



# Valuation Office Agency

Incorporating Rent Officer functions

## THE RENT OFFICER AND LOCAL HOUSING ALLOWANCE

This factsheet will help you understand Local Housing Allowance and the role of the Rent Officer in its provision.

**Important Note:** Changes were introduced to Local Housing Allowance on 1st April 2011. Anyone making a new claim for Housing Benefit from 1st April 2011 will be affected immediately. Existing claimants should seek advice from their local authority Housing Benefit Department.

### Local Housing Allowance

Local Housing Allowance (LHA) is a flat rate allowance paid to Housing Benefit claimants.

LHA applies to private sector tenants who make a new claim for Housing Benefit or those claiming Housing Benefit who change address. It also applies to tenants on Housing Benefit who move from the social sector into private sector accommodation.

Rent Officers now determine 5 LHA rates for the following categories of property: Shared Accommodation (room in a shared property), 1 Bedroom, 2 Bedroom, 3 Bedroom and 4 Bedroom.

The £15 per week "top up" entitlement has been removed from 1st April 2011.

### Capping of Maximum Local Housing Allowance from 1st April 2011

The maximum level of Local Housing Allowance (LHA) payable for new claims from 1st April 2011 is limited to the 4 bedroom LHA rate.

LHA rates are also capped at:

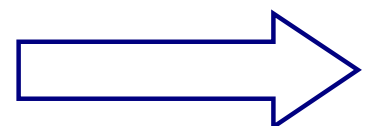
- 1 bedroom LHA - £250 per week
- 2 bedroom LHA - £290 per week
- 3 bedroom LHA - £340 per week
- 4 bedroom LHA - £400 per week

If your claim for Housing Benefit was made prior to 1st April 2011, transitional arrangements may apply. Unless your circumstances change, you will continue to receive LHA at the same rate for up to 9 months following the date of your next annual review. More details are available from the local authority Housing Benefit department.

### How do I know which LHA rate applies?

The rate that applies depends on the size and make up of the claimant's household, and the Broad Rental Market Area (BRMA) the rented property falls in. BRMAs are explained later in this Factsheet. The LHA bedroom calculator on [Directgov](http://www.direct.gov.uk/en/Diol1/DoltOnline/DG_196239) [http://www.direct.gov.uk/en/Diol1/DoltOnline/DG\\_196239](http://www.direct.gov.uk/en/Diol1/DoltOnline/DG_196239) can help you work out which LHA category applies to a household.

The LHA rates are reviewed and published monthly. Your Housing Benefit will be based on the LHA rate which applies to you when you make a claim. You can find these on the [LHADirect - Local Housing Allowances \(LHA\)](http://www.direct.gov.uk) 'Do it online' webpage at [www.direct.gov.uk](http://www.direct.gov.uk) and from each local authority Housing Benefit department. They can also explain in detail how your Housing Benefit is worked out.



## What is a Broad Rental Market Area (BRMA)?

The BRMA is the geographical area used to determine the LHA rate. It is an area where a person could reasonably be expected to live taking into account access to facilities and services for the purposes of health, education, recreation, personal banking and shopping.

When determining BRMAs the Rent Officer takes account of the distance of travel, by public and private transport, to and from these facilities and services.

Rent Officers consult with local authorities when they determine and review the BRMAs. The boundaries of a BRMA do not have to match the boundaries of a local authority and BRMAs will often fall across more than one local authority area.

The VOA provides the local authorities with information that identifies the size of the BRMAs and which properties fall into them.

Maps and information for every BRMA can be found on [http://www.direct.gov.uk/en/Diol1/DoltOnline/DG\\_196239](http://www.direct.gov.uk/en/Diol1/DoltOnline/DG_196239).

## How is the LHA calculated for new claims from 1st April 2011?

Rent Officers determine the LHA rates for each category by calculating the 30th percentile of a list of rents within every BRMA. The 30th percentile is a mathematical value. Its effect is to set the LHA at the rent level at which around 3 in 10 private rented properties in the BRMA are affordable on housing benefit.

The list is made up of rents that are paid for private sector tenancies. Each list is a representative sample of the rents across the BRMA, including those from the lower end through to the upper ends of each rental market.

A graph showing the list of rents for each BRMA can be found on **Directgov**: [http://www.direct.gov.uk/en/Diol1/DoltOnline/DG\\_196239](http://www.direct.gov.uk/en/Diol1/DoltOnline/DG_196239)

The rental information is provided to Rent Officers by landlords, letting agents and tenants.

The LHA rates vary from month to month as they track increases and decreases in the rental market within each BRMA. LHA rates are subject to maximum levels, known as caps.

## Why and how to contribute rental information to Rent Officers

Rent Officers recognise that the private rented sector is complex. It is continually changing in response to local supply and demand, and national level influences. Maintaining comprehensive and up to date information depends on the ongoing co-operation and assistance of landlords, lettings agents and tenants.

All contributions towards this research are welcome – all we need are some basic details about the property let and the rent level achieved.

Any rental information that agents, tenants and landlords contribute will be dealt with in the strictest of confidence and in accordance with the Data Protection Act.

**Lettings Research Enquiries Number: 08450 264696**

Calls from a BT landline will be charged at a local rate; however calls from other networks and mobile phones may result in additional charges.

### Postal Address:

Network Support Office – Housing Allowance  
Wycliffe House  
Green Lane  
Durham  
DH1 3UW

**Email:** [NSOhelpdesk@voa.gsi.gov.uk](mailto:NSOhelpdesk@voa.gsi.gov.uk)

**Fax:** 03000 501 506

**Website:** [www.voa.gov.uk/lettingsresearch](http://www.voa.gov.uk/lettingsresearch)

## Where can I find more information on LHAs?

Local authority Housing Benefit departments deal with claims for and the payment of Housing Benefit.

They can provide information on their LHA rates and BRMAs, and how personal circumstances affect the amount of benefits that can be awarded.

Local authority contact details and general information are available from:

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