



LOCAL HOUSING ALLOWANCE

**Housing Benefit Reforms
Trainer's Brief**

Contents

About this course	Page 3
Introduction	Page 7
Scope of LHA scheme	Page 9
Exemptions	Page 9
Maximum and eligible rent	Page 11
Liability to pay rent and proof of residency of household members on LHA claims	Page 12
Which LHA to use	Page 13
The Broad Rental Market Area	Page 13
The size criteria – number of people in the household.	Page 13
The Rent Service	Page 17
The Local Housing Allowance	Page 18
Applying the correct LHA	Page 18
Backdates	Page 18
Change of circumstances for claims already on the LHA scheme	Page 19
Reviewing the LHA at the end of the year	Page 19
Changes of circumstances and anniversary date	Page 19
Effective date of changes of circumstances	Page 20
Late notifications of changes of circumstances	Page 20
Transferring existing claims onto the LHA scheme	Page 21
Protected cases	Page 22
Thirteen week protection	Page 22
Protection on death	Page 22
Payment of LHA	Page 23
Bank accounts	Page 23
Post Office accounts	Page 24
Telephone banking	Page 25
First payment on a new claim	Page 25
Sharing information	Page 25
Safeguards – paying the landlord	Page 26
Mandatory direct payments	Page 26
Discretionary direct payments	Page 27
The safeguard criterion	Page 28
Identifying potential claimants who are likely to have difficulty paying their rent	Page 28
Possible indicators of tenants who may have difficulty paying their rent	Page 28
Causes	Page 29
Effects	Page 29
Tenants who fulfil the criterion	Page 30
People unlikely to pay their rent	Page 31
Identifying people unlikely to pay their rent	Page 31
Indicators that someone is unlikely to pay their rent	

Receiving a representation to pay the landlord direct	Page 33
Evidence	Page 34
Making a decision	Page 35
Reviewing decisions	Page 36
Appeals	Page 37
Re-determinations by the Rent Service	Page 38
Discretionary Housing Payments	Page 39
Overpayments	Page 40
Appendix 1 – Exercises / Worksheets	
Appendix 1A – Exercises / Worksheets Answers	
Appendix 3 – The LHA PowerPoint Slides	
Appendix 4 – The Rent Service PowerPoint Slides	

Course structure

The course is structured around 19 topics (excluding 'Welcome') with corresponding PowerPoint slides. The topics you cover will depend on the people you are training. For example, assessors will require all 19 topics, landlords may only need topics relating to setting out and paying the LHA amount. You can adapt the training material to your audience.

The time you spend on each topic will depend on the level of knowledge of your participants and whether you are delivering this course to people who need an overview of the LHA (for example customer services staff and councillors) or technical training (for example benefit assessors and team leaders).

A full list of the topics with suggested approximate duration times is provided as that could be of help in the planning of your training delivery.

The material comprises

The training material comprises

- Trainer's material – this includes the trainer's brief; PowerPoint slides (LHA and the Rent Service) with additional notes, exercises to check understanding and handouts (referred to as appendices)
- Trainee material – this includes a copy of the trainer's brief, PowerPoint slides (LHA and the Rent Service) with the facility to make notes, exercises and handouts (referred to as appendices)

A copy of the localised trainer's brief and trainee material should be issued to all delegates at the beginning of your training session.

We suggest you give the trainer's brief to LA staff only.

Trainer Note

Throughout the trainer's brief you will find **Trainer Notes**. The **Trainer Notes** prompt you to cover or explain areas relevant to your LA.

Topics, duration times and resources

The following shows timescales for project staff, processing staff, front line staff and anyone else who requires full in-depth training, a total of 3 hours 45 mins.

For other staff the following is recommended

- Liaison Officers, Social Services and Reception staff 1, 5, 7 and 12: a total of 55 mins
- Welfare Organisations, Welfare Rights and Visitors: all areas but not in as much details as processing staff, etc (worksheets will not be needed for these stakeholders) a total of 2 hours
- Councillors 1 and 2: a total of 20 mins

These timings are indicative only and the exact time will depend on your organisations needs.

*Minutes **PowerPoint

No	Suggested Duration	Topic	Actual Duration	Resources
1	10 mins	Welcome		
2	10 mins	Introduction		PP** slides
3	15 mins	Scope of LHA		PP slides
4	5 mins	Maximum and eligible rent		PP slides
5	5 mins	Liability to pay rent and proof of residency of household members on LHA claims		PP slides
6	25 mins	Which LHA to use		PP slides
7	10 mins	The Rent Service		PP slides
8	20 mins	The LHA		PP slides
9	05 mins	Transferring existing claims onto the LHA scheme		PP slides
10	15 mins	Protected cases		PP slides
11	15 mins	Payment of LHA		PP slides
12	15 mins	The safeguard criterion		PP slides & VA

13	10 mins	People unlikely to pay their rent		PP slides
14	15 mins	Receiving a representation to pay the landlord direct debit		PP slides & VA
15	15 mins	Making a decision		PP slides
16	15 mins	Reviewing a decision		PP slides
17	5 mins	Appeals		PP slides
18	5 mins	Re-determinations by the Rent Service		PP slides
19	5 mins	Discretionary Housing Payments		PP slides
20	5 mins	Overpayments		PP slides

Additional resources you may need

You may also wish to make the following resources available

Housing Benefit Local Housing Allowance guidance (possibly one between two if delivering a technical course)

'Building choice and Responsibility: A radical agenda for HB' (at least two copies). This publication is available on the DWP HB website

- Communication leaflets or newsletters on the LHA
- Calendars
- Laptop
- Data projector

Awareness training only – materials to use

If you are delivering this course to people who need awareness training only, we suggest you use the following PowerPoint slides

- 1-12
- 19-26
- 29
- 31
- 36-43

Use the notes in the trainer's brief, and any relevant information on the LHA within your LA, to supplement the notes we have made on the PowerPoint slides.

