What is Local Housing Allowance (LHA)?

If you are renting a property or room from a private landlord, LHA is used to work out how much Housing Benefit (HB) you get.

It is usually based on:
- who lives with you;
- the area you live in;
- how much money you have coming in;
- the amount of savings you have;
- how much your rent is; and
- whether anyone living with you is expected to contribute to your rent.

Who will LHA apply to?

It will apply to claimants who rent from a private landlord.

It will not apply to you if
- you are a council or housing association tenant;
- you have a tenancy that started before 1989;
- you live in a caravan, mobile home, hostel or house boat; or
- the Rent Officer has decided that a substantial part of your rent is for board and attendance

LHA may not apply to you if you live in supported housing.

If you have been getting HB since before 7 April 2008 LHA will only apply to you if you:
- change address; or
- have a break in your claim

How LHA works?

A LHA rate is included in the claim based on the number of bedrooms allowed for your household size. However if the rent is less than the weekly LHA rate, the maximum HB you can receive is the same amount as their rent (you cannot get more money in HB than you pay in rent).

LHA rates are set for different types of accommodation in each Broad Rental Market area (BRMA) by the Rent Officer Service. In Torfaen and Monmouthshire there is one BRMA in each local authority area which covers the borough boundaries exactly. The rates range from a single room in a shared house up to properties with four bedrooms.
Each April the rates are set annually at the lower of:

- a 1% increase; or
- the 30th percentile of local market rents in the previous September e.g. if there were 100 properties available for letting of the appropriate size in each BRMA, the LHA will be based on the 30th lowest rent of those 100 properties.

Please note
The Rental Market Areas and the LHA rates are set by the Rent Officer Service Wales (part of the Housing Division of the Welsh Government). This service is totally independent from the local authority, therefore we have no control over the LHA rates set.

How do you decide the number of rooms I am allowed?
The details of who lives with you (the number of people who share the accommodation with you such as partner, children etc.) are used to work out the number of bedrooms you are entitled to – the number of living rooms, bathrooms and kitchens are not included in the calculation.

One bedroom is allowed for each of the following:

- every adult couple (married or unmarried).
- any other adult aged 16 or over.
- any two children of the same gender aged under 16.
- any two children aged under 10.
- any other child, (other than a child whose main home is elsewhere)
- a carer who provides the claimant or their partner with overnight care (providing they a spare bedroom is available for this purpose).
- A foster child/foster children (only one bedroom is allowed providing they have a spare room for this purpose. The foster-carers must be approved).
- Any non-dependant in the armed forces who is temporarily absent from their home (as long as they intend to return home) e.g. grown up son or daughter living with their parents who is away on operations.
- A disabled child who is unable to share a bedroom because of their severe disabilities as long as certain criteria are met. Please ask us for more information.

Single people
Single people under the age of 35 will normally be entitled to the shared accommodation rate, whatever type of accommodation they live in unless they are covered by one of the exemptions. Please contact us if you need more information regarding the exemptions.

Childless couples
Childless couples will be entitled to the one bedroom rate of LHA if they rent a property of this size or any self contained accommodation. However if they live in a shared house e.g. if they are a joint-tenant they will normally be entitled to the shared accommodation rate.

Example
Miss A is a single parent with 2 children under 10.
Under the LHA rules she would be allowed the LHA rate for 2 bedrooms.
How can I find out about LHA rates?

The figures below show the Local Housing Rates will apply in Torfaen and Monmouthshire from 1 April 2015 until 31 March 2016.

<table>
<thead>
<tr>
<th>Accommodation Type</th>
<th>Weekly</th>
<th>Monthly</th>
<th>Weekly</th>
<th>Monthly</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shared Accommodation</td>
<td>50.00</td>
<td>217.26</td>
<td>54.60</td>
<td>237.25</td>
</tr>
<tr>
<td>One Bed</td>
<td>78.25</td>
<td>340.01</td>
<td>90.90</td>
<td>394.98</td>
</tr>
<tr>
<td>Two Bed</td>
<td>97.81</td>
<td>425.01</td>
<td>115.07</td>
<td>500.01</td>
</tr>
<tr>
<td>Three Bed</td>
<td>110.41</td>
<td>479.76</td>
<td>136.93</td>
<td>594.99</td>
</tr>
<tr>
<td>Four Bed</td>
<td>131.64</td>
<td>572.01</td>
<td>172.60</td>
<td>749.99</td>
</tr>
</tbody>
</table>

If you want to find out the LHA rates for another local authority area you can access a room and LHA calculator on the government website www.gov.uk website under local housing allowance.

How will LHA be paid?

In most cases we will pay LHA directly to you. You can not choose to have your LHA paid direct to your landlord.

As a tenant you are responsible for paying your rent to your landlord. HB must be paid towards your rent, not for other purposes. If you do not pay your rent your landlord may apply to us to have your benefit paid to them or they may take other action to recover their money, including evicting your from your home.

The easiest way for you to receive LHA is to have it paid into a bank or building society account. You can then arrange for your bank or building society to pay your rent direct to your landlord (by standing order or direct debit). If you don’t have an account you may want to open one. You can get ask us for a leaflet which tells you more about bank and building society accounts.

