

# Landlord Newsletter



**March 2011**

**Welcome** to the spring addition of Suffolk Coastal's Landlord Newsletter. Our aim is to keep you up to date with any changes that are happening that may affect you as landlords. We hope you find this newsletter useful. This newsletter is for you, so if there are any topics you would like to see in the future please email: [sarah.hyman@suffolkcoastal.gov.uk](mailto:sarah.hyman@suffolkcoastal.gov.uk).

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## Changes to Local Housing Allowance (LHA) from April 2011

Please be advised there are various changes due to occur within the Local Housing Allowance Scheme. This will affect your tenant if they started their benefit claim, had a break in their claim of a week or more or moved home after April 2008.

### The following changes will take effect from 1st April 2011...

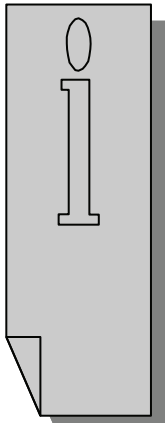
- There will be an end to the extra Housing Benefit (up to £15 per week) that some customers get where their rent is less than their LHA rate
  - The Local Housing Allowance will be limited to the four bedroom rate. This will be the most your tenant can get, even if their bedroom requirement is for five bedrooms
  - There will be a reduction in the Local Housing Allowance rates by changing the way they are calculated, so that only three out of every ten rental properties in your area will be affordable to people on Housing Benefit rather than five in ten properties prior to April 2011
- New rules have been introduced to help disabled people who have a carer who stays overnight but does not normally live with them. The change means that if your tenant rents a property with an extra bedroom for their carer, their Housing Benefit may take into account that extra cost
  - We can now consider paying Housing Benefit directly to you, the landlord if this means your tenant is able to retain their tenancy or if it helps a Housing Benefit customer secure a tenancy with you.

***Please be advised there will be a temporary provision for people who are already getting LHA on 1st April 2011 so that existing customers can get transitional protection for a further nine***

**months from the date that the changes apply to them. This transitional protection means that many existing LHA customers will see little or no change until January 2012 and some will see little or no change until March 2012. But if your household changes (for example, if you move, or if someone moves in or moves out of your home) this protection may no longer apply.**

Here is a table detailing the difference in Local Housing Allowance had the changes occurred from January 2011. This is designed to give you an idea of the change, and help you plan for the shortfall your tenants may have once their claim is assessed.

	Shared rate	1 bedroom	2 bedroom	3 bedroom	4 bedroom
<b>January LHA rate</b>	£61.00	£94.62	£115.38	£137.31	£178.85
<b>LHA rate if the new rules had applied</b>	£53.12	£90.00	£109.62	£126.92	£161.54
<b>Reduction per week</b>	<b>£7.88</b>	<b>£4.62</b>	<b>£5.76</b>	<b>£10.39</b>	<b>£17.31</b>



**For further information regarding the changes you can visit our website <http://www.suffolkcoastal.gov.uk/yourhome/benefits/default.htm>. Or alternatively there is a helpful leaflet created by the National Homeless Advice Service that is available, if you email me I can send you a copy, or alternately visit our website, a PDF version is available on the Benefits news page.**

### Direct Housing Benefit Payments

Within the new Local Housing Allowance legislation there is wider provision for Local Authorities to pay Landlords direct payments of Housing Benefit. This has been introduced to help tenants retain their tenancies or to help tenants secure a new tenancy. The direct payment will only be considered if the Landlord has reduced the rent considering the new Local Housing Allowance rates. Following the LHA changes your tenant may experience a shortfall between their rent and Housing Benefit, they may contact you to negotiate a lower rent or to consider moving to more affordable accommodation. If the Local Authority is satisfied you have lowered your rent in order for you tenant to remain in the property, the Local Authority will be able to pay you direct.

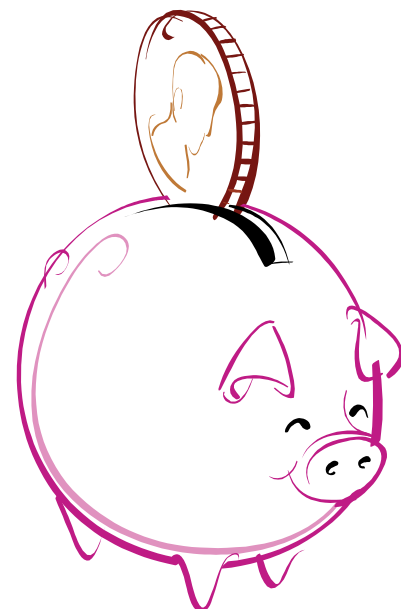
### Housing Benefit Overpayments

Now there is wider provision to pay Landlords direct payments of Housing Benefit it is important to be aware of the risks of Housing Benefit overpayments. If a Landlord is paid direct payments of Housing Benefit an overpayment can be recovered from the Landlord when they could have reasonably known the overpayment would occur. This is most often seen when there is late notification of a Housing Benefit tenant vacating the property.

To avoid these overpayments please ensure you notify of any

changes, you are aware may affect the benefit entitlement, as soon as possible. This is important to not only avoid the overpayment but lower the risk of that overpayment being recovered from you, as the Landlord.

To notify of changes in writing please address your letter to Housing Benefits, SCDC, Melton Hill, Woodbridge, IP12 1AU, alternately you can email [benefits@suffolkcoastal.gov.uk](mailto:benefits@suffolkcoastal.gov.uk) or telephone 01394 444838 (lines open from 8:45am to 1pm).