About this course

This course is for all relevant Benefit Service staff who are customer facing or process Housing Benefit (HB).

The course is also suitable for providing LHA awareness to other Local Authority (LA) staff, Councillors and landlords.

Aim

To provide Benefit Service staff, and others, with knowledge of the Local Housing Allowance (LHA) scheme.

Objectives

By the end of this course delegates will be able to clearly explain

- the aim of the LHA scheme
- the role of the Rent Service
- what a Broad Rental Market Area is
- how claims are dealt with
- what changes affect the LHA
- the appeals and redetermination process
- the safeguard criterion
- management information data issues (see Appendix 4)

Welcome and domestics TOPIC 1

As the trainer, you should introduce yourself and welcome the trainees to the course.

Cover the domestics for the accommodation as follows

- fire procedures, including fire alarm test times
- toilets
- smoking area
- start and finish times
- tea/coffee and lunch breaks

If the trainees are familiar with the domestics of the accommodation, you only need to cover

- start and finish times, and
- tea/coffee and lunch breaks

You should then set out the aims and objectives of the course. Keep this high level if presenting to councillors and landlords.

Group introductions/icebreaker

If the trainees attending this event are unfamiliar with each other you may wish to use a short icebreaker as an introduction.

For example

- In pairs, or small groups depending on the size of the group, ask the group to list two good things and two bad things about the LHA
- Acknowledge any reservations and the reasons why some people feel that way. For example, someone may state that the scheme encourages landlords to raise their rent to the level of LHA
- Try and deal with such issues during your presentation. For example you may also wish to cover any steps your LA is taking to help claimants who are faced with an illegal increase from landlord

This icebreaker will also work if the trainees are familiar with each other.

If the trainees are not familiar with the LHA, or if you want to gauge the level of knowledge of the LHA in the group, you should use a different icebreaker.

For example

- In pairs, or small groups depending on the size of the group, ask the group to list what they know about the LHA
- You should deal with any misconceptions during your training session

From 7 April 2008, Housing Benefit in the Private Rented Sector is changing, and is being replaced by the new Local Housing Allowance (LHA). These changes will affect how Housing Benefit is worked out, and how it is paid.

Any tenant who rents from a landlord in the deregulated private sector and makes a new claim for Housing Benefit on or after 7 April 2008, will be paid Local Housing Allowance.

Local Housing Allowance will be the new way of working out Housing Benefit. It is for people who rent their homes from a private landlord, who are on a low income and need help to pay their rent.

LHA makes it easier for tenants and landlords to find out in advance how much rent could be covered by way of Housing Benefit.

LHA will be based on the rent levels for the area in which a person wants to live, and on the number of people who live with them. There is no change to the entitlement rules; these will still be based on a person's income, savings and proof of rent etc.

- Claimants will receive LHA for the accommodation they are renting. LHA is the maximum rent or eligible rent
- LHA has been designed to pay a flat rate amount to tenants with similar circumstances, who are living in the same area. This means that LHA will be based on standard amounts for different sizes of property – HB will no longer be based on the amount of rent for the actual property
- The tenant must still have a liability to pay rent as they do under the HB rules (*HB Regulation 8 & 9*)
- Service charges will not be deducted even when the landlord is being paid directly and the full contractual rent is paid
- Claimants will receive the LHA for the appropriate size of accommodation based on the size criteria
- The LHA amounts will be set by the Rent Officer and will be based on rents in a Broad Rental Market Area
- The LHA amounts will be published and reviewed monthly
- Claimants will receive the LHA which was in force on the effective date of their claim
- An LHA award will run for a year unless certain changes of circumstance occur before then
- If the relevant LHA exceeds the rent the tenant is paying they can keep up to £15.00 of the difference. This will be ignored in assessment of means-tested benefits
- If the relevant LHA is less than the rent the tenant is responsible for paying, the tenant will have to pay the difference

The fundamental aims of the LHA scheme are to promote: (slide 5)

Fairness

Local Housing Allowance bases the maximum amount paid to tenants on the size, composition and location of the household. Therefore, two households in similar circumstances in the same area will be entitled to similar amounts of benefit.

Choice

Tenants are encouraged to take greater responsibility and choose how to spend their income in a similar way to tenants who are not in receipt of benefits. Like other tenants, they are able to choose whether to rent a larger property, or to spend less on housing and increase their available income.

Transparency

The current link between Housing Benefit and individual rents is complex and does not set out clearly what level of state support is available for people on low incomes. A clear and transparent set of allowance rates helps tenants (and landlords) know how much financial help is available from the state. Tenants are able to compare how much support is available towards their housing costs in different areas and for different property sizes having taken into account that if their LHA rate exceeds their rent then they can keep up to £15.00 of the difference.

Personal responsibility

Empowering people to budget for and to pay their rent themselves, rather than having it paid for them, helps develop the skills unemployed tenants will need as they move into work. The Government believes that, wherever possible, Local Housing Allowance should be paid to tenants, as are most other benefits and tax credits.

Financial inclusion

Ideally, we want people to have their housing payments paid into a bank account and to set up a standing order to pay the rent to their landlord. This has the advantage of being a safe and secure method of payment and provides certainty for landlords that rent will be paid.

