



INFORMATION & ADVICE FOR PRIVATE LANDLORDS

Changes to Housing Benefit for Private Sector Tenants from 1 April 2011

What is changing?

From 1 April 2011 the UK Government is making changes to housing benefit, which will affect tenants renting from a landlord in the private rented sector.

Will this affect my tenants?

Yes, if you are a private landlord and your tenant is receiving housing benefit in respect of a claim for their current address, made on or after 7 April 2008. You may not know if your tenant is in receipt of housing benefit as this is usually paid directly to them.

When is it changing?

1 April 2011

What is changing?

- The maximum £15 per week housing benefit excess that some people get will now end. This means that tenants will not be able to get more money from housing benefit than they pay in rent.
- There will no longer be a 5-bedroom local housing allowance rate. The maximum level is for a 4-bedroom property.
- The UK Government is also reducing the local housing allowance rates to a lower amount, so that about 3 in 10 properties for rent in your area should be affordable to people on housing benefit. At the moment about 5 in 10 properties in your area are affordable to people on housing benefit.
- There will also be maximum rate caps, so that local housing allowance weekly rates in any area cannot be more than the amounts detailed below. These caps will probably only affect tenants living in London.
 - ⇒ £250 per week for a 1-bedroom property
 - ⇒ £290 per week for a 2-bedroom property
 - ⇒ £340 per week for a 3-bedroom property
 - ⇒ £400 per week for a 4-bedroom property

How will this affect me and my tenants?

It is possible that the amount of housing benefit, which your tenants get paid, may go down. If housing benefit is paid direct to you as a landlord, the amount

you get could go down. If your tenant gets the benefit paid directly to them this may not be enough to cover the rent due. If your tenants are getting or thinking about claiming housing benefit, you and your tenants need to consider these changes before you renew or enter into a tenancy agreement.

When will these changes take effect?

If a tenant makes a new claim to housing benefit or moves home, the changes will take effect from 1 April 2011.

If your tenant is already claiming housing benefit and has their entitlement calculated on the excess of £15 per week, they will cease to have the excess included in the calculation from the review date of their claim. All claims are reviewed annually. For instance if their next review is due on 1 June 2011 they will lose the excess from that date.

If they are already claiming housing benefit they will not be affected by the reduced local housing allowance rate until 9 months after their review date. For instance if their next review is due on 1 June 2011 they will go onto the lower local housing allowance rate on 1 March 2012.

The changes may affect them sooner if they are getting housing benefit and move address or their household changes, for example someone leaves or moves in.

When will their claim next be assessed?

Your tenants can work this out from the date they made their original claim for housing benefit, or from the date we last assessed their housing benefit amount.

For example:

If they first made their claim for housing benefit on 5 September 2010 their yearly review date will be 5 September 2011.

Where can I get more information about these changes?

You can contact Aberdeenshire Council's Benefits Section by e-mail, telephone or in person at the contact points detailed below:

E:Mail	benefits@aberdeenshire.gov.uk
Telephone	08456 08 01 49
Offices:	The Town House, Low Street, Banff, AB45 1AY 88 Commerce Street, Fraserburgh, AB43 9LP Baltic House, 51 Broad Street, Peterhead, AB42 1JL Gordon House, Blackhall Road, Inverurie, AB51 3WA 16-22 Allardice Street, Stonehaven, AB39 2BR

You can also get more information on the Council's website, including details of the Aberdeenshire Advice Agency Network, at www.Aberdeenshire.gov.uk.

Are there any other changes planned that will affect housing benefit?

Yes, the UK Government announced a number of changes that may affect your housing benefit entitlement in the future, depending on your personal and household circumstances.

The other welfare changes that have been announced are as follows:

October 2011

- Non-dependant deductions will be increased

April 2012

- Increase in the age threshold for the shared room rate and single room rent from under 25 to under 35

April 2013

- Local housing allowance rates will be increased by the consumer prices index

October 2013

- Introduction of universal credit for working age customers

The detail of how these changes will work in practice is still unknown at this time as some of the changes require Parliamentary approval.

Will my tenants be told how the changes to housing benefit will affect them?

Yes, prior to the implementation of any changes the Benefits Section will write to those affected telling them about how the changes will affect them.