



Department
for Work &
Pensions

Guidance

A14/2025 Housing Benefit uprating for the financial year ending March 2027

Updated 6 March 2026

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1. Who should read

All Housing Benefit (HB) colleagues and wider if appropriate.

2. Action

For information.

3. Subject

Housing Benefit uprating for the financial year ending March 2027.

4. Queries

You can get [extra copies of this circular/copies of previous circulars \(https://www.gov.uk/government/collections/housing-benefit-for-local-authorities-circulars\)](https://www.gov.uk/government/collections/housing-benefit-for-local-authorities-circulars).

If you want to ask about the technical content of this circular, contact: housing.policyenquiries@dwp.gov.uk.

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5. Guidance Manual

The information in this circular does affect the content of the Housing Benefit and Council Tax Benefit Manual and the Housing Benefit Overpayments Guide.

Housing Benefit and Council Tax Benefit Manual: Please annotate this circular number against paragraph A4 4.750, 4.900, A5 Annex A, BW3

Annex A and BP3 Annex A.

Housing Benefit Overpayments Guide: Please annotate this circular number against paragraphs 4.260 to 4.264.

6. Introduction

1. In his [written statement \(https://questions-statements.parliament.uk/written-statements/detail/2025-11-26/hcws1101\)](https://questions-statements.parliament.uk/written-statements/detail/2025-11-26/hcws1101) to Parliament on 26 November 2025, the Secretary of State for the Department for Work and Pensions announced proposals for the social security benefit rates which will apply from April 2026.

2. This circular advises you of the rates so you can take the appropriate action. Note: At the time of writing, the Orders or regulations bringing the changes into effect are still subject to the appropriate parliamentary process.

3. Any queries about the information contained in this circular should be emailed to housing.policyenquiries@dwp.gov.uk

7. Timing

4. In line with previous practice, the main Housing Benefit uprating will be introduced in advance of the setting of the main social security benefit rates. To coincide with the week in which many rents change, the 2026 uprating will take effect on:

- Wednesday 1 April 2026 for cases to which regulation 79(3)(a)(i) of the Housing Benefit Regulations 2006 (for Working Age customers) and regulation 59(3)(a)(i) of the Housing Benefit (Persons who have attained the qualifying age for State Pension Credit (SPC)) Regulations 2006 (for people who have attained the qualifying age for Pension Credit) applies, when rent is paid monthly or at any interval which is not a week or multiples of a week.
- Monday 6 April 2026 for cases to which regulation 79(3)(a)(ii) of the Housing Benefit Regulations 2006 (for Working Age customers) and regulation 59(3)(a)(ii) of the Housing Benefit (Persons who have attained the qualifying age for State Pension Credit) Regulations 2006 (for people who have attained the qualifying age for Pension Credit) applies, when rent is paid on a weekly basis (or multiple of a week).

8. Uprating of income-related social security benefits

5. The main points are:

- The basic State Retirement Pension and the full rate of the new State Retirement Pension are being uprated by 4.8% in line with Average Weekly Earnings and the triple lock in the financial year ending (FYE) March 2027.
- The Standard Minimum Guarantee in Pension Credit is being increased by 4.8% this year to match the cash increase in the basic State Pension. The Savings Credit maximum is increased by the Consumer Prices Index (CPI) at 3.8% in the FYE March 2027.
- Premiums paid to pensioner recipients of Working Age benefits will continue to be uprated to match Pension Credit rates.
- Premiums paid to disabled people receiving Working Age benefits and to Employment and Support Allowance claimants in the Support Group, will increase by CPI at 3.8% in the FYE March 2027.
- Working Age benefits (main rates and certain premiums and additions), including the main elements of Universal Credit and HB personal allowances, will increase by CPI at 3.8% in the FYE March 2027.

9. Uprating of social security benefits: general

6. The following regulations allow you to take account of these rates on 1 April 2026 as appropriate:

- Regulations 42(8) and 79(3) of the Housing Benefit Regulations 2006
- Regulations 41(9), 41(10) and 59(3) of the Housing Benefit (Persons who have attained the qualifying age for State Pension Credit) Regulations 2006.

Associated guidance is set out in [Housing Benefit and Council Tax Benefit Manual](https://assets.publishing.service.gov.uk/media/5a7c431bed915d7d70d1dab0/hbgm-bp2-assessment-of-income.pdf) (<https://assets.publishing.service.gov.uk/media/5a7c431bed915d7d70d1dab0/hbgm-bp2-assessment-of-income.pdf>) at Chapter BP2 paragraph P2.790.

7. There is no provision in regulations to uprate a claimant's social security benefit other than by using the correct amount. Most claimants will know their rates of benefit well before April each year.