Improved administration and reduced barriers to work

For working-age tenants, Local Housing Allowance provides greater certainty about what help is available in and out of work. A simpler system also helps speed up administration of housing payments, giving tenants more confidence when starting a job that any in-work benefit will be paid quickly. A more transparent system may also improve the ability of individuals to move between areas and to take advantage of employment opportunities.

The LHA scheme applies to HB claimants in the mainstream deregulated private sector (ie those that are normally referred to the Rent Service), claimants who are mainstream private tenants.

Exemptions (slide 7)

A number of cases are exempt from the LHA scheme.

These are

- Registered social landlord tenancies (Housing Associations)
- Protected cases, such as housing provided by certain local authorities, social landlords, charities and voluntary organisations. Where that body or a person acting on its behalf also provides the claimant with care, support and supervision (supported housing). In these cases it must be shown that the landlord has overall responsibility of the provision

Please note that tenants would be entitled to LHA even if they were receiving floating support via Supporting People, providing they are in regular private sector tenancies. It is only supported accommodation that is exempt and that would be where the landlord (housing association, charity etc) or someone acting on behalf of the landlord also provides them with care, support or supervision.

If they are living in mainstream private accommodation they would continue to get LHA whether or not they were receiving support. It does not affect their eligibility.

- Tenancies which are excluded from current rent restrictions (such as pre-1989 tenancies)
- Exceptional cases, such as caravans, houseboats (including mooring charges), mobile homes, hostels (including temporary bed and breakfast accommodation)
- Cases where the rent officer judges that a substantial part of the rent is attributable to board and attendance (eg hotel accommodation)

Exempt cases continue to have their HB calculated under non-LHA rules.

All new claims or change of address not exempt from the scheme that are received on or after 7 April 2008 will be assessed under the LHA scheme. ***For further details on exemptions see Local Housing Allowance Guidance Manual, paragraph 1.20***

New claims include (slide 8)

- New claims from people who have never claimed before
- Changes of address
- Re-applications where there is a break in the claim of one week or more

- Income based re-applications where a claimant has previously been on Income Support or Jobseeker's Allowance (Income-Based) and there has been an extended payment. (Where no extended payment has been awarded, then this is not a new claim)

Note: the rules for extended payments will be changing in October 2008. Extended payments from this date will not be classed as a new claim and will therefore not transfer claimants onto the LHA scheme.

(See page 21 for further details about existing claims).

Maximum and eligible rent (slide 9)

TOPIC 4

Under the current regulations, the majority of private tenants have their level of HB limited to a 'maximum rent', set by the Rent Officer. This can be the same as the rent that a person is charged by their landlord or it can be set at a level less than the landlord charges.

Under the new scheme the customer's maximum rent will be the LHA that he or she is entitled to (not exceeding £15 in excess of their rental charge (including service charges)).

This avoids the need for rent officers to examine every property and decide what level of rent is eligible for HB in each case.

The LHA will then normally become the claimant's 'eligible rent', which is the figure used in calculating the claimant's entitlement.

If service charges are included in the rent, they are **not** deducted from the LHA rate that a person is entitled to, even if the landlord is being paid directly and the full contractual rent is paid.

Liability to pay rent and proof of residency of household members on LHA claims **TOPIC 5**

As with the current rules, you must make sure that there is a liability to pay rent. You should ask the claimant to provide any relevant evidence to enable you to establish the amount of rent and the rent liability (remember that you will be comparing their rent charge (including service charges) with the LHA and then applying a CAP of £15 on the excess where applicable).

Due to the fact that the number of household members increases the LHA and therefore increases the amount payable in benefit, it is important that you obtain proof not only of child benefit and non-dependants income as you do now, but also obtain proof of residency of all household members. (This applies to LHA claims only).

Household members include dependants, non-dependants, boarders and sub tenants.

You will not need to obtain proof of residency on existing claims where household members have been resident for some time, but proof will be needed for new members joining the household and for all household members on new claims as this will generate an increase in the claimant's room rate.

Which LHA to use (slide 10)

TOPIC 6

The LHA used to calculate a claimant's benefit will depend on

- the ages and number of people in the household, and
- the area in which they live (this is called the 'Broad Rental Market Area')

The Broad Rental Market Area (slides 11 & 12)

The Broad Rental Market Area is set by the Rent Officer and must include at least two distinct areas of residential accommodation in which a person could reasonably be expected to live. It must contain a variety of different types of residential accommodation.

A city can be one Broad Rental Market Area, for example Brighton and Hove Council is one Broad Rental Market Area. This means that the same LHAs will be applicable throughout the whole of Brighton and Hove.

The size criteria – the number of people in the household (slide13)

The size criterion is used to determine the appropriate number of rooms each household is entitled to.

The following is applicable to couples, couples with children, single parents with children and single people over 25.

One bedroom is allowed for

- an adult couple
- any other adult (aged 16 or over)
- any two children of the same sex aged to 15 years
- any two children under 10
- or any other child

The number of living rooms, kitchens and bathrooms is ignored for the purpose of this calculation.

Using these categories, the total number of rooms will determine the rate of LHA that a customer will qualify for.

Trainer Note

Consider for **all examples in the Brief**

Deliver to group **with** solution **OR** give as a question to group

Example 1

A married couple with a 14-year-old son are entitled to one bedroom for themselves as a couple and one bedroom for their 14-year-old son. This makes a total of two rooms and therefore they will qualify for the LHA rate for two rooms.

Example 2

A lone parent with a 12-year-old boy, a 9-year-old girl and a non-dependant would be entitled to one bedroom for themselves, one bedroom for the boy, one bedroom for the girl and one bedroom for the non dependant. This makes a total of four rooms and therefore they will qualify for the LHA rate for four rooms.

