

HOUSING COSTS AMENDMENTS

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INTRODUCTION

1. This memo provides guidance on the Social Security (Housing Costs Amendments) Regulations (Northern Ireland) 2016 (S.R. 2016 No 44). The changes come into force on 1.4.16¹.

BACKGROUND

2. In 2008 the government announced a temporary package of measures to support home owners by introducing a shorter waiting period, increasing the maximum capital limit for qualifying loans and creating a time limit for receipt of housing costs. The measures of support were to be reviewed once economic and housing market conditions improved.
3. With the exception of housing costs payable at the start of a claim all other eligible housing costs have a qualifying period before they can be included in the award. The duration of the qualifying period varies depending on whether the housing costs were deemed to be new or existing housing costs.

CHANGES

4. From 1.4.16 one of the temporary measures will be withdrawn and there will be only one qualifying period of fixed duration. With a single fixed length qualifying period there is no longer a need for the decision maker to decide whether the

housing costs are new or existing. Consequently the definition of new or existing housing costs is no longer required and the relevant provisions revoked. The guidance at DMG 23651 and 23653 for Income Support/Jobseeker's Allowance, 44472 and 44474 for Employment and Support Allowance is no longer relevant and should not be followed.

5. For an Income Support/Jobseeker's Allowance/Employment and Support Allowance claim made on or after 1.4.16 the qualifying period before housing costs can be included in the award is 39 weeks¹.

Note: The maximum capital limit for a qualifying loan remains at £200,000.

1 IS (Gen) Regs (NI), Sch 3, para 8(1); JSA Regs (NI), Sch 2 para 7(1); ESA Regs (NI), Sch 6, para 9(1)

TRANSITIONAL ARRANGEMENTS FOR THOSE ALREADY IN A QUALIFYING PERIOD

6. For an Income Support/Jobseeker's Allowance/Employment and Support Allowance claimant who is already in a qualifying period and

1. entitled **or**
2. treated as entitled

to Income Support/Jobseeker's Allowance/Employment and Support Allowance for a continuous period which includes 31.3.16 the qualifying period is 13 weeks¹.

Note: In this situation the maximum capital limit for a qualifying loan remains at £200,000.

1 The Social Security (Housing Costs Amendments) Regulations (NI) 2016, reg 6(2)

STATE PENSION CREDIT – CAPITAL LIMIT FOR QUALIFYING LOANS

7. For claims to State Pension Credit the maximum capital limit for qualifying loans is £100,000¹. However, where a claim for State Pension Credit was preceded by an award of Income Support/Jobseeker's Allowance/Employment and Support Allowance in the circumstances described in DMG Memo Vol 4/79, 8/4 & 13/35 (Revised), the maximum capital limit is £200,000.

1 SPC Regs (NI), Sch 2, para 8(2); 2 The SS (Housing Costs Special Arrangements) (Amended Modification) Regulations (NI) 2008, reg 12(1)

ANNOTATIONS

Please annotate the number of this memo DMG Memo Vol 4/131; 8/73 & 13/64 against DMG paragraphs headings.

DMG 23651, DMG 23667, DMG 44472 & DMG 78345.

CONTACTS

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