In what circumstances can LHA be paid to my landlord?

The Council will consider paying HB to the landlord in the following circumstances if:

- paying the landlord will assist you to secure or retain your tenancy;
- you are likely to have difficulty managing your financial affairs;
- It is improbable that you will pay their rent. For example, if we are aware that you have consistently failed to pay the rent on past occasions without good reason;
- you have not paid part or all of their rent and the Council considers feels that is it is in the best interests of efficient administration to pay the landlord; or
- you have left the accommodation with arrears owing to the landlord (in which case payment is limited to the level of the arrears).

Additionally the Council must pay the landlord if
- you have rent arrears of 8 weeks or more; or
- Part of your entitlement to Jobseekers Allowance, Employment and Support Allowance or Pension Credit is being paid direct to the Landlord or agent.

If you think you are incapable of managing your own affairs and/or are vulnerable and wish to have your LHA paid to your landlord please contact us in order to obtain an explanatory leaflet and application form requesting payment to your landlord.

We can also pay your landlord where they have reduced your rent, normally to the LHA level and this secures or retains your tenancy.
If we pay HB to the landlord it is your responsibility to pay the difference between the rent due and the HB we pay.

**Please note** - If we have your permission to discuss your claim with your landlord we will write to them to advise them your claim has been processed. We will also ask them to contact us if you do not pay your rent so that we may review the payment arrangements.

**Introduction of Universal Credit**

Universal Credit is a new simpler benefit that will replace Income Support, Income Based Job Seekers Allowance, Employment and Support Allowance (income-related), Housing Benefit, Child Tax Credit and Working Tax Credit. This means that only one claim will need to be made and only one payment will be made. The majority of claims will be made online rather than by telephone or face to face.

Universal Credit is currently being introduced on a limited scale in certain geographical areas of the UK so that it can be fully tested before it is introduced nationally. Current plans will see new claims to existing benefits closed during 2016. This will mean that all new benefit claimants across the country will claim UC instead of the benefits it replaces. Most existing benefit claimants will be moved over to UC during 2016-2017.

In most cases Universal Credit will be paid directly to the claimant monthly in arrears. This means that under Universal Credit housing costs will no longer be paid to the landlord and the tenant will be responsible for paying the rent to their landlord. Although there will be some exceptions for vulnerable people, it is essential that all tenants have a bank account so that can receive the benefit payment and make arrangements to pay their rent as soon as they receive their payment.

**Our Contact details**

If you need more help, please contact us.

<table>
<thead>
<tr>
<th>TORFAEN RESIDENTS should contact</th>
<th>MONMOUTHSHIRE RESIDENTS should contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>TELEPHONE: 01495 766430 or 01495 766570</td>
<td>TELEPHONE: 01633 644650 or 01633 644655</td>
</tr>
<tr>
<td>E-MAIL: <a href="mailto:benefits@torfaen.gov.uk">benefits@torfaen.gov.uk</a></td>
<td>E-MAIL: <a href="mailto:benefits@monmouthshire.gov.uk">benefits@monmouthshire.gov.uk</a></td>
</tr>
<tr>
<td>Minicom for those who are deaf or hard of hearing. The number is 01495 767871</td>
<td></td>
</tr>
</tbody>
</table>

**OUR ADDRESS** - Shared Benefit Service Level 3, Civic Centre Pontypool Torfaen NP4 6YB

**IN PERSON** at any of our One Stop shops or Customer Centres

<table>
<thead>
<tr>
<th>ABERGAVENNY (open normal office hours)</th>
<th>CHEPSTOW (open normal office hours)</th>
<th>CALDICOT (open normal office hours)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cross Street, Abergavenny NP7 5HD</td>
<td>Manor Way, Chepstow NP16 5HZ</td>
<td>Woodstock Way, Caldicot NP26 5DB</td>
</tr>
</tbody>
</table>

**MONMOUTH (open normal office hours)**

Priory Street, Monmouth NP25 3XA

**PONTYPOOL (open normal office hours)**

Level One Civic Centre, Pontypool NP4 6YB

**CWMBRAN (open normal office hours)**

1-2 General Rees Square Cwmbran NP44 7NX

**BLAENAVON (Tuesday to Friday 9.30 am to 2.30pm)**

Blaenavon World Heritage Centre Church Road Blaenavon NP4 9AS

**WELSH TRANSLATION** - If you require a copy of this document in Welsh please contact us on the telephone numbers above.
Online services (This service is currently only available for Torfaen residents)

You are now able to access a full range of online services via the Council’s website www.torfaen.gov.uk under online services. Using a secure registration process you can now access the following services:

- Housing Benefit and/or Council Tax Reduction claim data for your claim
- Council Tax or Business Rate information for your account including the account balance, payment and instalment details.

The service also allows you to claim a discount or exemption or make a payment towards your account. Sign up securely and quickly at www.torfaen.gov.uk/en/CouncilTaxandBenefits

Download app
You are now able to report a change in circumstances on the council’s website or smartphone app. You can download the app for free from your phone’s app store or visit www.torfaen.gov.uk. You’ll also get access to a range of other useful services and information.

Please note Monmouthshire residents can use this service.