

Local Housing Allowance

Newsletter for landlords

Issue 2



Welcome to issue 2 of our Local Housing Allowance (LHA) newsletter. In this edition we will feedback on our recent consultation exercise on safeguards issues, give answers to the questions raised at the first meeting with the North West Landlords Association (NWLTA), and give some general advice as we move towards go live date on the 7th April 2008.

Consultation on safeguards issues

You may remember that in issue 1 we advised you that under Local Housing Allowance we will normally send payments to your tenant and they will then be responsible for paying their rent to you. Only in certain circumstances can we make payment direct to you. We may do this if:

- the tenant is likely to have difficulty managing their own affairs.
- the tenant is unlikely to use their LHA to pay their rent. This could be if there is evidence that the tenant has consistently failed to pay their rent in the past.
- there are more than eight weeks rent arrears or if the tenant is having deductions from their Income Support or Jobseeker's Allowance to pay off rent arrears.

We recognise that some tenants may struggle with their responsibility to pay their rent and therefore introduced you to a draft version of our Safeguards Policy and Procedures. We gave you the opportunity to consult on this through our website and a small forum organised through John O'Donnell at the NWLA. The consultation period ended on 31st December 2007.

The policy and procedures appear to have been well received. We will start to use these in April to help deal with any payment issues that you or your tenants may have. We will arrange to review them as we go through the implementation stages and make any alterations or improvements if required.

Questions and Answers from NWLA Wigan landlords group

At our first meeting on 12th December 2007 members asked us a number of questions. To keep everyone informed we've listed these below together with the answers;

- **Will you have regard to a tenant's previous history of paying rent when deciding who to pay?** Yes, if the issue is whether a tenant is unlikely to pay we will take account of any previous history of non-payment that is available.
- **Should landlords contact you early as soon as tenants don't pay their rent?** Yes, tell us about this as soon as possible, don't wait for 8 weeks arrears to accrue.
- **Will a change of address to another of my properties mean that they will start to receive Local Housing Allowance?** Yes, any change of address into a new private sector tenancy will trigger the new scheme. This includes a move with the same landlord, for example a change of rooms within a block of flats.
- **I have two properties one in Standish and one in Platt Bridge. Will they both get the same rate?** Yes, the Local Housing Allowance rates will be more or less standard across the borough. We do have a small number of properties at the north end of Ashton that will fall under St Helens, we haven't received full details of these yet from the Rent Service.
- **If a case is reviewed by you, and the tenant fails to respond or complete a form resulting in the claim being cancelled, will this mean that this is a break in claim and my tenant will start to get LHA?** Potentially yes, any break in claim of a week or more will move a tenant onto the Local Housing Allowance scheme.
- **If the rent is £75 per week and the LHA is £80 per week will the tenant get the £5 excess even if the £75 is paid direct to me?** Yes, the tenant will normally receive the excess above rent. However, if you can demonstrate current rent arrears you can ask us to consider temporary payment of the excess to you to clear those arrears.

- **Surely, where there is an agency involved then you need to ensure that the rent is paid to the landlord. This situation would resolve the tenant from benefit fraud.** Tenants whose claims are processed using Local Housing Allowance legislation no longer have the simple option of having their benefit paid direct to their landlord or agent. Only in the circumstances listed above can we pay the landlord or agent direct.

General advice for landlords

Here's some simple steps you can take to help make the implementation of Local Housing Allowance easier for yourself and your tenants;

- get to know your tenants
- make suitable arrangements for paying the rent
- maintain rent accounts
- keep records of any arrears and communications with tenants to recover them
- notify us if you have serious concerns about your tenants' ability to manage payments
- notify us if you are having serious difficulties collecting the rent - don't wait until 8 weeks arrears accrue.
- provide us with documentary evidence to support requests to receive payment on behalf of your tenant
- encourage your tenants to give us consent to discuss their Housing Benefit claim and payments with you

Rates of Local Housing Allowance

The Rent Service have told us that it will be mid-March before they supply us with any figures that we can publicise.

We will publicise the rates on our website as early as possible, and they will be available at council reception points throughout the borough.

Further information

If you have any general enquiries about Local Housing Allowance you can email lha@wigan.gov.uk. You can ring us on 01942 828644.

or you can write to:

The Benefits Section,
Council Tax Offices,
PO Box 100,
Moore Street East, Whelley,
Wigan, WN1 3DS

We will answer general enquiries either directly or collectively through our website.

What next?

We remain committed to working with Wigan landlords on Local Housing Allowance and payment issues wherever we can.

Our priority over the coming months is the successful implementation of the new scheme.

We will meet again with the NWLA Wigan landlords group on request in the spring or early summer.

We will continue to issue updated versions of this newsletter and we are happy to do presentation updates at any meetings of Wigan landlords through the NWLA.

We will be in contact with John O'Donnell again in the spring.

We will update our Local Housing Allowance website,

www.wigan.gov.uk/HousingBenefit/LHAlandlords with useful information, please refer to this from time to time to keep yourself up to date with progress.