

Revenues and Benefits Bulletin

Maximum rents for benefit claimants to rise, as LHA rates increase in April 2024



In its last Autumn Statement (2023), the government announced there will be an increase in Local Housing Allowance (LHA) rates from April 2024.

LHA rates are the maximum levels that can be paid towards someone's housing costs if they are a private sector tenant claiming either Housing Benefit or Universal Credit.

LHA rates have been frozen for the last 4 years. This freeze has now been lifted and from 1st April, rates will be set based on the 30th percentile point of all rents charged in a specific area. In other words, LHA rates will match the rents charged on 30 percent of properties

It should be stressed that a claimant is

not automatically entitled to the new rate, rather, the new rate sets a **maximum** amount payable for a specific size of accommodation, with the highest being the 'four room rate.'

There are three elements which determine how much help with rent a claimant will receive.

1. The size of accommodation needed.
2. The area in which the claimant lives.
3. Their income and capital when compared to their needs and household circumstances.

(See article below for further details).

The rates that are applicable in Sandwell from April 2024 are shown on page 4.

Local Housing Allowance: Where you live.

LHA rules divide the country into what are known as Broad Rental Market Areas, (BRMA). LHA rates are set for each BRMA. Most of Sandwell, along with, Walsall, Dudley and Wolverhampton comes under the 'Black Country' BRMA, although small parts come under the Birmingham BRMA. Check which BRMA a property comes under by searching for its post code at lha-direct.voa.gov.uk



Accommodation sizes and Local Housing Allowance

The number of rooms someone is entitled to under LHA rules for both private sector Housing Benefit and Universal Credit claimants, depends their household make-up, i.e. who lives with them, their ages and sex. Single people under 35 are restricted to the 'shared accommodation' rate which is based on the cost of a bedsit or room in a house-share. (Some exceptions apply). 1 room is allowed for:

- Every adult couple
- Every person aged over 16
- Any 2 children regardless of their sex under the age of 10
- Any two children under 16 of the same sex
- Any other child

(extra rooms are allowed under certain circumstances). For a full explanation of the rules, please go to

www.gov.uk/guidance/local-housing-allowance

Landlord queries

Landlords should be aware that if a tenant is claiming Universal Credit, Sandwell Council will hold no information about that claim which will be dealt with by the DWP. More information for landlords is available at

www.gov.uk/government/publications/universal-credit-and-rented-housing-2

Although the council does deal with Housing Benefit, we can only respond to landlord queries if we hold a valid data protection waiver form signed by the tenant. These can be downloaded at

www.sandwell.gov.uk/downloads/download/29/housing-benefit-and-council-tax-reduction



When is a House in Multiple Occupation not a House in Multiple Occupation?

If you own or manage a House in Multiple Occupation you need to be aware that different council services use different definitions of what constitutes an HMO. This isn't because the council can't make its mind up, but rather that departments covering planning, Council Tax and licencing all have to follow different definitions set out in the legislation relevant to their area of work.

It's important to understand that although one service doesn't consider a property to be an HMO, owners may still have responsibilities relating to HMOs under different legislation.

For example, you might have been told that a property is not an HMO for Council Tax and we consider it to constitute separate dwellings so that the occupants are charged Council Tax individually, (rather than a bill being sent to the landlord). However, it is possible that the property may still require an HMO licence or be subject to HMO management and health and safety regulations. The cost of not having a licence or failing to meet management

requirements can be substantial with civil penalties up to £30,000. If in any doubt, it is the landlord's responsibility to check.

Forgotten something?



You won't forget to make a Council Tax payment if you set up a Direct Debit.

It's taken care of. Go to www.sandwell.gov.uk/paycounciltax



For more information go to www.sandwell.gov.uk/find-home/housing-multiple-occupation-hmo

**YOUR
COUNCIL
TAX BILL
THE EASY
WAY**



SIMPLER

QUICKER

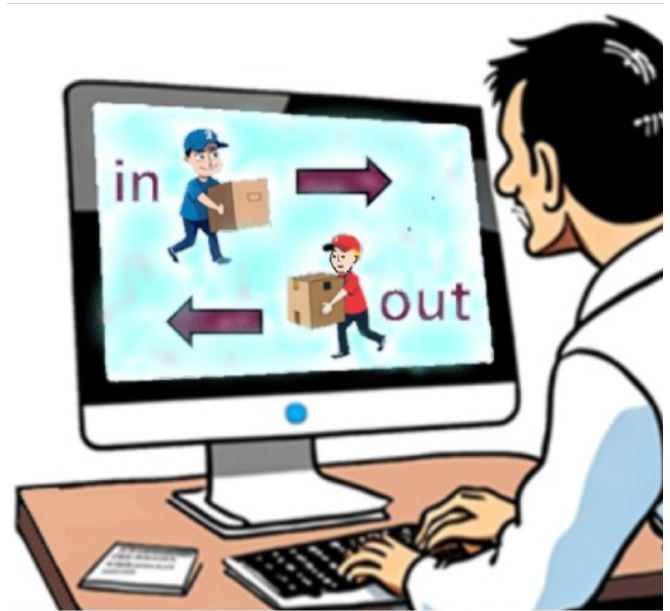
RELIABLE

Need to tell us something?

Whether you're a landlord, tenant or owner-occupier, if you need to tell us something you can do it via the council's online platform MySandwell.

There are options for (amongst others)

- Council Tax account holders to tell us about a change of address
- Landlords to tell us if a tenant moves in or out
- People claiming either Housing Benefit or Council Tax Reduction (or both) to report changes in their circumstances.
- Council Tax payers to apply for a discount or exemption and to tell us about a change in circumstances which affects one that has already been awarded.
- Documents can be uploaded as evidence



Go to my.sandwell.gov.uk

to see how you can share information with us online.

Click on the MyServices tab to see the full list of options

Sandwell LHA rates from 1st April 2024

Accommodation size	Black Country	Birmingham
Shared accommodation	73.64	78.61
1 room	113.92	159.95
2 room	143.84	172.60
3 room	172.60	189.86
4 room	212.88	253.15