

The Government are making changes to Housing Benefit that will reduce the amount of Housing Benefit that is paid

The changes will apply to new claims from 1 April 2011.

Excess Benefit

The current rules allow tenants whose rent is less than their LHA rate to keep the difference, up to a maximum of £15 per week. This is known as the 'excess'.

From 1 April 2011 no-one who makes a new claim for Housing Benefit will receive more than they pay in rent. Anyone who already receives excess housing benefit will lose the excess benefit the next time their LHA rate is reviewed after 1 April 2011.

Local Housing Allowance rates

From 1 April 2011 the way that the LHA rates are calculated will change, this will reduce the rates and will mean that you are likely to get less benefit.

LHA rates are set by the Valuation Office who collect details of rents that are charged for each property size. Currently the rates are set so that half of rents are lower than the LHA rates and half are higher. The new LHA rates will mean that only three out of ten rents will be lower than the LHA rates and it will be more likely that the benefit that you get will be less than the rent that you pay.

Based on December 2010 LHA rates, this change would affect LHA rates in Leeds as follows:

The rate you get	Now	New rate	Weekly reduction
Shared	£61.50	£59.00	£2.50
1 bed	£109.62	£98.08	£11.54
2 bed	£126.92	£114.23	£12.69
3 bed	£144.23	£132.69	£11.54
4 bed	£206.54	£170.20	£36.34

These will not be the rates in April 2011, these rates have been worked out using the new calculation and are meant only as a guide to show you how your Housing Benefit is likely to reduce because of this change. If your rent is lower than the new rates you will not be affected by this change

Anyone who makes a new claim from 1 April will have their benefit worked out using the new lower rates. Anyone who already receives Housing Benefit will have their benefit worked out using the new lower rates nine months after the next time their LHA rate is reviewed after 1 April 2011. The nine month delay is to give you time to plan for the reduction in your benefit.

The 4 bedroom maximum rate

From 1 April 2011 there will no longer be a 5 bedroom rate of Local Housing Allowance. The highest Local Housing Allowance rate that anyone who makes a new claim from 1 April will get will be the 4 bedroom rate. It does not matter how many bedrooms your property has.

If you already receive Housing Benefit at the 5 bedroom rate you will have your benefit worked out using the 4 bedroom rate nine months after the next time your LHA rate is reviewed after 1 April 2011. The nine month delay is to give you time to plan for the reduction in your benefit.

Overnight carers

From 1 April 2011 if you are disabled and have overnight care provided by a carer who does not normally live with you, you will be allowed an extra bedroom for the carer.

This means, for example, that if you are currently entitled to the 1-bed rate of LHA you would become entitled to the 2-bed rate of LHA. If you think that this may affect you please contact us. If you tell us about your carer before 1 April 2011 you will get the extra benefit straight away.

Everyone claiming Local Housing Allowance will receive a letter. The letter will say when the changes are likely to affect them. The letter is being sent now to give everyone time to plan for the reduction in benefit.

However the changes may affect people who are already receiving Local Housing Allowance sooner if they have a change in circumstances

By change in circumstances I mean:

- A change of address or;
- A break in their claim or;
- A change in the household that means that they qualify for a different rate of Local Housing Allowance

Leeds City Council has not made these changes. Leeds City Council pays Housing Benefit on behalf of the Government and must apply the regulations that are set by Government. These changes have been made by Government.

Help and advice

If you cannot pay all of your rent you could talk to your landlord, as they may be willing to accept less rent from you. Your landlord may agree to reduce the rent for example if your Housing Benefit was paid directly to your landlord. If you think that paying your benefit direct to your landlord would help please contact us by email at lcc.benefits@leeds.gov.uk, telephone us on 0113 222 4404 or visit us at any One Stop Centre.

If you decide that you need to find cheaper accommodation or your landlord asks you to leave and you need help and advice you can contact Leeds Housing Options on telephone 0113 222 4412 or visit at 1st floor, 2 Great George Street Leeds LS2 8BA.

National funding for debt advice is being cut from March 2011 and as a result it will be much harder to get debt advice from local agencies like the Citizens Advice Bureau.

You may be able to get free money advice from:

- **National Debt line** at www.nationaldebtline.co.uk or by telephoning 0808 808 4000.
- **CLA Direct** at www.communitylegaladvice.org.uk or by telephoning 0845 345 4345
- **Consumer Credit Counselling Service** at www.cccs.co.uk or by telephoning 0800 138 1111
- **Leeds Citizens Advice Bureau (CAB) and Chapeltown CAB** provide access to debt, benefits and housing advice. You can find out their opening hours and details at www.leedscab.org.uk or by telephoning 0844 477 4788
- **Shelter** at http://england.shelter.org.uk/get_advice or by telephoning Housing Advice Helpline 0808 800 4444