

# **Local Housing Allowance: tenants who are likely to have difficulty paying their rent**



**Local Housing Allowance is a new way of working out new claims for Housing Benefit for tenants renting accommodation from a private landlord.**

**It also affects tenants already getting Housing Benefit who move into accommodation rented from a private landlord.**

**Local Housing Allowance is being introduced on 7 April, 2008. If you live in Council accommodation or rent from the Orkney Housing Association, Local Housing Allowance will not affect you.**

With Local Housing Allowance, benefit is usually paid to the tenant. Tenants cannot choose to have their benefit paid to their landlord. But in some circumstances we can decide to pay benefit to the landlord.

## **When may a local authority make payments to the landlord?**

The local authority must usually pay the benefit to the landlord if the tenant is eight weeks or more in arrears with their rent.

Payment may be made direct to the landlord where we decide that the tenant is:

- likely to have difficulty in managing their financial affairs;
- unlikely to pay their rent.

We can also decide to pay benefit to the landlord if, during the current claim to benefit, we have had to pay the landlord because the tenant was eight weeks or more in arrears with their rent.

## **Who can ask for the payments to be made to the landlord?**

Tenants, landlords, tenant's families or persons acting on the tenant's behalf, may tell the local authority that they are having difficulty paying their rent, or are likely to. The local authority may also identify tenants who may have difficulty managing their money, for example, when carrying out home visits. And landlords can contact the local authority, especially if the tenant is getting into arrears with their rent.

## **Who may have difficulty paying their rent?**

There are many reasons why someone may have difficulty paying their rent. They might be someone who:

- has severe debt problems;
- has a recent County Court judgement against them;

- is an undischarged bankrupt;
- is unable to open a Bank or Building Society Account;
- has some of their Income Support or Jobseeker's Allowance paid direct to the gas, electricity or water company by the Department for Work and Pensions;
- is getting Supporting People help;
- is getting help from a homeless charity.

Or someone may have difficulty paying their rent if they:

- have learning difficulties;
- have an illness that stops them managing on a day-to-day basis;
- cannot read English;
- cannot speak English;
- are addicted to drugs, alcohol or gambling;
- are fleeing domestic violence;
- are a care leaver;
- are leaving prison;
- are homeless.

There may be other reasons why someone might have difficulties. Ask us for more information. Details about how to get in touch with us are at the end of this leaflet.

### **Who decides if we may pay the landlord?**

We decide if we may pay the landlord.

There may be times when Housing Benefit staff know someone has difficulty in managing their money and may take action based on this knowledge. We recommend that, if someone thinks a tenant may have difficulty managing their money, they encourage the tenant to contact us.

We must have evidence to show that they have difficulty managing their money and that it is in their interest that we pay the landlord directly. Evidence should usually be in writing. People who can provide evidence include:

- the tenant;
- friends and family of the tenant;
- the landlord;
- welfare groups (including Money Advisers);
- Social Services;
- Probation Officers;
- Jobcentre Plus

- The Pension Service;
- homeless charities/organisations;
- Supporting People teams;
- local/council rent deposit scheme administrators, homelessness or housing advice officers.

We will work with the tenant in making our decision.

## **Making a decision**

Once we have collected evidence we will decide as quickly as possible if direct payments to the landlord are appropriate. We will still pay benefit while we are making our decision.

We will write to the tenant and explain our decision. We will also write to the landlord.

## **Reviews and appeals**

If the tenant or landlord disagrees with our decision they can ask us to look at the decision again. This is called a review. Or they can appeal against the decision, giving reasons why they think the decision is wrong.

If you want more information about reviews and appeals, please see our leaflet, **HB(LHA)7** *Local Housing Allowance: reviews and appeals*. Details about how to get in touch with us are at the end of this leaflet.

## **Money advice**

Tenants can get help managing their money from Orkney Citizens Advice Bureau, Anchor Buildings, Bridge Street, Kirkwall, Orkney, KW15 1HR. Tel: 01856 875841

See our leaflet, **HB(LHA)8** *Local Housing Allowance: money advice for tenants*, for further information.

## **Further information**

If you want more information about where we may consider direct payments to the landlord, or where we must pay the landlord:

- phone the Council's Housing Benefit Section on (01856) 873535 Ext 2116, or Direct Dial (01856) 886312
- visit, or write to, the Council's Housing Benefit Section at Orkney Islands Council, Council Offices, Kirkwall, Orkney, KW15 1NY
- look on our website on [www.orkney.gov.uk](http://www.orkney.gov.uk)
- email us at [benefits@orkney.gov.uk](mailto:benefits@orkney.gov.uk)
- visit [www.direct.gov.uk](http://www.direct.gov.uk)

Remember that this leaflet is a guide only. It is not meant to say exactly what your legal rights are. While we have tried to make sure that the information in this leaflet is correct at the date shown below, it is possible that there may be incorrect information or some ideas may be oversimplified. Also, please remember that the information in this leaflet is likely to become less accurate over time because of changes to the law.

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