Trainer Note

Stress to delegates: that children who spend some time with absent parents should not be counted as occupiers of the home of the absent parent, and occupiers who temporarily go into hospital should continue to be counted as occupiers.

In cases of doubt over which parent a child normally resides with, the determining factor is normally which parent is receiving Child Benefit and would therefore receive allowances for that child under means-tested benefits.

Foster children

Housing Benefit regulations require the claimant and their family to occupy the dwelling as their home. The foster child can not be a member of the claimant's family and so does not 'occupy' the dwelling for the purposes of HB and should not be treated as being members of the claimant's household, therefore not treated as an occupier and consequently not included under the size criteria. **For more information see Local Housing Allowance Guidance Manual, paragraph 2.14.**

Students

Students aged between 14-17 years of age, and placed with host families, should not be treated as boarders or sub-tenants with a commercial let. Neither would they be treated as non-dependants in view of the short time that they stay in the property and are therefore not included under the size criteria. Where students stay for longer periods (a year or more) they could be treated as a boarder, sub-tenant or tenant and therefore included under the size criteria and the income received treated as rent (consideration of commerciality is needed). **For more information see Local Housing Allowance Guidance Manual, paragraphs 2.12 and 2.13.**

Single people under 25 (slide 14)

People who are single and under 25 are classed as 'young individuals', where they do not have a non-dependant living or treated as living with them (see *Shared non-dependants*) will be entitled to the standard rate for a room in shared accommodation (category A) rather than the one bedroom rate of LHA (category B).

Note: This does not apply to under 25s who have the Severe Disability Premium in their benefit assessment. Certain people under the age of 25 are not classed as a 'young individual' therefore these would not be subject to the Shared rate LHA rules.

Single people 25 and over, care leavers under 22 and childless couples

Single claimants aged 25 and over, care leavers under 22 and childless couples will qualify for the one bedroom rate of LHA (category B), but only if they have either exclusive use of two or more rooms, or exclusive use of one room, a bathroom, a toilet and a kitchen or facilities for cooking. You will need to check that the claimant actually rents accommodation that fits this criterion when they say that they do, as this will generate an additional room allowance.

If they decide to rent a shared property, they will only qualify for the shared accommodation rate of LHA (category A).

Note: Care leavers under 22 will qualify for the one room rate regardless of what they rent until they reach the age of 22 where they will fall within the definition for under 25's.

Joint tenants (slide 15 & 16)

If a customer has a joint tenancy, he or she would receive the LHA that is appropriate to their own household only.

In the case of joint tenants with non-dependants, we need to decide who the non-dependant 'belongs to' when adding up the number of rooms.

Example

Bill and Jill are joint tenants. They are both named on the tenancy agreement. Bill is single and 38 years old. Jill is 28 years old and single and has her mother living with her as a non-dependant.

Because they are joint tenants they will both need to claim benefit separately.

You would consider Bill's and Jill's households separately in deciding which LHA to use. Bill would qualify for the shared room rate of LHA because he is single and has only one room for his sole use, sharing the bathroom/toilet with Jill and her mother. Jill would qualify for the two-room rate of LHA, as she is entitled to one bedroom for herself and one for her mother. If Bill had two rooms for his sole use then he would get the two-room rate even though he shares a bathroom and kitchen.

In some cases, however, the non-dependant will not 'belong' to any one person in the joint tenancy and the LHA is unable to allocate the non-dependent to a tenant. In these cases the non-dependant is classed as part of each joint tenants' household. A non-dependant deduction is then made from each of the joint tenants' claims. The non-dependant deduction is the normal deduction divided by the number of joint tenants.

Example

Tom and Karen are joint tenants. They are both named on the tenancy agreement. Tom is single and 38 years old. Karen is single and 28 years old. They have their friend living with them who is not on the tenancy agreement. As they are joint tenants they will both need to claim separately.

We would consider Tom's and Karen's households separately in deciding which LHA to use. Tom would qualify for the two rooms LHA, as he is entitled to one bedroom for himself and one for the friend, as there are two people in Tom's household.

Karen would qualify for the same because the friend 'belongs' to both Karen and Tom.

We would take half of the relevant non-dependant deduction from each of the claims.

Trainer Note: refer to worksheet 1.

Issue Worksheet 1 to the delegates and give them 10 minutes to complete this exercise.

Please refer to Appendix 1A of worksheet 1 for the answers to the exercise.

At this point if you have a representative from the Rent Service present, get them to cover the next session, using Appendix 4 (The Rent Service PowerPoint Slides). If this is the case, ensure LHA PowerPoint slides 11 and 12 are excluded from your presentation.

However, if you do not have a representative from the Rent Service available then continue to use all LHA PowerPoint slides and provide the delegates with a copy of the Rent Service PowerPoint slide as additional information at hand.

The majority of claims that fall within the LHA scheme no longer need to be referred to the Rent Service for a decision about the rent. However, claims where the rent includes an element of board and attendance will still need to be referred.

The Rent Officer will decide what proportion of the rent is attributable to board and attendance. If a substantial part of the rent is attributable to board and attendance then the claim will be exempt from the LHA scheme, otherwise it will be part of the scheme.

The Rent Service is also required to define the Broad Rental Market Area that the LHAs cover, reviewing this as often as is thought appropriate.

The Rent Officers are also responsible for calculating the LHAs for different sizes of property in the area. The rates are based on the median (middle value) between the highest and lowest rental value for properties of a given size in an area. This means that there will be an equal number of properties above the median and an equal number below, which reflects the distribution of rents in an area. The Rent Service will provide LAs with updated LHAs every month, eight to ten days before the end of the preceding month.

