

POLICY STATEMENT FOR HOUSING BENEFIT TENANTS

Wishing to rent from Clarkes

Most landlords and their agents have referencing criteria that would mean tenants who receive unemployment benefits and/or housing benefit are unlikely to pass and be accepted.

There are a number of reasons for this, the main issues for landlords are:

- Landlords want their rent paid in advance but Housing Benefit is paid in arrears and is also subject to change.
- Housing Benefit reductions can be back dated with Landlords having to pay money back to the Council.
- Housing Benefit is usually paid 4 weekly but the tenancy term is monthly.
- To pass referencing employment income exceeding 2.5 times rent is required.

Where Clarkes are able to accept either a new tenant in receipt of Housing Benefit or an existing Tenant who becomes eligible for Housing Benefit, the following conditions will apply.

1. **IF** the Housing Benefit is to be paid directly to the tenant, A UK Guarantor will be required with satisfactory references and a higher rent maybe required.
2. **IF** the Housing Benefit is to be paid directly to Clarkes, the tenant must pay a top up monthly. The top up is calculated so that the rent account will run in credit to compensate for:
 - a. benefit being paid in arrears
 - b. benefit paid 4 weekly rather than monthly
 - c. benefit subject to change
 - d. benefit can go down