

## Housing Benefit changes April 2011

From April 2011 there will be some changes to the Housing Benefit scheme. These changes are being made nationally although Local Housing Allowance rates vary.

Visit the Department for Work & Pensions website for more information about universal credit:

<http://www.dwp.gov.uk/policy/welfare-reform/>

Below is a table showing the changes that will happen to Housing Benefit in 2011/12 and answers to some frequently asked questions.

Date	Change	Who will be affected?
From April 2011	If someone receives £15 excess (above their rent) in the calculation of their Local Housing Allowance, this will be taken away when their claim is reviewed.	Some people claiming Local Housing Allowance in the private rented sector
From April 2011	Local Housing Allowance will capped at the following rates: £250 per week for a one bedroom property £290 per week for a two bedroom property £340 per week for a three bedroom property £400 per week for a four bedroom property	Some people claiming Local Housing Allowance in the private rented sector. Local Housing Allowance rates in Brighton & Hove are currently below the caps.  Brighton & Hove LHA rates page: <a href="http://www.brighton-hove.gov.uk/index.cfm?request=c1120542">http://www.brighton-hove.gov.uk/index.cfm?request=c1120542</a>
From April 2011	The four bedroom rate will be the maximum amount of Local Housing Allowance	Some people claiming Local Housing Allowance in the private rented sector.
April 2011	Deductions from Housing Benefit and Council Tax Benefit for non-dependants will increase.  These rates have been frozen since 2001. Between April 2011 and April 2014 the rates will be restored to the amounts they would have been if they had increased in line with inflation. The new rates, from April 2011, are detailed at the end of this document.	People claiming Housing Benefit & Council Tax Benefit who have a non-dependant. A non-dependant is an adult who lives in the home but who does not appear on the tenancy agreement or council tax bill as a liable person.

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<p><b>From April 2011</b></p>	<p><b>New claims for Local Housing Allowance will be based upon 30<sup>th</sup> percentile rents. This means that approximately 30% of properties will be affordable to people claiming Local Housing Allowance</b></p> <p><b>To see how 30<sup>th</sup> percentile rents compare with the current Local Housing Allowance figures, please visit the Valuation Office website.</b></p> <p><b>LHA rates (median levels):</b>  <a href="http://www.voa.gov.uk/LHADirect/lha-rates-england.htm">http://www.voa.gov.uk/LHADirect/lha-rates-england.htm</a></p> <p><b>LHA rates (30<sup>th</sup> percentile rates):</b>  <a href="http://www.voa.gov.uk/LHADirect/LHA_percentile_rates.htm">http://www.voa.gov.uk/LHADirect/LHA_percentile_rates.htm</a></p>	<p><b>People making a new claim for Local Housing Allowance in the private rented sector.</b></p>
<p><b>From April 2011</b></p>	<p><b>Existing claims for Local Housing Allowance will be based upon 30<sup>th</sup> percentile rents, 9 months after the date the claim is reviewed.</b></p> <p><b>Please see below for an explanation of 30<sup>th</sup> percentile rents.</b></p> <p><b>To see how 30<sup>th</sup> percentile rents compare with the current Local Housing Allowance figures, please visit the Valuation Office website.</b></p> <p><b>LHA rates (median levels):</b>  <a href="http://www.voa.gov.uk/LHADirect/lha-rates-england.htm">http://www.voa.gov.uk/LHADirect/lha-rates-england.htm</a></p> <p><b>LHA rates (30<sup>th</sup> percentile rates):</b>  <a href="http://www.voa.gov.uk/LHADirect/LHA_percentile_rates.htm">http://www.voa.gov.uk/LHADirect/LHA_percentile_rates.htm</a></p>	<p><b>People already receiving Local Housing Allowance will be affected 9 months after their benefit claim is reviewed.</b></p>
<p><b>April 2011</b></p>	<p><b>The Government is increasing the Discretionary Housing Payment (DHP) fund from £20 million to £30 million nationally.</b></p> <p><b>If you are suffering hardship paying your rent or Council Tax, you can complete a DHP form. Please note that the fund is</b></p>	<p><b>People claiming Housing Benefit &amp; Council Tax Benefit.</b></p>

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	<b>cash-limited so we may not be able to help everyone who applies.</b> <b>BHCC Discretionary Housing Payment (DHP) page</b> <a href="http://www.brighton-hove.gov.uk/index.cfm?request=c1130201">http://www.brighton-hove.gov.uk/index.cfm?request=c1130201</a>	
<b>April 2011</b>	<b>People who need a carer to look after them overnight, will be allowed an extra room when we calculate the Local Housing Allowance rate.</b> <b>Please see below for more details.</b>	<b>People claiming Local Housing Allowance who have a non-resident carer.</b>
<b>April 2011</b>	<b>The Benefits service will be able to pay Landlords directly, for people living in the private rented sector, if the Landlord agrees to charge an affordable rent.</b>	<b>People claiming Local Housing Allowance in the private rented sector.</b>

## Frequently Asked questions

- **How will the changes affect me?**

The changes will affect people at different times. We will write to people who are already claiming Housing Benefit, before any changes happen, to show how their Housing Benefit will be affected. If you would like more information about changes that may affect you, please contact us: <http://www.brighton-hove.gov.uk/index.cfm?request=c1000952>

- **What do I need to do?**

You do not need to do anything at the moment. If you receive a letter from the Benefits Service about changes to your Housing Benefit, and do not understand the information, please contact us:  
<http://www.brighton-hove.gov.uk/index.cfm?request=c1000952>

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- **What help can I get if my benefit goes down?**