Rent Officers normally provide LHAs for all property sizes up to five bedrooms, but will also provide standard rates for larger properties if

- they are asked to by an LA because the LA has received a claim in respect of a larger property, or
- they consider that larger house sizes are likely to be needed regularly by customers in an area covered by that LA

LHAs for larger properties can be requested by e-mail and will be provided within five working days.

Where an LHA is provided for a larger property it remains valid for the whole of that month.

The Local Housing Allowance (slide 18) TOPIC 8

Once an LHA has been used to calculate a person's maximum rent, it will continue to apply to the claim for a year unless an update is triggered by a change of circumstances. (See below for details of changes of circumstances).

Once an LHA has applied for a year without change, that award will come to an end and the claim will be re-assessed based on the current LHA applicable at the time.

Note: 52 weeks does not constitute a year, for example, claim received 7 April, the maximum rent will come to an end on 7 April of the following year. Where the claim is received on 29 February the maximum rent will come to an end on 28 February of the following year. HB Reg 13C (4)(5) and (6). **See *Reviewing the LHA at the end of the year later in the pack.***

Applying the correct LHA

Customers get the LHA that was in force on the date that their claim is treated as being made. So, if a claim is made in May but we do not process the claim until July, the May LHA will be used. We keep a complete list of LHAs for past months back to the start of the new scheme.

This ensures that customers have their benefit based on a figure that more accurately matches the state of the housing market at the date of their claim or change of circumstances.

Example 1

The customer claims for the first time on 29 April 2008. Their claim will start from the following Monday 5 May 2008. The April LHA should be used on the claim.

Example 2

The customer claims for the first time at a new address on Thursday 1 May 2008. They are on JSA(IB). Their date of claim is Monday 7 April 2008. The April LHA should be used. Although we received their claim on 1 May 2008, as they are on JSA(IB) they have one month in which to make a claim. As they have claimed within one month their claim is treated as being made on the date that their rental liability started, ie 7 April 2008.

Backdates (slides 19)

If a claim is backdated, the LHA used would be the LHA that was valid at the time the claim is backdated to, as this is now the date the claim is deemed to have been made.

Example

The customer claims for the first time on 6 May 2008. The claim is then backdated to 7 April 2008. You would use the April LHA.

If a claim is backdated to a point before the LHA go-live date, the claim comes under the rules in force on that deemed date. The Rent Service will accept a Rent Officer referral after LA is past the LHA start date. The claim will be processed using the Rent Officer decision.
HB Regs 13C and 14 (1)

or

If a claim is backdated to a date after LHA started apply the LHA that was in force on the date of claim.

For example: the claimant makes a claim in June and successfully asks for it to be backdated to April. The claim is assessed and the LHA rate applicable in April awarded. The anniversary date is changed to April. See *HB Reg 13C*

Change of circumstances for claims already on the LHA scheme (slide 20)

As mentioned above, the LHA is applied to a claim for a year; however, there are three circumstances in which the eligible rent might be superseded with a new LHA mid-year. These are

- if a change occurs which might entitle the claimant to a different category of allowance (eg if there was a change in the number of household members) HB Reg 13C(2)(d)(i) In this case, the new LHA for the month when the change happens would be applied
- the LHA applied to a case may change if there is a death in the household which does not trigger a change in the number of rooms the claimant is entitled to (eg if the claimant's spouse dies this does not change the category of dwelling (in these cases we would review the LHA rate and would apply the 52-week protection if the LHA rate would otherwise be reduced) HB Reg 12D(2) and 13C(2)(d)(ii)
- if the claimant has changed address HB Reg 13C(2)(d)(iii)

Reviewing the LHA at the end of the year

The LHA will be reassessed on the anniversary date (if nothing has caused it to be changed before then), and the LHA in force on that date will be used, but the change will take effect from the benefit week that starts **on or after** the anniversary, even if that is in a new month. For example, this means that the anniversary date must be used to generate the new LHA. If the anniversary date falls on a Monday the effective date for the new rate will be the same day; if it falls on any other day of the week the effective date is the following Monday. If that benefit week falls in the following month, the LHA rate will still be that of the previous month, ie the month in which the anniversary fell.

Changes of circumstances and anniversary dates (slide 21)

If someone has a change of circumstances that results in the calculation of a new eligible rent before one year has elapsed, the next review date will be the anniversary of the date of the change.

Example

Kate's claim is received on 30 April 2008. HB is paid from 05/05/08 using the April LHA. The anniversary falls on 30 April 2009. LHA will be reassessed using the April 2009 LHA rate and paid from the start of the week following the anniversary, 04 May 2009. Next anniversary 30 April 2010.

Example

Vicky's claim is received on 10 April 2008, so next review would be 10 April 2009. She has a baby on 4 July 2008 which means that a new LHA figure has to be used. The next review date is therefore 4 July 2009, not 10 April 2009.

Effective Dates of Changes of Circumstances (slide 22)

When the LHA has been recalculated, the new amount takes effect from the benefit week which starts **on or after** the date the change of circumstances occurred. The LHA rate will be the rate that applied in the month in which the change occurred, **not** the month in which it takes effect.

Example

- a) Billy's mother comes to live with him on 5 May 2008. New LHA takes effect from 12 May 2008, the anniversary date will now be the 5 May 2009.
- b) Janine's non-dependant son moves in with her on 30 April 2008. The effective date of the change is 5 May 2008, but April's LHA rate will be used. The anniversary date will now be the 30 April 2009.

