

Local Housing Allowance: money advice for tenants



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.

How will my benefit be paid?

With Local Housing Allowance you will usually have your benefit paid directly to you. You cannot choose to have your benefit paid direct to your landlord.

If you are likely to have difficulty paying your rent, you can ask us to pay your benefit to your landlord. Please see our leaflet **HB(LHA)2** *Local Housing Allowance: tenants who are likely to have difficulty paying their rent* for more information about this. You can get this from us at the address below.

What will happen if I don't use my benefit to pay my rent?

As a tenant you are responsible for paying your rent to your landlord. This is the same as for tenants who do not get benefit. If you do not pay your rent your landlord may apply to us to have your benefit paid to them. Or they may take other action to recover their money, including evicting you from your home.

Eviction means that:

- you will lose your home;
- your benefit may not be paid to you in the future;
- you may have difficulty finding new accommodation, as your landlord is unlikely to give you a reference;
- you will still have to pay the landlord the money you owe and possibly extra money to cover any court costs;
- an application for re-housing could be affected as you may be considered to have made yourself intentionally homeless.

How can I pay my rent?

The easiest way to pay your rent is if you have your benefit paid into a Bank or Building Society Account. That way you can arrange to pay the rent to your landlord automatically. This is called a standing order. As long as you have enough money in your account, you won't have to worry about remembering to pay your rent and your landlord will know the rent will be paid automatically.

If you do not already have a Bank or Building Society Account, you may want to set one up.

Opening a Bank/Building Society Account

If you don't have a Bank or Building Society Account, now may be a good time to think about opening one. You should be able to open an account either at a Bank or Building Society.

You can get advice about opening and running a Bank Account from any Bank or Building Society. And there are many organisations that can give you advice about money, including if you have already tried to open an account and have not been able to. Please see below details of some useful contacts.

Help with managing your money and debt

If you are concerned about managing your money or you have debts, try not to worry, but do not ignore your problem – it won't go away. If you cannot pay your rent because of money problems you may be evicted from your home. You must ask for help. There are many organisations that can give you advice about debt and money problems. They are listed below:

British Bankers' Association (BBA)

The BBA produce some useful leaflets on proving your identity and a range of banking services. For more information:

- visit www.bba.org.uk
- phone 020 7126 8800

Citizens Advice Bureau

Citizens Advice Bureau (CAB) offer advice on debt problems and a very wide range of other money and non-money topics. Orkney Citizens Advice Bureau, Anchor Buildings, Bridge Street, Kirkwall, Orkney, KW15 1HR. Tel: 01856 875841

If you are struggling to live on the money you have or are experiencing problems with debt, you may want to think about whether you are getting all the benefits or tax credits that you are entitled to.

For more information and advice you can visit the central government money advice section on the internet at www.DirectGov.co.uk. This also has a wide range of public service information and links to other organisations which you may find useful if you are looking for help or advice.

If you have any queries about Housing Benefit and how it is worked out using the Local Housing Allowance rates:

- 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
- email us at benefits@orkney.gov.uk
- visit 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 on the cover, 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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