

## **Local Housing Allowance – Safeguard and Money Advice Policy**

Under the rules of Local Housing Allowance (LHA), Housing Benefit will usually be paid directly to the claimant.

However it must be paid to the landlord if

- the claimant is eight or more weeks in arrears with their rent
- DWP deductions are currently being taken to cover housing costs or

Local Authorities have a further discretion to pay a landlord direct if they consider the tenant is “likely to have difficulty in relation to the management of their financial affairs” or considers that it is improbable that the tenant will pay their rent.

We can also pay the Housing Benefit to the landlord where paying the landlord the Housing benefit direct will aid a tenant in obtaining or retaining a tenancy.

The policy aims to enable vulnerable tenants to secure and keep tenancies and ensure that landlords are willing to accept vulnerable claimants as tenants.

The local authority objective is to make this decision making process is fair, consistent, easily understandable and easily accessible.

### **Who might we consider to have difficulty in managing their financial affairs or we think it improbable that the tenant will pay their rent?**

A person with learning difficulties, language problems, addictions, mental or physical health problems may be considered vulnerable if they are likely to have difficulty in relation to the management of their financial affairs.

Additionally, a person with a known history of financial difficulties may also qualify, such as claimants with large and/or multiple debts, those with recent County Court judgements against them, an un-discharged bankrupt, persons unable to open a bank account due to a poor credit rating or someone previously evicted for rent arrears.

Where a person already has an appointee to act for them they will not be considered vulnerable.

### **How do we judge whether or not paying a landlord direct will aid a tenant in obtaining or retaining a tenancy**

If the landlord agrees to let a property at or below the new reduced LHA rates we will consider paying the landlord especially if the landlord can show that the property was previously let at a higher rent. If the landlord agrees to waive part of the rent so that the amount the tenant has to actually pay the landlord is less than the new LHA rates we would also consider paying the Housing benefit to the landlord.

### **Procedure**

A tenant being more than eight weeks in arrears or the tenant having deductions from their benefit to cover rent arrears are matters of fact and if the landlord can provide proof then payment will be made to the landlord. Landlords can write to us at the address below with the information and evidence.

A tenant may dispute the amount of arrears and if they do so payment will be suspended whilst we make enquiries. Where there is a dispute, landlords may be asked to show a court order to prove arrears.

A tenant is in arrears with their rent if the rent is not paid by the date it is due rather than when the period it covers has passed.

If the tenant has difficulty managing their financial affairs

The claimant and/or their representative or the landlord should let the Housing Benefit Office know that they want the Housing benefit to be paid to the landlord under this policy. The first contact can be via letter, email, and phone or via the application form. However the LA will expect to receive written evidence from a number of sources.

It will be the responsibility of the claimant or representative or their new landlord to request that the benefit be paid to the landlord.

**Claimants or their representatives** will be asked to complete form **LHA1** and supply the appropriate evidence.

**Landlords** can write directly to the Housing Benefit office explaining why they believe the tenant is vulnerable. Landlords must supply evidence.

**We would accept written evidence from a number of sources such as :**

- the claimant
- his or her friends and/or family
- the landlord
- welfare groups
- Social Services
- GP.
- probation officers
- the Department of Work and Pensions (DWP, Jobcentre Plus).

The list is not exhaustive and decisions will not usually be made on the basis of evidence from a sole source, such as the landlord.

**Time taken to make a decision and payment**

The local authority has up to eight weeks in which to make a decision on the claimant's vulnerability and during this time LHA can be paid directly to the landlord. Alternatively, the local authority can make a first payment to the landlord.

**Notification Process and Appeal Rights**

The local authority will notify the claimant and/or their representative of their decision in writing. The notification will state

- the tenant is considered to have difficulty in managing their financial affairs and LHA will be paid direct to the landlord, or
- there is insufficient evidence of the tenant having difficulty in managing their financial affairs and LHA will be paid to the claimant.

The landlord will also be notified of the decision.

Both parties will also be notified of their appeal rights and the time limits if they wish to challenge the decision.

Where LHA entitlement exceeds the contractual rent and the claimant is considered vulnerable, the landlord will be paid an amount equivalent to the contractual rent and the difference will be paid direct to the claimant.

### **Reviews**

It is the aim of Local Housing Allowance to have as many people as possible managing their own affairs.

The local authority will review the decision under this policy at six monthly, 12 monthly or longer intervals depending upon the reason that a person is deemed to need safeguarding and the likelihood of that changing.

### **Money advice**

Claimants not accepted as needing safeguarding under this policy will be asked to open a bank account if they do not already have one. Information on basic bank accounts will be provided in the form of leaflets. If claimants have difficulty in opening a bank account, they will be directed to the money advice service provided by the Citizens Advice Bureau.

### **Landlords**

Landlords need to be reassured that the LA, while assisting tenants to manage their own affairs and promoting financial inclusion, will also strongly promote the responsibility of the tenant to fulfil their contract with the landlord. This is in accordance with our current landlord policy and strategy.

Tenants will always be able to let us disclose information to landlords about their claim and we encourage landlords to contact us before taking action against their tenants in receipt of Housing Benefit

### **Publicity**

This policy will be published on the Barnet website

LHA1 forms will be available:

By post from: Housing Benefit Office	Personal callers can go to: Housing Benefit enquiry office
P.O. Box 989 Northampton NN3 9BU.	Burnt Oak Library Watling Avenue Edgware HA8 0UB
Telephone 020 8359 2111	
Typetalk available 18001 020 8359 2280	
Email <a href="mailto:benefits@barnet.gov.uk">benefits@barnet.gov.uk</a>	
Fax 0871 911 6101	