

April 2012

Getting the Benefit

The Local Housing Allowance
A Guide for
Private tenants & Private landlords
in West Lothian



West Lothian
Council



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BACKGROUND

On Monday 7 April 2008 the Local Housing Allowance (LHA) was introduced throughout Britain.

Local Housing Allowance (LHA) is the way of working out, and paying, Housing Benefit for tenants of private landlords.

LHA only affects tenants of private landlords from 7 April 2008

- and only if they take on a new tenancy at a new address on or after 7 April 2008.
- or if they make a new claim for Housing Benefit on or after 7 April 2008.
- or if they have a break in their existing claim and then apply for benefit again after 7 April 2008.

Local Housing Allowance does not affect council tenants or tenants of social landlords, such as Bield Housing Association, Almond Housing Association or Weslo Housing Management, or tenants of charities like the Abbeyfield Society.

How the Local Housing Allowance operates

Under the Local Housing Allowance, the maximum amount of benefit someone is entitled to is not based on the individual property in which the tenant lives. It is based on:

- Which area the property is in (the “Broad Rental Market Area”) and
- Who lives in the property with the tenant (the “Size Criteria”)

The Rent Officer will decide what the Local Housing Allowance Rate will be for different sizes of properties within each Broad Rental Market Area.

The council will then use the appropriate Local Housing Allowance Rate as the starting point for the Housing Benefit calculation.

In some cases, other things will affect the actual amount of benefit someone receives. These can include:

- How much the rent is
- Whether anyone living with the tenant is expected to contribute to the rent.



How do I find out what the Local Housing Rate for my property will be?

The Rent Officer will supply councils with the Local Housing Allowance rates for various sizes of property in each of the Broad Rental Market Areas.

We will publish the Local Housing Allowance rates. You can check the rates for your area on our website at www.westlothian.gov.uk or telephone our customer service advisors on 01506 776 800.

There are three Broad Rental Market areas in West Lothian, split by postcode.

- EH postcodes (this covers the majority of West Lothian properties)
- ML postcodes
- FK postcodes

For each of these Broad Rental Market Areas, the Rent Officer will supply the council with a Local Housing Allowance rate for each of the following size of properties:

- Single room – with shared facilities
- 1 bedroom property
- 2 bedroom property
- 3 bedroom property
- 4 bedroom property

The Local Housing Allowance rate used for the calculation of housing benefit will be determined by the number of bedrooms required by the tenant's household (the size criteria).

Under the Local Housing Allowance a tenant is entitled to the following number of bedrooms:

- 1 bedroom for a single claimant or adult couple
- 1 bedroom for any other adult aged 16 or over
- 1 bedroom for any two children of the same sex aged 15 or under
- 1 bedroom for any two children under 10 regardless of sex
- 1 bedroom for any other child

For example: – Mrs Smith is a widow living in a house with her two daughters aged 17 and 14. The three-bedroom rate will be used to work out her housing benefit entitlement. This will be the case even if she lives in a two-bedroom property.

– Mr and Mrs Jones live in a flat with their 4 year old twins (a boy and a girl). The two-bedroom rate will be used to work out their housing benefit entitlement. This will be the case even if they rent a three-bedroom property.

The maximum rent for most people aged under 35 who live alone will be the single room with shared facilities rate (e.g lodgers or flatmates who rent a room within a property and share bathroom/ kitchen facilities.)



What if the tenant's Local Housing Allowance is lower than their rent?

The tenant will have to make up any shortfall out of their other income.

Benefit health check:

The tenant may wish to contact the council's Advice Shop for a free confidential benefits health check to establish whether they are receiving all the benefits that they are entitled to.

The Advice Shop telephone number is 01506 283000.
The address is Advice Shop, Bathgate Partnership Centre,
Lindsay House, South Bridge Street, Bathgate EH48 1TS.

If this does not resolve the difficulty, and the tenant is still faced with a shortfall that they cannot make up then the tenant might try to negotiate a lower rent with the landlord.

Landlords may be willing to accept this rather than:

- lose a reliable tenant
- receive no income while their property is empty
- be faced with the costs of re-advertising for a new tenant
- be unable to rent to any new tenants who need Housing Benefit, as the new LHA rates will affect every new tenant in the same way as they affect the current tenant.

The council may be able to help the landlord to accept a lower rent by using the new provisions of Regulation 96 of the Housing Benefit Regulations. Under these provisions, the council could arrange to pay the landlord direct, where we consider, in these circumstances, that doing so "will assist the claimant in securing or retaining a tenancy".

If none of the above is possible the tenant may have to consider moving to cheaper accommodation where the rent can be covered by the LHA rate.