# Changes to Non Dependant Deductions from April 2011

In the June 2010 Budget, the Government announced that non-dependant deductions will be increased over the next three years.

A non-dependant is someone who normally lives with the Housing Benefit claimant such as an adult son, daughter, relative or friend. A son or daughter is classed as an adult when the Benefit customer no longer receives Child Benefit for them.

The non-dependant deduction is a deduction in a customers weekly benefit to allow for 'keep' we assume their non-dependant pays them to stay in their home. If they do not give the tenant a contribution for their keep, we will still apply the non-dependant deduction to their Housing and Council tax Benefit award.

The increase is intended to mean a fairer deal for taxpayers and provide an expectation that adults make a reasonable contribution towards their housing costs.

The first of the increases comes into effect from April 2011. This table shows the changes.

Non-dependants income	Housing Benefit		Council Tax Benefit	
	Current deduction	Deduction from April 2011	Current deduction	Deduction from April 2011
Employment & Support Allowance (Income related)- Assessment Phase Pension Age and in receipt of State Pension Credit	Nil	Nil	Nil	Nil
Aged 25 or over and on Income Support/Jobseekers Allowance (Income based) Any age receiving Employment & Support Allowance (Income related) Main Phase	£7.40	£9.40	Nil	Nil
In work with gross weekly income less than £122.00	£7.40	£9.40	£2.30	£2.85
In work with gross weekly income not less than £122.00 but less than £180.00	£17.00	£21.55	£2.30	£2.85
In work with gross weekly income not less than £180.00 but less than £234.00	£23.35	£29.60	£4.60	£5.70
In work with gross weekly income not less than £234.00 but less than £310.00	£38.20	£48.45	£4.60	£5.70
In work with gross weekly income not less than £310.00 but less than £387.00	£43.50	£55.20	£5.80	£7.20
In work with gross weekly income not less than £387.00	£47.75	£60.60	£6.95	£8.60

## Housing Benefits website

There has been further changes to our website. The new changes should make it easier to find what you are looking for. There is an area of our website specifically for Landlords and there is a news page you may find useful. Please visit <http://www.suffolkcoastal.gov.uk/yourhome/benefits/>.

## Landlord Liaison

We do not currently hold a Landlords forum in the Suffolk Coastal area. However, if think you would find an open forum useful please let me know, if there is enough demand I will arrange a meeting. If there are any queries you have or anything you are not clear on I am happy to make an appointment to pop out and visit you. Please email me at Sarah.hyman@suffolkcoastal.gov.uk.

## Are you protecting your tenants deposit?

Landlords or agents must use one of the three approved TDP schemes to protect tenants' deposits. If any other scheme is used, deposits are not protected in law. The three approved schemes are:

- Deposit Protection Service (DPS)
- MyDeposits
- Tenancy Deposit Scheme (TDS)

If you don't protect your tenants' deposits when required to, your tenants can take you to court and you may have to repay them their deposit plus three times the amount of their deposit.

You will also be unable to seek possession of your property in certain circumstances.

A Landlord or Agent will lose their automatic right to regain possession of the property at the end of the tenancy unless they have protected the deposit in a scheme and given the tenant information about how it is protected.

### What happens if you don't secure a tenants deposit?

The tenant can apply to the local county court. The court can order the landlord or agent to either repay the deposit to the tenant or protect it in a scheme. If the landlord has not protected the deposit, and fail to do so in 14 days they will be ordered to pay the tenant three times the amount of deposit.

Visit [www.direct.gov.uk/tenancydeposit](http://www.direct.gov.uk/tenancydeposit)

## Discretionary Housing Payments

A Discretionary Housing Payment may be available to those with severe hardship following the changes to Housing Benefit from April 2011. This payment is designed to help "tide the customer over" while they make steps to improve their situation. When making a Discretionary Housing Payment application the customer will need to also contact our Housing Options team to arrange an appointment

to discuss their housing situation

A Discretionary Housing Payment will not be considered without proof of contact with our Housing Options team and evidence they have taken steps to improve their financial situation.

The Local Authority now has wider scope to use the Discretionary Housing Payment fund to help with a rent deposit. This will be if the Housing Benefit

customer has to move in order to afford the rent, and cannot afford the deposit to do so. They will be subject to the same criteria as a normal Discretionary Housing Payment. Such as being in severe hardship, and dependant on the outcome of an interview with Housing Options.

Further information is available on our website <http://www.suffolkcoastal.gov.uk/yourhome/benefits/default.htm>

## Do you have properties available at affordable rates?

### Landlords Board – Melton Hill offices

Many of the people that visit us for housing advice need help in finding a home at an affordable rent.

Social housing is very popular but supply is limited. Since Choice Based Lettings was introduced, many more people have joined the waiting list but there is still only a limited number of properties available at any one time. Within the Housing Options team we try to make people aware of all the other options available.

Landlords often ring us about individual properties they have available at affordable rents and we have tried to create a link with those who are seeking

accommodation. To make the best use of this information, we set up a 'Landlord Board' in the Melton Hill Reception area.

Properties can be advertised showing the property characteristics, rent, location and details of whether you will consider pets, children, smokers and people in receipt of state benefits. Details remain on the board for a minimum of 2 weeks; if there is space, they may be left longer.



If you have properties available at an affordable rent and would like to advertise, please contact Linda on 01394 444237 or you can email [homelessness@suffolkcoastal.gov.uk](mailto:homelessness@suffolkcoastal.gov.uk).