

## Housing Benefits and Shared Ownership (*ref 29*)

**1.** Housing Benefit is payable to cover the rental portion of a Shared Ownership lease. This is important in giving individuals with low incomes access to low cost housing.

Want to know more about Housing Benefit? Go to *Quick Brief Housing Benefit (ref 08)*.

**2.** Housing Benefit regulations state that any shared ownership lease is an 'excluded' tenancy for Housing Benefit purposes. This means that shared ownership rents are not referred to the Rent Officer (pre April 2008 claims). However, this will change in April 2008. After then, only shared ownership rents charged by registered housing associations will be 'excluded'. This will mean that help towards other shared ownership rents will be limited to the appropriate local housing allowance in the area.

**3.** These rules around housing benefit and shared ownership make it possible for 'family' Shared Ownership arrangements to be set up and attract benefit. However, there is still the question that councils may see such arrangements as either 'non-commercial' or 'contrived' because of the family connection, and refuse payment on this basis. Want to know more about this? Go to the *Factsheet Renting Accommodation to Relatives (ref 17)*.

**4.** HB is not payable on ordinary Joint Ownership arrangements ie. When the 'Shared Owner' is a family member, friend or other private individual.

### Conclusion

Individuals with learning difficulties often have very specific housing need with environment and location being a very important factor. Homes available in the public sector may not meet the needs and waiting lists are long. Renting within the Private Sector gives less security of tenure and can mean vulnerable individuals having to move on a regular basis. This can mean that suitable properties may be more expensive than the price limit placed on shared ownership purchases even allowing for additional allowances afforded in special circumstances.

The increasing cost of housing and the fact that many individuals who have a learning disability are on low incomes and are often reliant on benefit mean that shared ownership is often the only way of obtaining suitable housing in the right location not just a way onto the 'property ladder'. The ISMI limit of £100K does not allow outright purchase of a property in many areas of the country and is a particular problem where, a larger property is required to accommodate live - in carers or sharers. However using ISMI in a Shared Ownership purchase makes it possible to find properties in most areas.

If you require further information or have other queries contact Housing Options.

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