

Local Housing Allowance Payment to Landlord Policy

Background

From 7th April 2008, Local Housing Allowance will be introduced for all private sector, Housing Benefit claims. Under Local Housing Allowance (LHA), a tenant cannot simply request that their payments are made to their landlord. To protect vulnerable tenants, Mole Valley District Council will use its discretion to pay the landlord in certain cases. This policy sets out the guidelines by which Mole Valley District Council.

Aims

The aims of this policy are:

- to provide a safeguard for the most vulnerable tenants and reassure them that their benefit and rent will be paid
- to help prevent rent arrears and tenants being put at risk of eviction
- to help sustain tenancies for vulnerable tenants
- to reassure landlords that their rent will be paid if they have vulnerable tenants or are approached by vulnerable tenants

Objectives

The objectives of this policy are:

- to ensure Mole Valley District Council makes reasonable, fair and consistent decisions
- to promote a transparent and simple approach that is widely understood
- to treat each case individually and to avoid making assumptions about people's situations

The policy is not designed to:

- supersede support that is being received by tenants and helping them to be responsible for their own income and expenditure
- be a blanket policy for agencies providing support to private tenants
- be used by landlords to get round the aims of Local Housing Allowance

Procedure

Alerting the Local Authority of potential vulnerability

The tenant or their representative requests that they would prefer their LHA to be paid to the landlord. The request needs to be supported with written evidence from a third party, but can initially be made by:

- a letter / e-mail
- a phone call
- an application form

Gathering information and evidence

Mole Valley District Council will consider the information that has been received and whether there is enough evidence to make an appropriate decision. Evidence can be from:

- Adult Social Care Teams (WSCC, Supporting People, Social Services)
- Doctor
- Probation Officer
- support or advisory services i.e. CAB
- a tenant's family or friends
- DWP
- Rent records and letters proving attempts to collect monies or evidence from a previous landlord or rent arrears
- Non Medical

This list is not exhaustive.

Evidence from a landlord will not be accepted alone.

Making a decision

A Senior Benefits Officer will look at each case and one of two decisions will be made:

1. that the tenant is vulnerable and payment of LHA will be made to the landlord
2. that the tenant is not vulnerable and payment of LHA will be made to the tenant

Notifying affected parties

The tenant and/or their representative will be written to and advised of the following:

- the decision
- if and when the decision will be reviewed
- appeal rights
- contact details for the CAB if they don't have a bank account and will be receiving excess LHA themselves

The landlord will also be written to and advised if:

- their tenant has been found vulnerable and the Local Authority will pay them the LHA up to the contractual rent
- if and when the decision will be reviewed
- if their tenant has been found not to be vulnerable, the landlords appeal rights against this decision

Bank details for the landlord will also be requested, if not previously received.

Examples of Vulnerability

Long Term Vulnerability

- the tenant has a learning disability that prevents them from managing their financial affairs on a daily basis
- the tenant suffers from a medical condition e.g. schizophrenia, dementia, terminal illness, that makes it hard for them to cope with routine tasks
- the tenant has a physical disability that means that they are often housebound making it difficult for them to manage their affairs

Short Term Vulnerability

- the tenant has experienced recent changes that has meant that they need additional support in managing their affairs e.g. bereavement, (violent) relationship breakdown, a period in hospital, leaving prison
- the tenant speaks English only as a second language presenting obstacles to them in opening and running bank accounts or reading and dealing with invoices and bills

- the tenant is dealing with (or has a history of) addiction to drugs, alcohol, gambling and a substantial monetary payment to them would prevent a risk of relapsing
- the tenant has a history of homelessness and/or rough sleeping and is receiving help to sustain a tenancy in the private sector.

These will be reviewed on a 13, 26 or 52 week basis, depending on the evidence received and the nature of the vulnerability.

Financial

- the tenant has severe debt problems e.g. County Court Judgements, bankruptcy, bad credit rating, preventing them from opening a bank account.

Cases where direct payment must be made to the landlord

The Local Authority is obligated under the Housing Benefit Regulations, to make direct payments to landlords in the following circumstances:

- Where an amount of Income Support, State Pension Credit, or either kind of Job Seekers Allowance, payable to the claimant or partner, is being paid directly to the landlord to meet arrears, or to meet the cost of ineligible services of a hostel resident.
- Where the claimant has rent arrears equivalent to 8 weeks or more, except where the authority considers it to be in the overriding interest of the claimant not to make direct payments.

If one of these cases applies, the landlord can contact the Local Authority to request that payments of Local Housing Allowance are made directly to them. The request needs to be supported with written evidence, but can initially be by:

- a letter / e-mail
- a phone call

The Local Authority will require a landlord declaration – proof of rent arrears form to be completed.