

Local Housing Allowance (LHA)

Local Housing Allowance (LHA) is a new way of working out Housing Benefit for some private tenants. It comes into effect on 7th April 2008 and will apply to any new claims or existing claims that either move house or have a break in entitlement on or after the 7th April 2008.

Tenants included in the scheme will be entitled to a rate of LHA based on:

- the area they live in
- the people that live with them
- how much money they have coming in
- the amount of savings they have.

The Local Housing Allowances will be set each month by the Rent Service who will give Allowances for households requiring up to six rooms. The LHA rates will be published each month on this website.

Most tenants will receive LHA based on the number of rooms their household requires regardless of the number of rooms in the property they rent or the rent that they are charged. If the LHA is more than the rent charged, the tenant can keep the difference.

The scheme will make it easy for tenants to find out how much rent could be covered by LHA giving tenants the ability to choose the quality and price of their accommodation.

In most cases, payment of LHA will be made directly to tenants rather than their landlords. Not all tenants are affected by the Local Housing Allowance scheme and for these tenants there will be no change to the way Housing Benefit is currently worked out.

Those not included are:

- tenants of Housing Associations
- tenants whose tenancy commenced before 15 January 1989
- people who live in hostels
- people in caravans, houseboats, mobile homes
- cases where a substantial part of the rent is for board and attendance
- people in supported housing provided by certain local authorities, social landlords, charities and voluntary organisations.

For further information on LHA scheme email localhousingallowance@angliarevenues.gov.uk.