

Lincolnshire Authorities
Local Housing Allowance
SAFEGUARD POLICY

Introduction

The Government has introduced a new scheme of Housing Benefit for people who live in private rented accommodation. The scheme is known as Local Housing Allowance (LHA) and is effective from 7th April 2008. Most new claims for Housing Benefit will be affected by Local Housing Allowance.

Existing customers will continue to receive Housing Benefit under current rules unless they:

- Change address, or
- Have a break in their claim of one week.

The aims of the scheme are to promote fairness, choice and transparency whilst empowering people to budget for and to pay their rent themselves. The simpler system will help to speed up administration of housing payments, giving tenants more confidence when starting a job that any in-work benefit will be paid quickly.

LHA will normally be paid to the tenant. However, some people may be unable to cope with the responsibility of paying their own rent. We will have the discretion to make payments direct to the landlord if we consider it is in the best interest of the tenant to do so.

Policy Aims

The aim of the policy is to:

- Provide a safeguard to support tenants who cannot cope with the responsibility of paying their rent
- Help to sustain tenancies by preventing rent arrears accruing
- Help tenants to take responsibility for receiving direct payments of LHA
- Reassure landlords that their rent will be paid direct when it is appropriate to do so
- Provide our staff with a framework for making reasonable, fair and consistent decisions about who to pay.
- Promote a transparent and simple process that is understood widely.

The policy is not intended to:

- Supersede support that is being received to allow tenants the opportunity to be responsible tenants and be in control of their own income and expenditure
- Supersede the services already available in the area for tenants who require money or debt advice
- Be used by landlords to circumvent the aims of LHA
- Be a blanket policy for agencies providing support to private tenants, applications will be assessed individually on their own merits

Our approach

Where a tenant, landlord, or a third party brings to our attention, that there may be difficulties that could put a tenancy at risk because of non payment of rent we will look to see how we can support and enable the tenant to make satisfactory arrangements to pay their rent. Where it is not possible to provide that support, or have the assurance that payments will be made, we will consider whether it is in the interests of the tenant for payments to be made to the landlord.

Making an application

The tenant, landlord, tenants representative, third party or welfare organisation can make a request to the Local Authority for payment of the LHA to the landlord. The request may need to be supported with written evidence, but initially can be made by:

- Letter/email
- Telephone
- Application form

Where a request for direct payments is received from a representative of the tenant, the third party must supply written authority to act on behalf of the tenant. We will be unable to discuss or deal direct with any third party without written authority.

We may decide to make payments to the landlord or the tenant without application where we are satisfied it meets the requirements of the law and this policy. We may use information or evidence held by us, other Councils and any other organisation that is available to us.

What we will do

We will:

- Comply with the law when considering whether it is appropriate to make payments direct to a landlord
- Have regard to guidance issued by the Department of Work and Pensions
- Help to put tenants in touch with other agencies where necessary and give people the opportunity and support to manage their own financial affairs
- Work with landlords where the tenant consistently fails to pay the rent
- Make reasonable, fair and consistent decisions
- Treat each case individually on it's own merits.
- Ask the tenant to provide more information to help us arrive at a fair decision if necessary.

What will be our considerations

Housing benefit law requires that we pay LHA direct to the landlord where:

- There are rent arrears exceeding eight full weeks
- The tenant is having deductions from their state benefit to pay off previous rent arrears.

Payment will not be made to the landlord if we consider the landlord not to be a 'fit and proper' person to receive such a payment, or it is our opinion that it is in the overriding interest of the tenant not to make payment to the landlord.

In all other circumstances housing benefit law allows us discretion on whether or not to make payments direct to the landlord. The Department for Work and Pensions has provided us with guidance on when direct payments to the landlord may be appropriate.

Our first consideration will be how we can help and support the tenant to make regular payments of rent. We will provide money advice information to tenants who require information to help them obtain and manage a basic bank account. We will encourage access to advice/support on daily budgeting and prioritizing financial commitments to help them manage their affairs.

We will always consider each case on its own merits and in doing so take account of whether the tenant is:

- unlikely to pay their rent because he or she :
 - Has rent arrears of less than 8 weeks and consistently fails to pay
 - Has previously absconded from a property leaving rent arrears
 - Has previously been evicted for rent or mortgage arrears
- unable to pay their rent because they have financial difficulties which mean they are unable to open a bank/building society account, have severe debt problems or are bankrupt.
- Likely to have difficulty managing their own financial affairs.

NB – Please see Appendix 'A' at the end of this document for examples

Making a decision

We will make a decision within 14 days having regard to all of the available evidence, efforts will also be made not to withhold payment.

In all cases where we decide to make payments directly to the landlord we will set a date to review that decision and the circumstance of the tenant. Payments will continue to be made to the landlord whilst an application is under review.

We will notify the tenant and landlord of our decision in accordance with the law.

Appeals

Any person (tenant or landlord) affected by a decision will have a statutory right to ask for more information and ask for a reconsideration of our decision. We will include these details in our decision letters.

Appendix A

Examples of Safeguards (Vulnerability) and possible sources

(Please note this list is not exhaustive and is to be used as an example only)

Reason for Safeguards	Suitable sources of evidence
Learning disabilities	Letter from support provider Letter from doctor Letter from social worker
Medical conditions	Letter from GP Letter from hospital
Illiteracy	Letter from support worker
Inability to speak English	Letter from support group Letter from community group
Addictions to: Drugs Gambling Alcohol	Letter from GP Letter from support worker Letter from hospital Letter from care worker Letter from social services
Severe Debt problems	Court order Letter from solicitors Letter from help groups Letter from creditors
Undischarged bankruptcy	Court Order
Inability to open a bank account	Letter from Bank Letter from Money advisor
Arrears/Missed/Erratic Payments	Letter and Rent Evidence from Landlord