Late Notification of Changes of Circumstances (slide 23)

The usual rules around late notification apply with changes to the LHA. If the claimant reports a change which would affect the LHA more than one calendar month after the change has occurred (without good reason) and

- the change is **advantageous**, it will apply from the date of **notification**
- the change is **disadvantageous**, it will apply from the date of the **change**

However, in all cases, the LHA to be used will be the one which applied at the time of the change, not the time of the notification, and the anniversary date will always be counted from the date of change regardless of date of notification.

Example

Frank's income decreased on 8 April 2008, but he did not tell us this until 5 June 2008. New rate of LHA will apply from 09 June 2008, but it will be April's rate which will be used.

The next LHA review date will be 08 April 2009.

Transferring existing claims onto the LHA scheme

TOPIC 9

(slide 24)

Existing claims will transfer onto the new scheme either
when a new claim is received

if there is a break in their claim of one week or more

OR

the claimant has a change of address

Thirteen-week protection (*slide 25*)

If we are satisfied that a claimant was able to pay the rent on their accommodation when their tenancy began and the claimant had not previously been entitled to HB in the 52 week period before their claim, they can have their eligible rent based on their actual rent **less ineligible services** (without rent officer restrictions) for 13 weeks, if this is higher than the LHA that they would qualify for.

This protection is based on the existing thirteen-week protection scheme in Regulation 12D(4) and aims to help those who are ordinarily able to pay their rent but have fallen into difficulties. This provides time to either find another job or to find cheaper accommodation.

Trainer Note: Any break in an award means that a person will lose their protection. However, a claim that is backdated to the date the previous award ended would not be classed as a break in the claim and so protection would not be lost.

Example

Mr Hussain is 30 years old, has had his tenancy since 1999 and has never claimed before. He lives alone in a two-bedroom house and makes a new claim for LHA on 18 April 2008. He is charged rent of £95 per week.

Under the LHA rules, Mr Hussain is entitled to a category B LHA of £80, however, as he satisfies the 13-week criteria, we can assess his benefit based on an eligible rent of £95 per week. 13 weeks later on 21 July 2008 Mr. Hussain's eligible rent will reduce to £80 per week using the April rate.

If, at the point of transfer onto the LHA scheme, a person is already entitled to a thirteen-week protection, they will only continue to be protected for the remainder of the 13 weeks and would then be paid at the rate set by the rent service.

Protection on death

In the case of the death of a relevant person, the claimant can be protected for a **year** from any decrease in their eligible rent. This protection is based on the existing rules for protection on death in Regulation 12D(2). As now, people can benefit from this protection even if they only claim HB after the death. In this case, their eligible rent will be based on the actual rent less ineligible services unless the LHA based eligible rent is higher.

If, at the point of transfer, a claimant is already entitled to a 52-week protection, they will only continue to be protected for the remainder of the 52 weeks and would then be paid at the rate set by the rent service.

Trainer Note: Any break in an award means that a person will lose their protection. However, a claim that is backdated to the date the previous award ended would not be classed as a break in the claim and so protection would not be lost.

In the majority of cases, Local Housing Allowance is paid direct to the claimant rather than to the landlord. The provision for claimants to choose to have their rent paid to the landlord no longer exists.

It is the tenant's responsibility to pay the rent to the landlord. The best way for this to happen is for customers to have their LHA paid direct into a bank account via BACS and then for them to set up a regular payment to their landlord by direct debit or standing order.

Anyone not wishing to receive payment by BACS would have their LHA paid by cheque. If someone is having their benefit paid to the landlord there maybe an excess so they should consider how this is paid to them, ie by BACS or cheque.

Bank accounts

Whether paying by BACS or cheque, (**Trainer Note: Enter your LA's name**) are advising customers to open a bank account.

Anyone who has difficulty opening a standard bank account may find it easier to open a 'basic' bank account that banks are required to provide.

These basic accounts offer less service than a standard account but can be opened without a deposit.

Services from basic accounts include

- Direct Debits or Standing Orders
- Cash Cards
- Telephone Banking

They do **not** usually include

- Cheque books
- Overdraft facilities, or
- Debit Cards (eg Switch or Maestro)

Most basic bank accounts also allow people to get money out at the post office as well as at cash machines.

The law says that anyone opening any type of bank account must prove their identity and where they live. Banks will ask for at least two forms of identity, one of which must confirm the customer's address.

All banks will accept the following as ID

- Passport
- Full Driving Licence
- Utility bill – (to verify address)

Some banks will accept other forms of ID such as

- Department for Work and Pensions/Benefits entitlement letter
- Council Tax demand
- Medical Card (for under 20s)
- Her Majesty's Revenue and Customs letter
- Disabled drivers pass
- EU Identity Card
- Letter from a responsible person (doctor/police officer/social worker/teacher)
- Firearms certificate
- Construction Industry Scheme card
- Residence permit
- National Insurance number card with P45 or P60
- TV licence renewal letter
- Letter from a young person's workplace or educational institution
- Letter from a care-home manager or warden of sheltered accommodation or a refuge
- Housing Benefit notification

These lists are not exhaustive and could be subject to change.

Each bank has its own policy about identity checks. If the claimant has difficulty proving their identity, the member of staff dealing with their application will usually refer the matter to someone who is authorised to decide in exceptional cases.

Post Office accounts

The normal method of payment for all DWP benefits and pensions is direct into an account. When making a claim for benefits, customers can choose to have their payments made into a current account or a basic bank account. If neither of these are suitable the third choice is a Post Office card account. It is important to note that only state pensions, benefits and allowances, war pensions and tax credits can be paid into a Post Office card account. LHA/HB **can not** be paid into a Post Office card account. The Post Office have an account called the 'Easy Access Savings Account'. To open a new account customers will need a minimum £100 deposit and will need to keep at least that amount in their account.

