly to landlords have this option at the beginning of a claim for Universal Credit. The government will also make it easier for claimants to have their housing element paid direct to their landlords.