

UNIVERSAL CREDIT – TENANT INCENTIVE SCHEME

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INTRODUCTION

- 1 This memo provides guidance on amendments to legislation, in particular those regulations which provide for the reductions in a claimant's rent or service charges.
- 2 These amendments are made by the [Universal Credit \(Tenant Incentive Scheme\) Amendment Regulations 2017](#) (SI 2017/427) and come into force on 30.4.17.

BACKGROUND

- 3 The housing costs element in UC for claimants who are liable to pay rent to providers of social housing is made up of any amounts prescribed as rent¹. These amounts are, in certain circumstances, subject to a reduction².

1 UC Regs, Sch 4, para 6; 2 para 31

CHANGES

- 4 Regulations have been issued to provide for the disregard¹ of the rent reductions that are awarded under an approved tenant incentive scheme. Any reduction in the amount of the claimant's rent that has been applied by a provider of social housing under an approved incentive scheme is disregarded in the calculation of the housing cost element.

1 UC Regs, Sch 4, para 32A

- 5 For this provision an approved tenant incentive scheme means a scheme
1. operated by a provider of social housing and designed to avoid rent arrears by allowing reductions in rent or service charges or other advantages in return for meeting specified conditions **and**
 2. approved by the Secretary of State.

ANNOTATIONS

Please annotate the number of this memo (adm14/17) against the following ADM paragraphs: F3251

CONTACTS

If you have any queries about this memo, please write to Decision Making and Appeals (DMA) Leeds, 1S25, Quarry House, Leeds. Existing arrangements for such referrals should be followed, as set out in [Memo DMG 03/13](#) - Obtaining legal advice and guidance on the Law.

DMA Leeds: April 2017

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