



## **HOUSING BENEFIT & COUNCIL TAX BENEFIT**

### **LOCAL HOUSING ALLOWANCE – INFORMATION LEAFLET FOR PRIVATE TENANTS**

#### **Introduction**

This leaflet is intended to give you information about Local Housing Allowance (LHA) which is being introduced in April 2008. It forms an important part of the Government's Housing Benefit reform programme and is being introduced on the basis that it is a fairer and simpler system that allows tenants choice and responsibility.

#### **What is LHA?**

LHA is a new way of working out Housing Benefit for tenants in private rented accommodation.

It is based on:

- who lives with you
- which area you live in
- how much money you have coming in to the household
- what savings you have

In some cases the amount of benefit you are entitled to will be affected by other things. These can include:

- payments made for childcare
- non-dependants living in your household

## Who will Local Housing Allowance apply to?

It will apply to claimants who rent from a private landlord.

It will not apply to you if:

- you are a council or housing association tenant
- you have a tenancy that started before 1989
- you live in a caravan, mobile home, hostel or house boat
- the Rent Officer has decided that a substantial part of your rent is for board and attendance

Local Housing Allowance may not apply to you if you live in supported housing.

## Will Local Housing Allowance affect all private tenants?

**NO** – LHA will not affect all private tenants straight away. You will move onto LHA in the following circumstances:

- when a new claim is made
- there is a change of address
- there is a break in your claim after 7<sup>th</sup> April 2008

### **People who claim before April 2008**

If you are in receipt of Housing Benefit or claim Housing Benefit before April 2008, you will not be transferred to the LHA scheme unless you change address, or have a break in your claim which requires a new claim (after April 2008). You will continue to have your claim assessed under the current rules.

## How Local Housing Allowance works

LHA is based on rent levels for the area in which you live and how many people live with you. There are no changes to the entitlement rules – this will continue to be based on income and savings.

Payment will normally be to you. You are then required to pay your landlord.

Each local authority has been divided into Broad Rental Market Areas. Every month the Rent Officer Service (ROS) will give the Council a new set of LHA rates for each area. These are based on the amounts of rent generally paid for homes in the area with a certain number of bedrooms.

The rates will be published on the Council's website and displayed in our local offices so that you and your landlord can be clear about the amount of rent LHA will cover.

The Rent Officer Service will set individual LHA rates for the following accommodation.

- 1 bedroom with shared facilities
- 1 bedroom property
- 2 bedroom property
- 3 bedroom property
- 4 bedroom property
- 5 bedroom property

LHA rates for larger properties will be provided on request

### **How will you decide the number of rooms I am allowed?**

The details of who lives with you (the number of people who share the accommodation with you such as a partner, children etc.) are used to work out the number of bedrooms you are entitled to – the number of living rooms, bathrooms and kitchens are not included in the calculation.

One bedroom is allowed for each of the following:

- (a) every adult couple
- (b) any other adult aged 16 or over
- (c) any two children of the same sex
- (d) any two children, regardless of sex, under age 10
- (e) any other child

**Example:**

Miss A is a single parent with 2 children under 10  
Under the LHA rules she would be allowed the LHA rate for 2 bedrooms

**Note:**

If you are single under the age of 25 you will be entitled to the shared accommodation rate, whatever type of accommodation you live in.

If you are single and over 25, or a childless couple you will be entitled to the one bedroom rate of LHA if you rent a property of this size, or any self-contained accommodation. However, if you live in a shared house, e.g. if you are a joint-tenant, you will normally be entitled to the shared rate.

**How many rental areas are there in North Devon?**

There are 3 Broad Rental Market Areas in North Devon.

- North Devon
- Mid Devon
- Taunton & West Somerset

The Local Housing Allowance rates will pay the **same amount** wherever you live within the same BRMA.

For example, the LHA rate for a one bedroom property would be the same, regardless of whether you lived in Braunton or Bideford. However, the rate would be different if you lived in Rackenford. This is because the Rent Officer has identified this as a separate rental area.

The LHA rates for the month and the maps showing the BRMA's will be available in the local offices and on the Council's website at [www.northdevon.gov.uk](http://www.northdevon.gov.uk).

### What if the Local Housing Allowance is not the same figure as my rent?

If your rent is **LESS** than the LHA, you will be able to keep any extra money up to a maximum figure of **£15 per week**. This **will not** affect any other social security benefits you get.

However if your rent is **MORE** than the LHA, you will have to make up the difference yourself.

### How long will the Local Housing Allowance figure last?

Once your claim has been processed, the LHA will last for a year from the date of claim. After a year, your claim will be reassessed based on the LHA rate that applies at that time.

The LHA rate may change, before this date, if you have a change in your circumstances e.g. a change in your household.

### How will Local Housing Allowance be paid?

In **most** cases we will pay LHA directly to you. You **cannot** choose to have your LHA paid direct to your landlord.

As a tenant, you are responsible for paying your rent to your landlord. If you do not pay the rent, your landlord may apply to the council to have it paid to them, or take other action to recover their money.

The easiest way for you to receive LHA is to have it paid into a bank or building society account. You can then arrange for your bank or building society to pay your rent direct to your landlord (by standing order or direct debit). If you don't have an account you may want to open one. You can ask for a leaflet which will tell you more about bank and building society accounts.

## **In what circumstances can Local Housing Allowance be paid to my landlord?**

The Council will pay your landlord in the following cases

- where you have rent arrears of 8 weeks or more
- there is a reduction in your Income Support or Jobseekers allowance to cover rent arrears
- you have difficulty in managing your own affairs (i.e. if you are 'vulnerable' for example if you have learning difficulties or a drug or alcohol related problem)
- we feel that you are likely not to pay the rent i.e. we will look at whether you have failed to pay your rent at previous properties.

If you think you are incapable of managing your own affairs and/or are vulnerable and wish to have your LHA paid to your landlord, please contact us.

## **Further Information**

Information on the Local Housing Allowance is also available on the Department for Work & Pensions website. The address is: [www.dwp.gov.uk/housingbenefit](http://www.dwp.gov.uk/housingbenefit)

Further information and leaflets on Local Housing Allowance are available on the Councils website: -

[www.northdevon.gov.uk](http://www.northdevon.gov.uk).

and the Rent Service website: -

<http://lha-direct.therentservice.gov.uk>

## Our Contact details

If you need more help, phone the Customer Support Team on 01271 388360, or you can call in at any of the following:

<p><b>Barnstaple Lynton House</b> Commercial Road Barnstaple EX31 1DG</p> <p>Opening hours: Monday – Friday 8.45am – 4pm</p>	<p><b>The Ilfracombe Centre</b> 44 High Street Ilfracombe EX34 9QB</p> <p>Opening hours: Monday – Friday 9am – 5pm</p>
<p><b>South Molton Community Office</b> 11 – 12 George Arcade, South Molton EX36 3AB</p> <p>(in <i>October</i>, we will be opening a one stop shop at Amory House)</p> <p>Monday, Tuesday, Thursday &amp; Friday 8.30 am – 4.30pm Wednesday 8.30am – 12.30pm Closed 1.30 – 2.00pm daily</p>	

## E-mail

You can also contact us by e-mail at:  
[benefits@northdevon.gov.uk](mailto:benefits@northdevon.gov.uk)