Important Changes to Housing Benefit

The Government is reducing the amount of Housing Benefit some housing association tenants can claim. Under the new rules if you have more bedrooms than the Government say you need, you will lose part of your Housing Benefit.

How many ‘spare’ bedrooms do you have?

From April 2013, if you live in a housing association home and you have one or more ‘spare’ bedrooms your Housing Benefit may be reduced. The Government has specified that this change will not affect you if you or your partner are of Pension Credit age. (In April 2013 the Pension Credit age is 61 years and 6 months).

This could affect you

• If you are working age
• Even if you receive a small amount of Housing Benefit
• Even if you are sick or disabled

You will not be affected if

• You live in a ‘Shared Ownership’ scheme
• You or your partner are of pension credit age (as above)
• You live in a one bedroom property or bedsit
• Supported Accommodation
• Temporary Accommodation
• Non mainstream accommodation such as site rent for caravans, mobile homes or mooring charges for house boats

What is a ‘spare’ bedroom?

The new rules will match those in the private sector and will mean one bedroom is allocated for

• Every adult couple
• Any other adult aged 16 or over
• 2 children under the age of 10
• 2 children of the same sex under the age of 16
• Any other child
• A non resident carer proving overnight care

This means that rooms other than the ones required will be classed as ‘spare’ bedrooms. It does not matter how the ‘spare’ bedroom is used, the new rules will apply even if you and your partner need to sleep apart due to a medical condition or you have children who live elsewhere, but you have a spare room for when they stay with you.

What happens if you have a ‘spare’ bedroom?

If you have one ‘spare’ bedroom your ‘eligible rent’ considered for benefit will be reduced by 14%.

If you have 2 or more ‘spare’ bedrooms your ‘eligible rent’ considered for benefit will be reduced by 25%.

‘Eligible Rent’ otherwise known as Maximum Rent, is the total amount of rent and service charges upon which Housing Benefit entitlement is based.

Example 1
Mr and Mrs Smith live in a two bedroom flat costing £70 per week in rent. At the moment Housing Benefit covers the full rent. Under the new rules they will have one spare bedroom. Their ‘eligible rent’ will be reduced by 14%(14% of £70 = £9.80). Their Housing Benefit will be reduced by £9.80 to £60.20 per week They will have to pay £9.80 per week towards their rent.

Example 2
Mr and Mrs Bell live with their two boys, aged 13 and 15, in a three bedroom house. Their rent is £100 per week and they receive £10 per week in Housing Benefit. Under the new rules their children will be expected to share a bedroom and so they will be treated as having one spare. Their ‘eligible rent’ will be reduced by 14% of £100 (£14), so they will not receive Housing Benefit.

What should I do?

If you are worried about being able to afford to pay your rent, you should seek advice now!

Talk to the Housing Benefits Team: 0845 300 3352 or e-mail: benefits@mendip.gov.uk
Talk to your landlord:
Discuss transferring to a smaller home
Talk to the Citizens Advice Bureau:
www.mendipcab.org.uk