

## Changes to Housing Benefit (Local Housing Allowance)

With effect from 1<sup>st</sup> April 2011, Housing Benefit will be changing. There are 5 main changes which may affect you the most:

1. The way that the room rates are worked out
2. The maximum room rate awarded will be 4 rooms
3. If you presently receive more Housing Benefit than the rent you are charged, then this extra top-up will stop.
4. Payments made direct to your landlord.
5. An extra bedroom may be allowed if you have one for use by non-resident carer(s).

As an existing customer, you may be affected from the anniversary of your original claim or last review; **but** you could be affected sooner if

- ✓ There is a change in the members of your household that affects the number of rooms you are entitled to, or
- ✓ If you move

### 1. Room Rates

What these changes mean for you is that from your first claim anniversary date after 1<sup>st</sup> April 2011 the room rate used in the calculation of your Housing Benefit may go down therefore you will receive less Housing Benefit, if this happens to you ***any shortfall will have to be made up by you to your landlord.*** However, if it does go down we will continue to use your old room rate level for a maximum period of 9 months from the date it should have changed; so you may not be affected until January 2012 and some will see no change until March 2012.

### 2. Removal of 5 room rate

Currently, depending on the members of your household, we can base your Housing Benefit calculation on a maximum figure equalling a maximum of 5 bedrooms. This is now being reduced to a maximum of 4 bedrooms. The effect of this is the same as in item 1 above.

### 3. Top Up

Unfortunately if your Housing Benefit is currently worked out based on a figure which is more than the amount of rent charged (commonly known as a top up) there will be no protection period and ***this will cease immediately on your first claim anniversary date after 1<sup>st</sup> April 2011.***

#### **4. Payments direct to your landlord**

Most landlords are also aware of these changes and we will also be talking to them about this. The rules regarding whether to make payments direct to a landlord have been relaxed slightly, in that, in return for a reduction in your rent we may be able to start making payments to direct to your landlord. Therefore you may be able to negotiate a rent decrease with your landlord.

#### **5. Extra room for carer**

Where the need for overnight care is established and the property has a bedroom used by non-resident carer(s), we may be able to include this extra room in assessing your benefit.

To fully understand how you are affected, please read the additional Further Information on changes to Housing Benefit link on the webpage. Alternatively further information regarding these changes can also be found on the following Local Housing Allowance websites:

- <http://lha-direct.voa.gov.uk>
- [http://www.voa.gov.uk/lhadirect/LHA\\_percentile\\_rates.htm](http://www.voa.gov.uk/lhadirect/LHA_percentile_rates.htm)

I appreciate that this change may be unsettling and you will have questions please refer to the frequently asked questions link for further information.