



A guide to local housing allowance

This leaflet explains the way we work out the maximum housing benefit you could get. This is called local housing allowance and the rules are the same whichever area you live in. If you don't know which council covers the area you live in, you can get it from your council tax bill.

What is housing benefit?

Housing benefit is the help given to people with low incomes and low savings to pay their rent. It is assessed based on your income, savings and the people living in your household. Within this calculation, there is a maximum amount of benefit you will be able to receive.

What is local housing allowance?

We use local housing allowance (LHA) to work out the maximum housing benefit you could get. The amount you will get will depend on your income and savings. For more information on how we work out housing benefit, see the leaflets **Help with rent and council tax for people of working age** and **Help with rent and council tax for pensioners**.

The maximum amount of housing benefit you can receive is set beforehand by the rent officer. It does not depend on the amount of rent you pay. The maximum

amount you could receive will be the same for every same-size household in the area you live in, no matter what differences there are in the actual rent you and the other households pay.

Who does local housing allowance apply to?

LHA applies to anyone who has made a new claim for housing benefit, or has changed their address or had a break in their claim, on or after 7 April 2008.

LHA does not affect you if:

- you live in a home which is owned by us or a local authority landlord;
- you are a tenant of a registered social landlord;
- you live in supported housing;
- your tenancy started before 15 January 1989 (2 January 1989 in Scotland);
- you live in a caravan, houseboat or hostel; or

- the rent officer has decided that a large part of the rent you pay for your tenancy is for meals cooked for you.

If you are in one of the above groups, you will continue to have your housing benefit worked out under the previous rules. However, if you move address or stop claiming housing benefit for at least one week, we will work out your new claim under the LHA rules.

How does the rent officer set the rent?

The Rent Service has divided the country into broad rental market areas (BRMAs). These are made up of a number of neighbourhoods. In each area there will be a wide mix of property types within a reasonable distance of various public services such as health, education, leisure, personal banking and shopping. The rent officer uses these BRMAs to set the LHA rates.

There are a number of different rates for each area based on the number of rooms each household needs. Your local housing benefit office publish these rates on their website. You can use your postcode to tell which BRMA you live in.

Number of rooms

We will decide how many rooms, according to the housing benefit rules, you will need. If you live in one room and share some facilities (for example, a kitchen or bathroom) with other people, there is a special LHA rate. If you are under 35 and live on your own, you will also receive this rate.

If the above does not apply to you, we will work out your number of rooms as shown below.

One bedroom for each of the following:

- A couple.
- Someone who is 16 or over.
- Two children of the same sex until they are 16.
- Two children who are younger than ten.
- A child (someone under 16).
- An overnight carer (see below)

We will take into account the cost of an extra bedroom if you (the tenant) or your partner needs overnight care, and there is a bedroom in the property that the carer uses for overnight stays as part of that care (This applies

to all relevant tenants, whether they are under the LHA rules or not).

Each person is only counted once, in the first group that they would come into.

We do not count everyone in your house when working out how many rooms you need. We count you and your partner, as well as any children or young people you are responsible for. If you have any other adults who are not boarders or lodgers, we also count those. However, we do not count foster children or joint tenants.

Which rate applies to me?

Your maximum housing benefit will be the LHA rate for the number of rooms you need in the broad rental market area you live in.

Since 1 April 2011, the **most** housing benefit you could receive is the four-bedroom LHA rate.

If you already receive housing benefit with an LHA rate for five or more bedrooms, you will continue to receive that rate until we review your case. If your circumstances have not changed, your review will normally take place one year after you have made your housing benefit claim or one year after your previous review. Following the review, you may be able to continue to receive housing benefit for up to nine months at your existing LHA rate. We will then assess your claim according to the four-bedroom LHA rate in your area.

My rent is higher than the local housing allowance.

The maximum benefit you will receive is the LHA rate for the size of your household, in your area. If your rent is more than this figure, you will need to make up this shortfall yourself. If you are having difficulties, read the leaflet **A guide to discretionary housing payments** or contact us for advice.

On 1 April 2011, limits were introduced so that LHA weekly rates in any area cannot be above:

- £250 for a one-bedroom property;
- £290 for a two-bedroom property;
- £340 for a three-bedroom property; or
- £400 for a four-bedroom property.

My rent is lower than the local housing allowance

The maximum housing benefit you can receive will not be more than your rent. If you currently get the extra £15 payment on top of your rent, this will stop from your next anniversary date after 1 April 2011.

When is my anniversary date?

