



Are you prepared for the Local Housing Allowance Cap?

The government has introduced some changes which mean that if you have a tenancy starting from 1st April 2016 any Housing Benefit or housing element of Universal Credit that you receive from 1st April 2018 could be capped at the relevant Local Housing Allowance rate for your property.

These rates are different depending on the area in which you live and are shown on the reverse.

If you are under 35 years old and do not have any dependent children living with you, your eligible rent will be capped to a shared accommodation rate even if you do not share your home with anyone else (the shared accommodation rate is lower than that for a one bedroomed property).

You will be required to pay for any shortfall in your rent and the Local Housing Allowance rate or the shared accommodation rate yourself.

If your Housing Benefit or Universal Credit is already capped due to the 'Bedroom tax' then your payments will *either* continue to be capped in the same way *or* your payments will be capped due to the Local Housing Allowance.

If the shortfall due to the Bedroom tax is higher, then this is the cap which will apply to you. If the shortfall due to the Local Housing Allowance Cap is higher, then this cap will apply.

In all cases, you will receive only one deduction.

- *What does this mean for me?*

If your tenancy started prior to April 2016 then you should not be affected for as long as you remain in the same tenancy.

- *What if I move house?*

If you end your tenancy with Impact and go to live somewhere else with a different landlord then you will be affected in April 2018.

- *What if I transfer to a different house with Impact?*

If you transfer to a different house with Impact you will need a new tenancy agreement so you will still be affected.

- *What if I'm currently exempt from the 'Bedroom tax' because I'm state pension credit age?*

Unfortunately, there are no age restrictions in relation to the Local Housing Allowance Cap. If you currently have one or more spare bedrooms which you don't have to pay a shortfall for due to your age, if you begin a new tenancy then you will be affected by the Local Housing Allowance Cap.

Book a free, confidential appointment with one of our Money Matters team :

Michelle ☎ 01946 839921 or

07739 325265

(Allerdale, Copeland & Lancaster)

Sue ☎ 01228 633632

or 07585 968466

(Carlisle, Eden & South Lakes)

Email:

moneymatters@impacthousing.org.uk

Local Housing Allowance rates (weekly)

Please note: these are the current rates for 2016/2017, but they may reduce if rents in an area generally reduce.

Allerdale	Shared accommodation rate	£63.25
	LHA rate - 1 bedrooms	£79.24
	LHA rate - 2 bedrooms	£92.05
	LHA rate - 3 bedrooms	£104.89
	LHA rate - 4 bedrooms	£134.02

Carlisle	Shared accommodation rate	£58.90
	LHA rate - 1 bedrooms	£80.55
	LHA rate - 2 bedrooms	£94.39
	LHA rate - 3 bedrooms	£112.77
	LHA rate - 4 bedrooms	£141.24

Copeland	Shared accommodation rate	£63.25
	LHA rate - 1 bedrooms	£79.24
	LHA rate - 2 bedrooms	£92.05
	LHA rate - 3 bedrooms	£104.89
	LHA rate - 4 bedrooms	£134.02

Eden	Shared accommodation rate	£58.90
	LHA rate - 1 bedrooms	£80.55
	LHA rate - 2 bedrooms	£94.39
	LHA rate - 3 bedrooms	£112.77
	LHA rate - 4 bedrooms	£141.24

South Lakes	Shared accommodation rate	£62.50
	LHA rate - 1 bedrooms	£96.91
	LHA rate - 2 bedrooms	£123.58
	LHA rate - 3 bedrooms	£145.67
	LHA rate - 4 bedrooms	£174.81

Lancaster	Shared accommodation rate	£57.48
	LHA rate - 1 bedrooms	£90.90
	LHA rate - 2 bedrooms	£115.07
	LHA rate - 3 bedrooms	£132.32
	LHA rate - 4 bedrooms	£145.43

Example:

If your rent is **£90** per week but the Local Housing Allowance rate is only **£75**, the maximum Housing Benefit or housing element of Universal Credit you will receive will be **£75**, leaving you to pay at least **£15** per week, dependant on your assessed entitlement.