

NORTHUMBERLAND

Northumberland County Council

REVENUES & BENEFITS SERVICE

**LOCAL HOUSING ALLOWANCE
SAFEGUARD POLICY**

Introduction

The Government introduced a new scheme of housing benefit for people who live in private rented accommodation. The scheme known as the Local Housing Allowance (LHA) became effective from 7 April 2008. From this date all new claims for housing benefit, for claimants living in this type of accommodation are assessed under the provisions of the Local Housing Allowance rules.

Those claimants who claimed and were entitled to housing benefit prior to 7 April 2008 continue to receive their housing Benefit under prior scheme rules unless they:

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

Claimants renting from Registered Social Landlords are not affected by this new scheme.

Local Housing Allowance will normally be paid to the tenant. However, some people may be unable to cope with the responsibility of paying their own rent. If this is the case the Council has the discretion to make payments direct to the landlord if the Council considers it is in the best interest of the tenant to do so.

The term 'safeguard' is used where direct payments to a landlord helps claimants who might not otherwise pay the rent themselves.

Policy Aims

- 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 Local Housing Allowance
- Help put tenants in touch with other agencies where necessary, in order to give people the opportunity and support so that they can manage, or work towards managing, their own affairs
- Reassure landlords that their rent will be paid direct when it is appropriate to do so
- Provide council staff with a framework for making reasonable, fair and consistent decisions
- 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 the Local Housing Allowance
- Be a blanket policy for agencies providing support to private tenants.

Policy

Where the Council identifies, or where a tenant, landlord or a third party brings to the Councils attention, that there may be difficulties that could put a tenancy at risk because of non payment of rent the Council will look to see how they 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, the Council 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 or tenants representative can make a request for payment of the Local Housing Allowance to the landlord. The request may need to be supported with written evidence, but initially can be made by:

- Letter/email
- Telephone
- Application form

Examples of the sources of written evidence:

- Social services
- GP
- Citizens Advice Bureau
- Family or friends

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. The Council will be unable to discuss or deal direct with any third party without written authority.

What the will the Council do:-

- Comply with legislation 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 and not make assumptions about people's situations
- Ask the tenant to provide more information to help us arrive at a fair decision.

What will be the Councils considerations:-

Housing benefit legislation requires that the Council pays 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 the Council considers the landlord not to be a 'fit and proper' person to receive such a payment, or it is the Council's opinion that it is in the overriding interest of the tenant not to make payment to the landlord.

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

The Council's first consideration will be how they can help and support the tenant to make regular payments of rent. The Council will provide information to help tenants access providers of basic bank accounts and also organisations who can provide advice/support on daily budgeting and prioritising financial commitments to help them manage their affairs.

The Council will always consider each case on its own merit 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
- 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 e.g. people with learning difficulties or mental health issues.

Making a decision:-

The Council will make a decision within 10 working days of gathering all of the available evidence. Payments will continue to be made to the claimant whilst an application is under consideration.

In all cases where the Council decides to make payments directly to the landlord the Council 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. The Council will notify their decision in accordance with legislation.

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 the Council's decision. The Council will include these details in their decision letters.