Your anniversary date is the date you first made your current claim. For example, if you claimed housing benefit on 5 September 2010, your anniversary date is 5 September.

If my rent increases, will my housing benefit also increase?

No, the maximum amount of housing benefit you can receive will not increase if your rent increases.

I would like my housing benefit to be paid to my landlord. Is this possible?

Under LHA, we will pay your housing benefit direct to you, either into a bank account or by cheque. It is your responsibility to make sure you pay the right amount of rent to your landlord at the right time. There are very few times when we will pay your benefit straight to your landlord. We will only do this if we think you will have difficulty managing your rent, if you are eight or more weeks behind with your rent, or if we do not think that you will pay your rent.

We can make payments direct to your landlord if we believe it will help you get a new tenancy or keep your existing tenancy. We will make a decision on every case individually and may ask you to provide us with reasons and evidence for why we should pay your landlord. If you would like more help with this, contact us or a citizens advice bureau.

I don't have a bank account

If you don't have a bank account, we will pay your housing benefit by cheque although we prefer to pay

into a bank account as it is safer and more efficient. We or a citizens advice bureau can give you advice and information about how to open a bank account. You will then be able to set up a standing order with your landlord to pay your rent. This is a simple way of making sure your rent gets paid every month.

I am moving to a new home. How can I find out what my maximum housing benefit will be?

You will need to find out the LHA rates for the broad rental market area you are looking to move to. We will have this information in our offices and on our website.

You will then need to work out how many bedrooms your household needs, based on the conditions in the 'Number of rooms' section. This is not the number of rooms in the property, but the number your household will need. The LHA rate for that number of rooms in the broad rental market area will be the maximum housing benefit you will receive, no matter how much the rent is.

When you move home, we will apply the relevant LHA for your new property.

The size of my household has changed. What will happen to my housing benefit?

If somebody moves in or out of your household, you must tell us. We will then change your maximum housing benefit to the correct LHA rate for the new size of your household.

If someone in your household has a birthday that will affect the LHA rate (for example, when a child turns 16), we may also need to change your LHA as that person may then need an extra room. (See the 'Number of rooms' section above.)

I don't agree with the local housing allowance rate. Can I appeal?

No, it is not possible to appeal against the LHA rate. This is because the level is set for the whole BRMA and any change would affect people who are happy with the rate.

Where can I get more advice?

If you want more help or advice, you can contact us at:

Council Offices

Civic Centre,
Sandown,
Isle of Wight
PO36 9EA

Tel: 01983 823950

Email: housing.benefit@iow.gov.uk

Opening times:

8.30am to 5pm, Monday, Wednesday, and Thursday.

8.30am to 4.30pm Friday.

This office is closed all day on Tuesdays.

Late night for phone calls to the benefit team on
Wednesday evenings until 6pm.

Customer Services Centre

County Hall,
Newport,
Isle of Wight
PO30 1UD

Opening times:

8.30am to 5pm, Monday, Tuesday, Wednesday and
Thursday.

8.30am to 4.30, Friday.

Ryde Help Centre

Ryde Library,
101 George Street,
Ryde,
Isle of Wight
PO33 2JE

Opening times:

9am to 5pm, Monday, Tuesday and Friday

Freshwater Library

41 School Green Road,
Freshwater,
Isle of Wight
PO40 9AP

Opening times:

9.30am to 12.30pm, and 1.30 to 4.30pm, Tuesday

If you would like more information on benefits, please refer to our website at iwight.com and follow our quick link to **revenues and benefits**. Alternatively visit direct.gov.uk

You can also get more help from the following websites:

www.dwp.gov.uk – Department for Work and Pensions

www.therentservice.gov.uk – The Rent Service

www.scotland.gov.uk – The Rent Registration Service

www.adviceguide.org.uk – Citizens Advice

Independent advice

If you need independent advice, contact your

local citizens advice bureau. You can find their phone number (and the numbers for other local advice agencies) in the phone book and at your local library, or by contacting your local council.

This leaflet is a guide and does not cover every circumstance. Some of the information in this leaflet may have been simplified and some information may become out of date because of changes to the law. We recommend that you get independent advice before making financial decisions based on this leaflet.

Isle of Wight Council, Revenues and Benefits,
Council Offices, The Broadway, Sandown, PO36 9EA

Telephone (01983) 823950

Email housing.benefit@iow.gov.uk

Web www.iwight.com

If you have difficulty understanding this document, please contact us on 01983 821000 and we will do our best to help you.