**Bedroom Tax Factsheet**

[**www.thcan.org.uk**](http://www.thcan.org.uk)

Clients under pension credit age living in social housing (e.g., council, housing association or other social landlord) who receive help to pay their rent, will receive a cut in Housing Benefit or Universal Credit housing costs if they have more bedrooms than they are deemed to need. The amount by which their benefit is reduced is 14% of the weekly rent for one bedroom, 25% for two or more bedrooms.

**How many bedrooms are you deemed to need?**

Under the social sector rules, one bedroom each is allowed for:

* Each adult couple (married or unmarried, and same sex couples whether in a civil partnership or not)
* A member of a couple who cannot share a bedroom. Under these rules you may be entitled to an additional bedroom if you are eligible for high-rate care Attendance Allowance, middle or highest rate of Disability Living Allowance or the daily living rate of Personal Independence Payment. Also, the local authority (or DWP in case of a Universal Credit claimant) must be satisfied that the couple cannot reasonably share a bedroom.
* Any other adult aged 16 or over
* Any two children of the same sex aged under 16
* Any two children under the age of 10
* A child under 16
* A child who cannot share a bedroom. The child must be under 16 and entitled to (note not necessarily receiving) the middle or highest rate of DLA care component AND the local authority (or DWP in case of Universal Credit claims) is satisfied that the child cannot reasonably share a bedroom.
* A non-resident carer – if the claimant or partner is getting AA or middle or high-rate of Disability Living Allowance care component or daily living component of Personal Independence Payment is a person who needs overnight carer, and that the local authority is satisfied reasonably requires overnight care regularly.
* If the client is a foster or kinship carer, providing a child is actually placed with them, or has been placed with them in the past 52 weeks.
* If the client or their partner has a son, daughter, stepson or stepdaughter in the armed forces, even when they are away on operations, provided they intend to return home.

**Is the client exempt?**

The social sector rules do not apply if:

* The client or their partner reached the age to qualify for pension credit whether getting pension credit or not (both claimants must have reached this age if claiming universal credit).
* Local housing allowance rules or the local reference rent rules apply.
* Shared ownership tenancies.
* The property is a houseboat, caravan or mobile home.
* Some temporary accommodation provided by a local authority or registered housing association.

**Options for those who are affected by the reduction.**

* Applying for a Discretionary Housing Payment – this may not be a long-term solution; you would generally need to show you are considering solutions to resolve the rent shortfall in the long term but always try and apply. Claims are awarded from 1-6 months and can then be reapplied for. There are no appeal rights if you are refused but a review can be asked.
* Moving to a smaller property – transferring through the Tower Hamlets waiting list, or to private sector rented property (but note that other HB restrictions may apply to the rent) or exchanging with another social sector tenant.
* Finding the money to cover the extra rent – whether from the client’s own income or from another member of the household. You should check that the client is getting all the benefits they are entitled to and could help them with a budget sheet/refer for money management advice.
* Taking a lodger – rent from a lodger for whom the client does not provide board (meals) has a £20 a week disregard; rent from a lodger with board has £20 disregarded and only half of the remaining rent is taken into account as income. For housing benefit, this applies even if the lodger is a close relative and it is not a commercial arrangement. This treatment of rent applies for each lodger. For Universal Credit, the rent from a lodger is not treated as income but the room the lodger occupies will still be counted as spare.