If you are struggling to pay your rent or council tax, you can apply for a Discretionary Housing Payment (DHP). The application form can be downloaded here <http://www.brighton-hove.gov.uk/index.cfm?request=c1112462>

**Please note that the DHP fund is cash-limited and we may not be able to help everyone who applies.**

- **What does the 30<sup>th</sup> percentile rent mean?**

At the moment Local Housing Allowance (LHA) rates are calculated using the median (mid point, or 50<sup>th</sup> percentile) of a range of rents for different property sizes. The range of rents used is based upon information obtained by the Rent Service (part of the Valuation Office Agency, or VOA). Each month the VOA gather evidence of rents being charged to people not receiving Local Housing Allowance. They use this information to work out what is the mid point of rents being charged. This rate then becomes the LHA rate for that month. From April The VOA will continue to gather market evidence but they will set the LHA rates at the 30<sup>th</sup> percentile. An example of how this is calculated below:

### **1 bedroom LHA rate example only**

<b>Lowest rent for a 1 bed property</b>		<b>30<sup>th</sup> percentile</b>		<b>Mid point 50<sup>th</sup> percentile (median)</b>					<b>Highest Rent for a one bed property</b>
<b>£121</b>	<b>£131</b>	<b>£145</b>	<b>£147</b>	<b>£150</b>	<b>£155</b>	<b>£164</b>	<b>£177</b>	<b>£190</b>	

Until April 2011 the median rent will be used to set the LHA rates.

From April 2011 the 30<sup>th</sup> percentile rent will be used to set the LHA rates, but people already claiming LHA will have transitional protection for up to 9 months.

The VOA are publishing mid point & 30<sup>th</sup> percentile rents on their website.

<http://www.voa.gov.uk/LHADirect/lha-rates-england.htm>

If you need more information about how these changes affect you, please contact us:

<http://www.brighton-hove.gov.uk/index.cfm?request=c1000952>

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- **I have a carer who looks after me overnight, how do the changes affect me?**

From 1<sup>st</sup> April 2011, if you live in the private rented sector and have a non-resident carer, you may be able to get a property with an extra bedroom for them to use overnight. If you think this change might apply to you, please contact us.

If you already live in a property with an extra bedroom for a non-resident carer, and your Local Housing Allowance does not cover your rent, please contact us.

For further details please see below.

Our contact details can be found here: <http://www.brighton-hove.gov.uk/index.cfm?request=c1000952>

- **Room for carers – additional information**

The change to the HB size criteria rules (both under the LHA arrangements and the maximum rent rules) to include a bedroom that is used by a non-resident carer, or team of carers, for overnight stays will apply in the following circumstances:

- the customer is a tenant in the private rented sector
- a carer who does not live in the tenant's property stays overnight to provide care
- the overnight care is provided for the customer or partner - it will not apply to other members of the household and only one extra room is allowed
- there is a spare bedroom that is used by a carer or team of carers for overnight stays

In order to establish whether an extra bedroom can be included in the assessment Local Authorities will need to be satisfied that:

- overnight care is required
- the care is in fact provided
- they have a bedroom available for the carer's use

### **How the change will be applied**

The change will apply to all HB customers who satisfy the qualifying criteria from 1 April 2011. For existing customers there is no time limit on the period for which arrears can be awarded provided that the qualifying conditions are met, but the changes are not retrospective so cannot be applied before 1 April 2011. This means that customers who are in receipt of benefit as of 1 April 2011 and who are subsequently identified as being entitled to the extra room rate for an overnight carer, will be entitled to arrears from that date even if their award is not revised or superseded until a later date.

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For existing claims, the application of this change will trigger a new rent officer referral or a new maximum rent (LHA) determination. This will set a new anniversary date for cases assessed under the LHA arrangements or the annual rent officer referral date for pre-April 2008 claims.

- **What are the new non-dependant rate deductions?**

### Housing Benefit (HB)

Deductions are made from your HB for non-dependants aged over 18 who normally live with you. There are six levels of deduction. If the non-dependant is working less than 16 hours a week, the lowest deduction will apply. If the non-dependant is doing paid work for 16 hours or more a week, the level of deduction will depend on the non-dependant's gross income.

<b>Non-dependant's income</b>	<b>From April 2011</b>
Aged 25 or over and on IS/JSA(IB), or aged 18 or over and not in remunerative work	£9.40wk
In receipt of main phase ESA(IR)	£9.40wk
In receipt of Pension Credit	Nil
Not in receipt of main phase ESA(IR) rate	Nil
<b>Aged 18 or over and in remunerative work</b>	
- gross income less than £122.00	£9.40wk
- gross income not less than £122.00 but less than £180.00	£21.55wk
- gross income not less than £180.00 but less than £234.00	£29.60wk
- gross income not less than £234.00 but less than £310.00	£48.45wk
- gross income not less than £310.00 but less than £387.00	£55.20wk
- gross income not less than £387.00	£60.60wk

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### Council Tax Benefit (CTB)

Deductions are made from your CTB for non-dependants aged over 18 who normally live with you. There are four levels of deduction. If the non-dependant is working less than 16 hours a week, the lowest deduction will apply. If the non-dependant is doing paid work for 16 hours or more a week, the level of deduction will depend on the non-dependant's gross income.

<b>Non-dependant's income</b>	<b>From April 2011</b>
In receipt of state Pension Credit or in receipt of IS, JSA(IB), or ESA(IR)	Nil
<b>Aged 18 or over and in remunerative work</b>	
-gross income greater than £387.00	£8.60wk
-gross income not less than £310.00 but less than £387.00	£7.20wk
-gross income not less than £180.00 but less than £310.00	£5.70wk
-gross income less than £180.00	£2.85wk
Others aged 18 or over	£2.85wk