

Dear Sir / Madam

### **Local Housing Allowance**

Following on from the December newsletter, this is to remind you that Local Housing Allowance commences with effect from 7 April 2008. The Local Housing Allowance rates effective for April 08 are:

Shared room rate	Weekly	£67.00	Monthly	£290.33
One bedroom		£103.85		£450.02
Two bedroom		£126.92		£549.99
Three bedroom		£159.81		£692.51
Four bedroom		£206.54		£895.01
Five bedroom		£317.31		£1375.01

The rates provided by the Rent Officer may change on a monthly basis. For more detailed information please view the Council's website [www.iwight.com](http://www.iwight.com). or contact the Housing Benefit office on 01983 823950.

The legislation will effect new claims, those moving rooms or address and anyone who has a break in entitlement. For any claim assessed using the new Local Housing Allowance rules, payments will be made to the tenant

### **THE NEW LEGISLATION DOES NOT AFFECT CURRENT PAYMENTS OF HOUSING BENEFIT.**

If you do not receive payment of rent from your tenant please advise us immediately you are concerned, and where possible we will suspend payment and make enquiries with the claimant. Our intention is to protect tenancies and avoid eviction due to non payment of rent where Housing Benefit is in payment.

Wherever possible the Housing Benefit Team aims to work closely with Landlords and claimants to resolve any issues at an early stage.

If you were unable to attend the LHA road shows held in January and February and would like to receive the Landlord pack that was available at the event, please email Housing [benefit@iow.gov.uk](mailto:benefit@iow.gov.uk) requesting the pack.

Yours faithfully

Sharon Betts

Revenues & Benefits Manager  
Isle of Wight Council

## **What is Local Housing Allowance (LHA)**

LHA is a new way of working out Housing Benefit. LHA is for people on a low income who rent from private landlords. LHA is based on the number of bedrooms people are allowed, not how much the rent is. The number of bedrooms depends on who lives with the tenant.

## **Who is not affected by LHA?**

LHA does not affect:

- tenancies with registered social landlords i.e. housing associations
- protected cases, such as supported housing provided by certain local authorities, social landlords, charities and voluntary organisations
- tenancies which are excluded from current rent restrictions
- tenancies in caravans, houseboats and hostels
- tenancies where the rent officer decides that a substantial part of the rent is for board and attendance.
- claims made prior to 7 April 2008

## **How does the LHA affect Landlords**

The only change for most landlords is that LHA will be paid to the tenant. The tenant will be responsible for paying their rent to the landlord.

In recognition of the risk that some tenants may struggle with the responsibility of paying their rent, safeguards are in place. Rather than introduce a precise list of circumstances when payment could be made to the landlord, the Council will use its discretion in identifying such cases.

The Council can decide to make payment direct to a landlord in a number of circumstances including

- if they consider that the tenant is likely to have difficulty managing their own affairs. We have called this 'vulnerability'. Examples of this could include tenants with a learning disorder or a drug or alcohol problem that would mean they may have problems managing a budget.
- If they think the tenant is unlikely to use their LHA to pay their rent. This could be if the council knows the tenant has consistently failed to pay their rent in the past.
- When the LHA has been backdated or there has been a delay in processing a claim and a large amount of benefit is to be paid. In these cases the Council can decide to make the first payment of LHA to the landlord although it would be sent to the tenant.
- If the tenant has built up rent arrears of eight weeks or more and payment direct to the landlord has been implemented, the Council can decide to continue making payments direct to the landlord after the arrears have fallen below eight weeks
- If the tenant is having deductions from their Income Support or Jobseeker's Allowance to pay off rent arrears.

To implement any of these safeguards new and existing, the Council must have documented evidence. There is an application form to complete, to help make this process simple and provide all relevant information.