The account allows cheques to be paid in and withdrawals to be made through cash machines. The account can also be accessed through the post or by telephone. You may want to investigate what other facilities these accounts offer.

Telephone Banking

For people who do not want to set up direct debits or standing orders from their accounts, most banks offer telephone banking whereby people can phone their bank, check their balance and then ask the bank to pay a bill from their account on an ad hoc basis.

Trainer Note

Stress that some claimants may have an existing bank account which may result in payment of the LHA being used by the bank to clear overdrafts, if any. The bank may also stop the claimant from drawing money from the account due to any overdraft. This would leave the claimant with insufficient funds to pay their rent to their landlord, resulting in a build up of arrears.

You may want to suggest that the claimant opens a different account, within a different banking group, for their LHA to be paid into.

Sharing information (slide 27)

As tenants are no longer able to request direct payments to their landlord, the direct payment authorisation form (DPA) will no longer be used.

So that we can still share information about a claimant's claim with landlords, a new declaration (**Trainer Note: delete as necessary** – has been included in the claim form / has been produced) for claimants to give their permission for us to be able to discuss their claim.

This 'sharing information' form must be signed by the claimant before we can discuss any aspect of the claim with a landlord or third party.

Safeguards – paying the landlord

In recognition of the risk that some tenants can struggle with the responsibility of handling their financial affairs, safeguards have been put in place to be able to make direct payments to the landlord.

Mandatory Direct Payments (slide 28 and 29)

As per the current rules, LAs **must** make direct payments to landlords if

- a tenant has built up arrears or the equivalent of eight weeks or more (unless it is not in the customer's overriding interests to do so or the landlord is not a 'fit and proper' person)
- or**
- they are having deductions made from their Income Support or Jobseeker's Allowance (Income-Based) to clear rent arrears

If the landlord is not fit and proper then payment can still be issued to the claimant, *HB Regs 96(3)* refers.

There is discretion to continue paying direct to the landlord when the level of arrears drops to below eight weeks. The use of an eight-week period ties in with the period of eight weeks in which a tenant can fail to pay the rent without being evicted, eg where a claimant is no longer in arrears of eight or more weeks the authority can use its discretion to continue payment to the landlord if the claimant is unlikely to pay or is likely to have difficulty paying their rent.

Note: if rent arrears are owed, the local authority will arrange to make payments direct to the landlord unless it is not in the customer's overriding interest to do so. However, landlords are encouraged not to wait for the eight week period to be reached before contacting the local authority.

You should set a review date when you have decided that the claimant is likely to have difficulty paying their rent. Set the review for a date appropriate in that particular case, for example if you feel that the conditions experienced by the claimant are likely to be of a short-term nature, you should set an appropriate review date (not exceeding 12 months) to look again at the decision. Where the condition is likely to be of a long-term nature, you may decide that it is not appropriate to set a review date.

Although there is discretion to continue payment to the landlord when the level of arrears drops to below eight weeks the aim of the scheme is to build tenants personal responsibility by paying the allowance to them rather than have it paid for them.

Where a tenant is in arrears, any excess LHA above the rent charged can be paid to the landlord in order to reduce the arrears. The excess cannot be used to pay the landlord more than the tenant owes in rent and arrears of rent.

Example:

Mr Jones' rent is £60 per week. The LHA is £75 per week and Mr Jones has arrears of £480 (eight weeks). We may make payments directly to the landlord. The maximum we can pay is £75. In doing this we can assume that £15 per week is going to pay off the arrears, however the claim will be monitored regularly to ensure there are still arrears and that we are not paying too much to the landlord.

Discretionary direct payments (slide 30)

Authorities have the **discretion** to make payment to the landlord if they

- consider that the tenant is likely to have difficulty managing their financial affairs. For example, if a person is known to have learning difficulties or has a drug/alcohol problem that would mean they are likely to have difficulty handling a budget, payment could be made to the landlord

or

- consider it unlikely that the claimant will pay their rent. For example, if the LA is aware that the tenant has consistently failed to pay the rent on past occasions without good reason, payment might be made to the landlord

Where there is a request or representation to pay direct to the landlord, each case must be looked at individually on its own merits.

(See page 33 for details about representations.)

Trainer Note

You should check what your LA's procedures are around tenants who are likely to have difficulty paying their rent and any policy on how this is applied.

Payment may be made direct to the landlord where the '*authority considers that the claimant is likely to have difficulty in managing his affairs*'.¹ Most claimants are capable of managing their own affairs and you should assume that they are making payments of rent to their landlord unless there is evidence to the contrary. Where there is evidence that the claimant is not, or is no longer, paying their rent you may make payments direct to the landlord unless it is in the overriding interests of the claimant or his family not to do so. That is, direct payment will serve as a safeguard to ensure that rent is paid on time and the claimant or his family can continue to maintain their household.

Data Protection

You must ensure that you have the claimant's consent to approach individuals or organisations for information, unless there is an established legislative gateway permitting the information to be disclosed to you. You should also ensure that you obtain, or retain, only such information as is necessary for you to make your decision.

Identifying potential claimants who are likely to have difficulty paying their rent

There may be occasions when you will be aware of a claimant's history through previous dealings or records held of a claimant having difficulty paying their rent and the local authority may choose to act on that knowledge without the need for a formal representation. This may include, for example, someone who has had an appointee on a previous claim or we may know that they have a severe mental impairment from details on their council tax account or we will have received a representation.

You should not treat a claimant as likely to have difficulty paying their rent if they have an appointee handling their affairs for them.

