

## What is Housing Benefit?

Housing Benefit is a means tested social security benefit. It is worked out and paid by local authorities on behalf of the Secretary of State. The amount of benefit we pay depends upon the age and circumstances of the person claiming and any others in their household. We can pay Housing Benefit to the employed as well as the unemployed and people receiving state benefits – in fact most people who are liable for rent, except most students and persons from abroad who are not entitled to claim public funds due to their immigration status. There is a capital limit which means that no one apart from those receiving guarantee credit who have savings of £16,000 or above can receive Housing Benefit.

## What can Housing Benefit pay for?

The rent you charge your tenant often includes items apart from the actual money paid to live in the property. Housing Benefit cannot meet certain items which may be included in the rent but are considered ineligible services. For example water rates, meals, fuel for cooking, heating and lighting in the dwelling are ineligible although heating and lighting of common parts of the property are eligible charges. Charges for General Support and Counselling are ineligible as are personal alarm systems but fire alarm charges can be met through Housing Benefit. For more information about eligible and ineligible services please see the leaflet *Housing Benefit and Council Tax Benefit explained*, the Housing Benefit section of our website or the leaflet *Housing Benefit Explained for Landlords*.

## Housing Benefit and the tenancy agreement

The relationship between the landlord and the tenant is governed by the tenancy agreement. Housing Benefit is merely a social security benefit paid to those on a low income which in certain circumstances can be paid to the landlord. (See **Who do we pay, the landlord or the tenant?** later in this leaflet.) If there is a shortfall between the amount of benefit paid and the contractual rent it is the tenant's responsibility to pay this amount in accordance with the tenancy agreement.

## Housing Benefit and the Rent Officer

For most landlords in the Private Rented sector, the Rent Officer decides the maximum Housing Benefit we can pay. We can only pay up to the **average rent for a suitable sized property in the area**.

If the contractual rent is more than this figure then it is the tenant who is liable for the difference. If the eligible rent charged is less than or equal to the average rent then the Housing Benefit will be worked out based upon the actual eligible rent.

You can find out the maximum Housing Benefit payable on a property before the tenancy agreement or renewal tenancy agreement is signed by you and your prospective tenant by filling in the **pre-tenancy determination form** enclosed with this pack.

Do you know someone claiming benefit who shouldn't be? **Ring the Fraud hotline** on 020 8359 2007

## How will the Housing Benefit be paid?

When the tenant's benefit is paid to the landlord we are only allowed to pay the benefit four weekly in arrears. Benefit will be paid by crossed cheque or directly into the bank account via BACS.

## Who do we pay, the landlord or the tenant?

On their application forms tenants can ask for their benefit to be paid to you. The tenant can however change their mind and request payment to themselves at any time. If the tenant is more than eight weeks in arrears with their rent we will pay you, the landlord at your written request unless it is in the overriding interests of the tenant not to do so. You must show that the tenant is more than eight weeks in arrears. Where there is a dispute between you and your tenant as to whether or not the tenant is more than eight weeks in arrears we may ask you to prove the arrears by showing a county court judgement.

## Confidentiality and Data Protection

All claims for Housing Benefit are confidential and we are unable to discuss the claim with you without the tenant's permission. If payment is being made direct we can tell you how much is payable and when the next payment is due. We may ask you to get the tenant to contact us themselves. The application form does allow the tenant to give us permission to discuss the claim with you but without that permission it is illegal to divulge further information.

