Immediate action required to set the housing costs qualifying data on new claims received from 4/1/09.

Background

There are changes to housing costs rules from 5/1/09. These are:

- reducing the qualifying period (QP) for housing costs to 13 weeks;
- increasing the upper limit for Support for Mortgage Interest (SMI) from £100,000 to £200,000;
- a two year (104 week) time limit for SMI for customers at receipt of JSA (IB).

This guidance is intended to provide instruction on applying the new 13 week QP on new claims received from now until 4/1/09. Further detailed guidance will follow.

Applying the new qualifying period to new and repeat claims received from now until 4/1/09.

It has been decided to apply the new 13 week QP to existing claims where, in the benefit week that includes 4/1/09, the customer:

- has IS, ESA(IR) or JSA(IB) in payment; and
- is still in a QP for housing costs (that is, they are either receiving nil housing costs or 50% housing costs).

QP served prior to 5/1/09

A customer who has completed the 13 week QP prior to the 5/1/09 will become entitled to full housing costs on the first day of the benefit week that starts on or immediately following the 5/1/09.

Example
New claim made on 30/9/08 and does not link to a previous award.

The 13 week QP applies and is completed on 29/12/08.

The customer is a Monday benefit week ending (BWE), so full housing costs will become payable from the first day of the benefit week on or immediately following 5/1/09 and this would be BWE Monday 12/1/09.

The qualifying date you enter in this instance will be 8/1/09, the first day of that benefit week.

QP served between 8/1/09 and 11/1/09

A customer who has served the new qualifying period between the 8/1/09 and 11/1/09 will become entitled to full housing costs on the first day of the benefit week that starts on or immediately following 8/1/09.

Example

New claim made on 6/10/08 and does not link to a previous award.

The 13 week QP is completed on 4/1/09. The qualifying date is 5/1/09.

The customer is a Monday BWE, so full housing costs will become payable from the first day of the benefit week on or immediately following 8/1/09 and this would be BWE Monday 12/1/09.

The qualifying date you enter will be 8/1/09, the first day of that benefit week.

QP not served at 8/1/09

Where customers have not yet served the 13 week QP at 8/1/09 they must serve the remainder of the 13 week QP before full housing costs become payable. In these cases the qualifying date can be set in the usual way.

Example

A new claim made on 8/12/08 and does not link to a previous award.

Housing costs are not in payment. The 13 week QP applies.

The qualifying date will be 9/3/09.

Immediate action

With immediate effect, for any new claim received from now until 4/1/09 (that does not link to a previous award) apply the new 13 week QP qualifying date and input on the benefit systems manually per the examples above.

Some cases may be entitled to 50% of housing costs after an 8 week QP. This should be awarded at 8 weeks, but the 100% qualifying date will be after the 13 week QP, and should be amended manually on the benefit systems.

Whenever you reassess an award for 50% housing costs at the 8 week qualifying date, you must amend the 100% qualifying date manually on the benefit systems from 26 weeks to the new 13 week QP.

Example

A new claim made on 1/12/08 and does not link to a previous award.
The 8 week QP applies.

The 8 week qualifying date will be 26/1/09.

The new 13 week qualifying date will be 2/3/08.

Linking awards

Where new claims link to a previous award calculate the qualifying data using current rules.

- Where the qualifying date falls before 5/1/09 set the qualifying data as normal.

Example

An award to benefit began 24/3/08 and ended on 26/9/08.

The qualifying date was 22/12/08.

A repeat claim is made on 1/12/08. As this links with the previous award the customer retains the same qualifying date of 22/12/08.

Example

An award to benefit began 7/10/08 and ended 25/11/08 after serving 7 weeks of the QP.

The qualifying date was 7/7/09.

A repeat claim is made on 15/12/08. As this links to the previous award and the customer will be in receipt of benefit on the 4/1/09 the 13 week QP applies.

The customer will have served 13 weeks on the 5/1/09.

The qualifying date will therefore be the 8/1/09.

The customer is a Wednesday BWE, so full housing costs become payable from the first day of the benefit week that starts on or immediately following the 5/1/09.

The qualifying date you should enter is 8/1/09.

- For "existing loans", i.e. those taken out before 2/10/08 apply the 8 week qualifying data as normal and then award 100% of the housing costs after a 13 week QP or the 5/1/09 whichever is the later.

Example

An award to benefit began on 27/10/08 and ended 24/11/08 after serving 4 weeks of an 8 week QP.

The 8 week qualifying date was 22/12/08.

The 26 week qualifying date was 27/4/09.

A repeat claim was made on 22/12/08. As this links to the previous award the customer retains the 8 week 80% qualifying date of 22/12/08.
As the customer will be in receipt of benefit on 4/1/08 the 13 week 100% QP applies.

The customer will have served the 13 week QP on 26/1/09.

The 100% qualifying date will be 26/1/09.

Customers in a QP but not in receipt of IS, JSA or ESA

Customers who are in a QP but not actually in receipt of IS, JSA or ESA (income-related or contributory) on 4/1/08 will be paid under the old rules and will not qualify for the new 13 week QP. This includes customers who will not become entitled to benefits until housing costs are awarded.

Where a customer is not entitled to IS or the income-related element of either JSA or ESA due to excess income over requirements, but are in receipt of the contributory element of JSA or ESA on 4/1/08 and are still in the qualifying period, will qualify for the new 13 week QP.

Example

New JSA claim made on 8/10/08 and does not link to a previous award.

Only JSA(C) is paid.

As the customer is still in the QP and entitled to benefit on 4/1/09, the 13 week QP applies.

The 13 week QP will have been served on 4/1/09; the qualifying date is 6/1/09.

The customer is a Monday BWE; so full housing costs will be payable from 6/1/09, the first day of the benefit week on or immediately following the 6/1/09.
Search Guidance

Further action

Further guidance will follow shortly on:

- how to apply the new rules to new and repeat claims made on or after 5/1/09,
- how to apply the new rules when the new qualifying dates have been reached,
- how to identify existing customers who have already made benefit claims.