



Local Housing Allowance - Safeguard Policy

April 2008

RHONDDA CYNON TAF CBC – OPERATIONAL FINANCE

CONTENTS

1. Introduction	3
2. Direct Payments to Landlords	3
3. Aims of the Policy	3
The tenant is unlikely to pay their rent because he or she	4
The tenant is unable to pay their rent because	4
4. Decision making process	5
Receiving an application	5
Gathering evidence	5
Making a decision	5
Amount to be paid to the landlord	6
5. Notifying affected parties	6
6. LHA Direct Payment Advice	6
7. Reviewing a Decision	6
8. Appeals	7

RHONDDA CYNON TAF CBC – OPERATIONAL FINANCE

1. Introduction

The Local Housing Allowance (LHA) is a new Government initiative regarding Housing Benefit for people living in privately rented accommodation. There are some exceptions to the scheme, including:

- Local Authority tenancies (now RCT Homes)
- Housing Association tenancies
- Supported accommodation provided by local authorities, social landlords, charities or voluntary organisations
- Tenancies that started before 1989
- Tenancies in caravans, houseboats, mobile homes and hostels
- Tenancies with substantial board and attendance

LHA will normally be paid to the tenant, and tenants cannot simply request that payment is made direct to their landlord.

2. Direct Payments to Landlords

The Department for Works and Pensions has provided guidance on when direct payments to the landlord may be appropriate, where a tenant cannot pay or is unlikely to pay their rent. In most cases the Council will decide whether it is appropriate to pay LHA direct to the landlord. However, unless it is in the overriding interest of the tenant not to, the LHA must be paid to the landlord at all times where:

- The tenant is 8 full weeks or more in arrears with their rent, or
- The tenant is having deductions made from their Income Support or Jobseekers Allowance to pay for rent arrears

3. Aims of the Policy

This policy will ensure that safeguards are applied correctly, to help minimise the risk of tenants falling into arrears with their rent and losing their home and also to reassure landlords that their rent will be paid. These include

- Providing a safeguard for vulnerable tenants and reassure them that their benefit and rent will be paid
- Preventing rent arrears and tenants being put at risk of eviction
- Helping to sustain tenancies for vulnerable tenants
- Helping tenants to take responsibility for receiving direct payments of LHA, where appropriate.
- Contacting other agencies where necessary to give people the opportunity and support to manage their own financial affairs
- Reassuring landlords that their rent will be paid if they have vulnerable tenants
- Working with landlords where the tenant consistently fails to pay the rent.
- Making reasonable, fair and consistent decisions
- Promoting a transparent and simple process that is widely understood
- Treating each case individually and not make assumptions about people's situations

RHONDDA CYNON TAF CBC – OPERATIONAL FINANCE

The circumstances where we will consider paying the Local Housing Allowance to the landlord are:

The tenant is unlikely to pay their rent because he or she

- Has rent arrears and has consistently failed to pay
- Has previously absconded from a property leaving rent arrears.

The tenant is unable to pay their rent because

- They have financial difficulties e.g. unable to open a bank/building society account, have severe debt problems or are bankrupt
- They are considered to be vulnerable and unable to manage their own financial affairs, this may include:
 - People with medical conditions such as mental ill health, Alzheimer's disease or a terminal illness
 - People with learning difficulties
 - People with physical disabilities and are housebound
 - Illiteracy or inability to speak English
 - A person who lives alone with no support
 - A person receiving assistance from the Housing Advice Centre or a homeless charity
 - A person with alcohol/substance/gambling addiction issues
 - A person receiving funding from the Supporting People Grant
 - A person who has recently experienced changes in their lifestyle that means they are temporarily unable to deal with their financial affairs e.g. bereavement, fleeing a violent relationship, leaving prison, leaving care, homelessness

This list is not exhaustive and there may be other causes of vulnerability that prevent the tenant from receiving direct payments of the Local Housing Allowance. Each case will be considered on its own merit rather than adopting a blanket approach to claimants meeting the above criteria.

