



LOCAL HOUSING ALLOWANCE

SAFEGUARD POLICY
(FOR TENANTS AND LANDLORDS)

REVENUE & BENEFIT SERVICES
PRESTON CITY COUNCIL
(FINANCE & BUSINESS SERVICES
DIRECTORATE)

VERSION 1
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INTRODUCTION

Local Housing Allowance (LHA) is a key part of the Government's plans for Welfare reform. Two of the main aims of this reform policy are financial inclusion and personal responsibility. The Government wants to empower people to budget and pay for their rent themselves which will encourage some of the skills needed for the move back into work.

Currently around 40% of Housing Benefit payments in the private rented sector are made to tenants with the remainder being made directly to landlords. The Government intends for this to change with the introduction of LHA and in most cases Housing Benefit payments should be made to tenants.

Although it is the Government's intention for the majority of tenants to receive Housing Benefit payments directly, it is also recognised that in some cases this may not be possible or appropriate.

For this reason, Housing Benefit payments can be made to a landlord or third party where the Local Authority "considers that the claimant is likely to have difficulty in relation to his financial affairs" or where the Local Authority "considers that it is improbable that the claimant will pay his rent." The Department for Work and Pensions has issued guidance to Local Authorities to determine which tenants fall under these provisions but it is for the Local Authorities themselves to put safeguards in place to identify these vulnerable tenants and to make and review decisions affecting to whom Housing Benefit payments should be made to.

AIMS AND OBJECTIVES

As part of this LHA strategy the key objective will be to make a positive contribution to promote financial inclusion, social inclusion with the aim of reducing poverty and make a real difference to people's lives.

Under Local Housing Allowance (LHA) a tenant cannot simply request that their payments are made to their landlord. To protect vulnerable tenants the Council will apply discretion to pay the landlord. This policy sets out the guidelines by which officers will make decisions.

In order to offer protection to the most vulnerable people in our community, the Council will work in conjunction with local support groups to identify vulnerable tenants and also design this policy in consultation with stakeholders across the city.

The policy will ensure that the safeguards in place are applied correctly, to help minimise the risk of tenants falling into arrears with the rent and losing their home and also to reassure landlords that their rent will be paid. All staff will be made aware of the policy and when direct payments should be made on the grounds of vulnerability. When faced with the task of making a decision under the 'can't pay' category it is important to remember the aims of the policy, in order to apply it appropriately.

The aims of the vulnerability policy in Preston 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
- to help put tenants in touch with other agencies where necessary and give people the opportunity and support so they can manage their own affairs
- to ensure council officers make reasonable, fair and consistent decisions
- to promote a transparent and simple process 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 in 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 circumvent the aims of LHA

PEOPLE WHO ARE UNABLE TO MANAGE THEIR OWN AFFAIRS

The following is a list of people who may have difficulty in paying their rent and therefore may be eligible for payments to be made directly to their landlord.

This list is not exhaustive and there may be other indicators that a person will be unable to pay their own rent. A blanket policy will not be applied and each case will be considered on its own merit.

In individual cases it may be appropriate to interview the person in order to establish possible indicators for making payments to the person's landlord.

Indicator	Evidence
People with learning difficulties	Care / Support worker GP Social Services Other government departments Medically qualified practitioner
People with a medical condition that may impair their ability to manage day to day affairs (schizophrenia, depression, Alzheimer's disease, senile dementia)	Care workers GP Social services Other government departments Medically qualifies practitioner
Addiction to drugs, alcohol or gambling	Care workers GP Social services Probation services Supporting People Addiction support teams
Illiteracy or inability to speak English	Welfare organisations Ethnic minority groups
People experiencing temporary disruption to their normal lifestyle such as bereavement, fleeing domestic violence, leaving prison, Women's refuge, care or homelessness	Social services Probation services Support organisations
People refused access to bank accounts	Notifications from banks Solicitors letters CAB Court Orders

PEOPLE WHO MAY BE UNLIKELY TO PAY THEIR RENT

The following list identifies potential sources to be considered when making a decision that a person is unlikely to pay their rent.

- Information held by the Local Authority of previous rent arrears
- The customers intentions
- The landlord
- Probation Officer
- Welfare Organisations including money advisors
- Supporting people
- DWP
- Homeless organisations

Any decision must be made in the best interest of the customer and most customers will benefit from paying rent for themselves.

In cases when a customer states they intend not to pay their rent it is important to consider the reasons why this may be, before making a decision on payments to the landlord.