8. We are aware that many local authorities' (LAs) IT systems apply a percentage increase to uprate income from other social security benefits in the assessment of HB. In previous years we have advised that this method should, in most cases, produce accurate results; providing the LA has satisfied itself as to the accuracy of its method, it should be able to meet its duty to make proper determinations.

9. However, given the fact that in recent years some of the components paid in addition to the main rates of some benefits and the main rates themselves have been uprated by different indices, LAs should consider carefully whether applying standard percentages will result in correct determinations.

10. LAs should also take into account that specific Automated Transfer to Local Authority Systems (ATLAS) uprating notifications are issued for all benefits on CIS (Customer Information System) except for:

- Attendance Allowance
- Disability Living Allowance
- Personal Independence Payment
- Armed Forces Independence Payment
- Adult Disability Payment
- Child Disability Payment
- Carer's Allowance
- State Retirement Pension
- Bereavement Benefits
- Widow's Benefit
- Pension Age Disability Payment
- Carer's Support Payment
- Scottish Adult Disability Allowance

11. Should an LA decide to apply a percentage increase to uprate income, as a minimum, any information subsequently received through ATLAS should be compared with existing LA system data to ensure it matches.

12. Since December 2019, LAs have had the facility to use the automation of the Pensions Strategy Computer System (PSCS) uprating process. This allows LAs to use an Application Programming Interface to look up the PSCS benefit amount when needed and removes the requirement for LAs

to manually apply the uprating increase to the PSCS amount when conducting their yearly uprating review of claimants' HB claims as the uprating process can be automated.

10. New benefit rates

13. All the [proposed new rates are available on GOV.UK](https://www.gov.uk/government/publications/benefit-and-pension-rates-2026-to-2027) (<https://www.gov.uk/government/publications/benefit-and-pension-rates-2026-to-2027>).

11. War Pensions

14. The new rates for War Pensions are not yet available and details of the new rates will be issued through a separate circular once Veterans UK releases the figures.

12. Specific points of interest

12.1 Non-dependant deductions in HB

15. The [deduction and income bands will increase for the FYE March 2027 and are published on GOV.UK](https://assets.publishing.service.gov.uk/media/69285a30ce50d215cae96148/proposed-benefit-and-pension-rates-2026-2027.pdf) (<https://assets.publishing.service.gov.uk/media/69285a30ce50d215cae96148/proposed-benefit-and-pension-rates-2026-2027.pdf>).

12.2 Disregards in HB which remain unchanged

16. The childcare disregards in HB remain at:

- £175.00 for one child
- £300.00 for two or more children

17. The additional earnings disregard in HB remains at £17.10.

See [Housing Benefit and Council Tax Benefit Manual](#)

(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/236962/hb-gm-bw2-assessment-of-income.pdf) Chapter BW2

paragraphs W2.132 to W2.140.

12.3 Deductions for ineligible fuel charges

18. The government has decided to freeze the rates for statutory fuel deductions from HB for the FYE March 2027. The [rates for statutory fuel deductions are on GOV.UK](#)

(<https://assets.publishing.service.gov.uk/media/69285a30ce50d215cae96148/proposed-benefit-and-pension-rates-2026-2027.pdf>).

(<https://assets.publishing.service.gov.uk/media/69285a30ce50d215cae96148/proposed-benefit-and-pension-rates-2026-2027.pdf>).

12.4 One room rate deduction

19. The formula for the one room rate deduction is set out in HB Regulations 2006 at Schedule 1, part 2, paragraph 6(2)(a) to (c) and (3). Sub-paragraph (3) states the ineligible amount for service charges when the accommodation consists of only one room shall be one half of the aggregate of the amounts specified in sub-paragraph (2)(a), (b) and (c).

12.5 State Pension Credit: maximum Savings Credit

20. The amount of the maximum Savings Credit will be £17.96 for a single person and £20.10 for a couple. These figures cannot be used to calculate a likely Savings Credit entitlement from April 2026. Savings Credit is calculated on an individual basis, using the income and capital of that person. In addition, HB (SPC) Regulation 27 states that the Pension Service calculation of income, capital and Savings Credit must be used.

12.6 National Insurance contribution rates

21. [A full set of rates for the FYE March 2027 will be available on GOV.UK](#)

(<https://www.gov.uk/national-insurance-rates-letters>) from 6 April 2026.

12.7 Establishing eligible rent

22. The calculation of eligible rent for a claimant renting in the social and private sectors is not affected by this circular or by the uprating of benefits overall. It continues to subject to the rules in Part 3 of the Housing Benefit Regulations 2006 and Part 3 of the HB (SPC) Regulations 2006.



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