The policy is not intended to

- Replace other support that may be provided to allow tenants the opportunity to be responsible tenants and be in control of their own income and expenditure
- Be used by landlords to circumvent the aims of LHA
- Be a blanket policy for agencies providing support to private tenants

4. Decision making process

Receiving an application

The tenant, landlord or tenant's representative can make a request to the Council for them to make payments of LHA directly to their landlord. This may be initiated by telephone, e-mail or letter. However, the Council reserves the right to ask that an application form be completed if this is deemed necessary.

Where a request for direct payments on the grounds of vulnerability or financial difficulties is received from a representative of the tenant, the third party must have written authority to act on behalf of the tenant. In all cases the application form or letter should include evidence to support the request.

Gathering evidence

The Housing Benefit Section will consider the information and evidence that has been received and whether this is sufficient to make an appropriate decision. Where appropriate, Housing Benefit staff or a visiting officer will visit the tenant or arrange an interview to gather more information in support of the request.

Examples of evidence could take the form of documentation from:

- Social Workers, Probation Officers, Support Workers or Housing Advice Centre Staff
- GP/Hospital
- Support or advisory services like the Citizens Advice Bureau and Shelter
- A tenant's family or friends
- Letter from a bank confirming that you are unable to open a bank account
- Copy of a Court Order or County Court Judgement
- Rent records and letters proving attempts to collect monies or evidence from a previous landlord

Where further information is requested, all parties will be given one month to respond. If there is no response within a month, the case will be considered on the information available. In all cases, where the tenant has rent arrears or consistently fails to pay the rent, documentary evidence is required.

Making a decision

Using the information and evidence available it will be decided if it is in the best interest of the tenant to pay the LHA to the landlord. In all cases the decision will be reviewed periodically.

RHONDDA CYNON TAF CBC – OPERATIONAL FINANCE

Amount to be paid to the landlord.

If the LHA is higher than the tenant's contractual rent, the payment will be split, and the tenant will receive the excess amount directly. If it is decided that the request is unsuccessful, LHA will be paid to the tenant. Financial advice and/or referral to appropriate support services will be considered.

5. Notifying affected parties

When a decision has been made, affected parties will be notified in writing using standard notification letters. This will include

- The decision
- Reasons for the decision
- If and when this decision will be reviewed
- Appeal rights
- Any advice agencies, voluntary or statutory organisations that offer help and support

6. LHA Direct Payment Advice

In all cases, the Benefits Section will offer advice to tenants who require information or assistance to help them obtain a basic bank/building society account. Where a tenant has severe financial or debt problems a referral to an appropriate agency will be offered to the tenant.

7. Reviewing a Decision

The tenant and/or representative will be contacted again 4 weeks from the end of the review period to determine whether their situation has changed and if they can receive payment of LHA directly.

In the first instance we will write to the tenant or their representative / support worker to get an update of the situation. However, the Council reserves the right to ask that an application form be completed if this is deemed necessary. Payment will continue to the landlord until the review is completed. If the situation has not changed, a further review period will be set on the claim.

Where the circumstances of the tenant have changed which means they can accept the responsibility of direct payments and pay the rent to their landlord, we will make a new decision to pay the LHA to the tenant and will notify the tenant. We will also write to the landlord advising of the new decision, the date payment to the landlord will cease, and of their appeal rights.

8. Appeals

The tenant or the person who has made the application or referral can ask the Council to review any decision made regarding direct payments of the LHA. They can

- Ask for an explanation for the decision
- Ask the council to reconsider the decision
- Appeal against the decision

In all cases the person must contact the Council, in writing with their reasons within one month from the date of the decision. We will then look at the decision again.

For further information and application forms please contact: -

**Housing Benefits
Bronwydd House
Porth
Rhondda Cynon Taf
CF39 9DL
Tel No: 01443 681081**