Where a decision is made that the customer is unlikely to pay their rent a referral to the Welfare Benefits team may be appropriate, providing an opportunity for the customer to obtain financial help and advice in preparation for receiving payments in the future.

WELFARE BENEFITS TEAM / DEBT ADVICE TEAM (Preston City Council)

This dedicated team consists of two debt advisers who are based in the Welfare Benefits Information Centre, Town Hall Annexe. The Centre is open Monday to Friday 10.00am until 4.00pm and the Debt Advice Service operates on an appointment system. Referrals can also be made from any other organisation on the tenant's behalf.

All debt issues are dealt with (apart from Business debts). Clients are interviewed and a financial statement is drawn up. Creditors are then contacted on the client's behalf and an offer of payments is made, based on what they can realistically afford, taking into account priority debts.

There are also four Welfare Benefit Advisers based in the Centre, who provide a drop in and appointment service giving advice / information on all state benefits, including completion and verification of PCC Housing Benefit forms.

Both services are confidential and free to all residents of Preston

REVIEWING VULNERABILITY

When reviewing the vulnerability of the customer you must ascertain the original reason for this categorisation. If the reasons are long term then the vulnerability indicator can remain throughout the life of the claim.

Long Term		
Grounds	Evidence	
Tenant has a learning disability that prevents them from managing on a daily basis	Care / support Workers GP	Adult Social Care DWP – (evidence of benefits)
Tenant suffers from a Medical Condition that makes it hard for them to cope with routine tasks. EG. schizophrenia, dementia, terminal illness	Care / support Workers GP	Adult Social Care Hospital
Tenant has a physical disability whereby they are often housebound making it difficult for them to manage their affairs.	Care / support Workers GP	Adult Social Care Hospital

If the reason for the vulnerability is identified as a short term issue the vulnerability indicator is to be reviewed.

Temporary / Short Term		
Tenant has experienced recent changes that has meant they need additional support in managing their affairs E.G. bereavement; (violent) relationship breakdown; period in hospital; leaving prison, leaving care	Care / support workers GP Adult Social Care	Hospital Probation officers Family / Friends
Tenant speaks English only as a second language, presenting obstacles to them in opening and running bank accounts; reading and dealing with invoices and bills.	Written Evidence from Support Organisations that arrears / debts have occurred as a result of not understanding correspondence	
Tenant is dealing with (or has a history of) addiction to drugs, alcohol, gambling and a substantial monetary payment to them would present a risk of relapsing.	Support Organisations GP Adult Social Care	Hospital Care / support workers Supporting People
Tenant has a history of homelessness and / or rough sleeping and is receiving help to sustain a tenancy in the private sector.	Housing Advice Advice / Welfare Agencies	Homelessness Teams

If the vulnerability is due to financial reasons the vulnerability indicator is to be reviewed

Financial		
Tenant has severe debt problems E.G. CCJs, Bad credit rating that prevents opening bank accounts; un-discharged bankruptcy	Creditors Court orders	Solicitors CAB DWP Job Centre Plus are paying other paying benefit direct to Utility company

EQUAL OPPORTUNITIES

This Safeguard Policy supports the Council's Equality and Diversity policy. Preston City Council is committed to equality of opportunity and will ensure that its Local Housing Allowance Safeguard Policy will not unfairly discriminate against persons on the grounds of sex, marital status, disability, age, race, sexual orientation, language or social origin, or of other personal attributes, such as religious beliefs or political opinions.

- The Council has facilities to provide for:
- Translation and interpretation for customers whose first language is not English
- Sign language facilities for the hearing impaired
- Large text for the visually impaired

There are many other reasons that service users may have difficulties accessing our services. It is the duty of all staff to ensure these issues are considered to ensure that information is appropriately communicated in ways that the tenant can understand.

COMPLAINTS

Preston City Council operates a Complaints Procedure that is available to any customer who is not satisfied with the way their case has been dealt with. Details of the complaints procedure can be found in the Council's 'Complaints' leaflet that is available from the Contact Centre in the town hall.

Comments and complaints about our Local Housing Allowance Safeguard Policy will be used to help monitor and improve our service.

THE LAW AND FUTURE AMENDMENTS

Where minor legislative amendments occur this policy will be amended to incorporate the required changes. If a major change in the law occurs the policy will be redrafted and submitted again to the Executive Member for approval.

It should be noted that changes to statute and case law may result in changes to the way we apply this policy document.