

# Is your account already in arrears?



Universal Credit (UC) is paid one month in arrears, so if you do not have enough credit on your rent account at the point when you go onto UC, you will fall into arrears. And if you owe rent already, you will fall further into arrears.

## Don't delay, take action today:

If you find yourself in either of the situations described above, you must act quickly. This is because having rent arrears is a breach of your tenancy and puts you at risk of losing your home.

Here are the three options available to you – none offers a guarantee of success, so you may need to try all three:

- Apply to the DWP for an advance payment, and/or
- Apply to the local council for a Discretionary Housing Payment towards all or some of your debt, and/or
- Ask us to accept an arrangement to pay off the debt monthly (we will need a financial statement of your income and expenditure, to agree repayment terms).

If you are currently on Housing Benefit and going on to UC, you will notice a big difference, because the rent element of your benefit will be paid into your bank account. It will no longer be applied to your rent account, as is the case for most Housing Benefit claimants at the moment.

At present, we allow for accounts to be four weeks in arrears while we wait for Housing Benefit, if the rent is being paid directly to us from the Council. However, we can't allow for arrears on your rent account when waiting for UC because the money does not come to us automatically. We will take action to recover any rent arrears.

## If you have already been to court:

If you have any type of court order awarded against you for rent arrears, you must take action to make sure the order is not breached. It is your responsibility to make sure you comply with the terms of the court order.

We recommend that you start to pay extra into your rent account each month, so that if there's any delay between you receiving your final Housing Benefit payment and your first UC payment, there will still be money in your rent account to cover your court order payment. Paying a bit extra into your rent account each month will reduce the likelihood of you breaching the terms of the court order when you claim UC.

You'll find a wealth of useful advice and guidance on the UC website: [www.gov.uk/universal-credit](http://www.gov.uk/universal-credit)

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