The Council's Advice Shop may be able to help with housing advice

Single people under 35:

The biggest shortfall is likely to be faced by those single people under 35 who currently stay on their own in a one-bedroom flat or house. Commencing from January 2012, they will only be entitled to the rate for a single room in shared accommodation, which is much lower.

Currently the difference is around £40 per week and it is unlikely that a landlord would be able to accept such a reduction in their rent.

Tenants who will be affected by this change to the Local Housing Allowance rules for single people under 35 may be able to contact others in the same position using the council's Facebook facility with a view to perhaps moving into shared accommodation or making other arrangements to share a 2-bedroom flat or house.

Paying Housing Benefit under LHA:

One of the stated aims of the Local Housing Allowance when it was introduced was to encourage personal responsibility and to promote financial inclusion.

It was believed that tenants who get benefit calculated and paid under LHA should be able to take greater responsibility for managing their financial affairs and paying their rent to their landlords, in the same way as other tenants do.

This is why, in most cases, payment of Local Housing Allowance is made to the tenant directly into their bank accounts.

The tenant is then responsible for paying their rent to the landlord.

The council offers money advice to tenants including assistance in opening basic bank accounts.



What protection exists for landlords?

There is a range of safeguards to protect the interests of landlords and tenants. See the "Safeguard Arrangements" document on our website.

Although, in the majority of cases, Local Housing Allowance will be paid direct to the tenant, it is recognised in the legislation that some tenants may have difficulties with this responsibility. Safeguards have been put in place to deal with this.

The three main sets of circumstances covered by the Safeguard policy are:

- Where a tenant is 8 weeks in arrears with their rent.
- Where a tenant is unlikely to pay their rent
- Where a tenant is likely to have difficulty in managing their affairs

In addition there is a new provision whereby councils may pay landlords direct:

- Where they consider that doing so, "...will assist the claimant in securing or retaining a tenancy" (see page 6 for more details).

If you want to know more about the changes and how they affect you:

- Phone us on 01506 776 800
- Visit our website at www.westlothian.gov.uk
- Email us at benefits@westlothian.gov.uk

Remember that this booklet is a guide only. It gives general information and examples. It is not a complete statement of the law.

At West Lothian Council we are always aiming to improve our information and make it easier for you to use our services.

The Council's Revenues Unit has improved its service by launching a new generation of smart E-Forms, making claims and reporting a change of circumstances much easier.

In addition we have a range of booklets which explain all aspects of the Housing Benefit and Council Tax Benefit schemes

[See our website at www.westlothian.gov.uk](http://www.westlothian.gov.uk)

Information is available in Braille, on tape, in large print and community languages.
Please contact the Interpretation and Translation Service on **01506 775000**.

هذه المعلومات متوفرة بلغة بريل وعلى شريط وبخط كبير وبلغات الجالية.
الرجاء الإتصال بخدمة الترجمة على الهاتف 01506 775000

এই তথ্য আপনি ব্রেইল, টেপ, বড় অক্ষরে এবং কমিউনিটির বিভিন্ন ভাষাগুলিতেও পাবেন। অনুগ্রহ করে ইন্টারপ্রেটেশন অ্যান্ড ট্রান্সলেশন সার্ভিসের সঙ্গে যোগাযোগ করুন। টেলিঃ 01506 775000

這份資料是可以凸字、錄音帶、大字印刷及社區語言的式本提供。請聯絡傳譯及翻譯服務部，電話：01506 775000

ਇਹ ਜਾਣਕਾਰੀ (ਬੁੱਕ) ਬ੍ਰੇਲੀ ਵਿੱਚ ਅਤੇ ਵੱਡੇ ਫੋਂਟ ਵਿੱਚ ਵੀ ਉਪਲਬਧ ਹੈ। ਇਹ ਵਰਤੋਂ ਇੰਟਰਪ੍ਰੀਟੇਸ਼ਨ ਅਤੇ ਟਰਾਂਸਲੇਸ਼ਨ ਸੇਵਾਵਾਂ ਨੂੰ ਕਾਲ ਕਰ ਕੇ ਕੀਤੀ ਜਾ ਸਕਦੀ ਹੈ: 01506 775000

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برلومرینی یا تپریٹنگ اینڈ آڈیو اسٹیج سرورس سے ٹیلیفون کر 01506 775000 پر رابطہ قائم کریں۔

Informacje te mogą być przelozone na jezyk Braille'a, dostepne na tasmie magnetofonowej lub wydane duzym drukiem oraz przetlumaczone na jezyki mniejszosci narodowych.
Prosimy o kontakt z Uslugami Tlumaczeniowymi pod numerem 01506 775000.