Possible indicators of tenants that are likely to have difficulty paying their rent (slide 32)

There are two things that you can consider that may indicate whether a person is likely to have difficulty paying their rent.

One is the **cause** and the other is the **effect**. It may be necessary to look at one or both to decide if someone fulfils the safeguard criterion.

¹ (Reg 96 (3A)(b)(ii) of the HB (General) Regulations 1987)

Just because someone may fall into one of the categories shown below does not necessarily mean they are unable to pay their rent and indeed they may be offended if we suggested to them that they could not.

These notes are for guidance only and are not exclusive. Each case should be looked at on its own merits.

Causes

The following cases can cause a person to be classed as having difficulty paying their rent.

People with learning disabilities. People with more severe learning difficulties will normally have appointees to help manage their financial affairs. However, in less severe cases, evidence should be considered from social workers, GPs (some GPs charge for providing this information and so claimants should not be expected to obtain and provide evidence that they do not already have), DWP, care workers, etc.

Medical conditions. Consider medical conditions that seriously impair a person's ability to manage on a day-to-day basis and impair their ability to pay their rent, eg mental illness (such as schizophrenia, age related mental deterioration such as Alzheimer's disease or senile dementia, depression, or terminal illness). Evidence should be considered from care workers, GPs (letters or referrals to hospitals etc), hospital, social services etc.

Illiteracy or an inability to speak English. People unable to read, write or speak English **may** have greater difficulty in paying their rent. Consider the effect that this inability has rather than the inability itself. Consider evidence from welfare groups such as welfare organisations, ethnic minority link groups etc.

Addiction to drugs, alcohol or gambling. Consider evidence from GPs, hospitals, care workers, Social Services, support organisations dealing with these addictions, Supporting People Team and Probation Services.

Fleeing domestic violence; single homeless (care leavers); people leaving prison. Consider evidence from Social Services, Probation Officers, women's refuge support organisations, supporting people team etc.

Note: the above list is not exhaustive.

Effects (slide 33)

People unable to pay their own rent will often have difficulty managing financial affairs more generally. This inability to manage financial affairs may be demonstrated by

Severe debt problems/recent County Court judgements. Evidence to use can be from financial help groups, welfare groups, creditors, courts and solicitors

Undischarged bankruptcy. Evidence should be the court order

An inability to obtain a bank account. Evidence can be letters from banks or information from money advice groups

DWP is making payment of Income Support or JSAIB direct to utility companies and arrears are still outstanding. Housing costs include service charge, utility bills *which are part of the rent*. You should only consider this as being an indicator if part of the debt is still outstanding

In receipt of 'supporting people' help. People in this category may already have been considered earlier. If not, evidence can be considered from social services and support providers. Consider evidence that has already been put on the benefit systems as well as evidence from social service and support providers

In receipt of help from a homeless charity. Consider evidence from the charity or the homelessness section of the LA, ie being re-housed through them due to eviction for rent arrears or they have intervened to prevent homelessness by direct payment (where arrears exist) and/or clawback of excess to help reduce arrears (if applicable)

Unable to provide evidence of their difficulty in paying their rent. The fact that someone is unable to provide evidence that they are having difficulty in paying their rent may mean that they need safeguarding. However, this must be used as a last resort. In exceptional cases a favourable decision can be made if the local authority can be satisfied that the information is correct, even if not backed up by evidence. If evidence is not available the local authority may be able to use information from personal interviews and local knowledge. Where representation is received from the claimant, where evidence is not forthcoming you may wish to consider contacting them and asking if they would like a referral to a welfare organisation, for help in providing evidence in support of their claim

If the claimant is receiving help or funding from their local council rent deposit schemes, evidence to consider can be from the rent deposit forum.

Tenants who fulfil the criterion *(slide 34)*

It is important to note that just because people may fall into any of the categories under Effects and cause, this does not automatically make them eligible for the safeguard. Some people may fall into these categories but be quite able to manage their own affairs. Each case has to be looked at individually.

Trainer Note

Issue Handout: Deciding on payments direct to landlords (Appendix 2). You may want to go through this handout with the delegates.

The regulations state that direct payments can be made to a landlord where *'The local authority considers that it is improbable that the claimant will pay their rent.'*

LAs should assume that all tenants receiving the LHA will pay their rent unless evidence to suggest otherwise is received.

Identifying people unlikely to pay their rent

The regulations indicate that direct payments to the landlord can be made where 'the local authority considers that it is improbable that the claimant will pay his rent'.

There may be occasions when Housing Benefit staff will be aware of a claimant's history through previous dealings or records held, and may choose to act on that knowledge. However, in most cases people will be identified through representation.

Indicators that someone is unlikely to pay their rent

After receiving a representation, you should try to look at their past record especially if they have had previous claims.

One indicator could be that you have had to amend payment of previous Housing Benefit from claimant to landlord due to arrears. Another indicator could be that a person has vacated leaving rent arrears.

Other bad debts should also be considered as an indicator, however, in all cases the evidence should be compelling and the odd missed payment here or there is not sufficient to allow direct payments.

A statement from a tenant stating 'I will not pay my rent' is not sufficient to be able to make direct payments, it is necessary to find out why they have made this statement.

A fact to bear in mind is that a tenant can legitimately withhold their rent, eg in a dispute with the landlord over repairs or maintenance, however, you should **never** recommend this action to a claimant and they should be encouraged to first seek legal advice from Housing Advice or Welfare Organisations. Where this is the case, you should consider checking that they have made a referral to the environmental health section of the LA and they are investigating. You should also check that they are keeping the rent to one side, ie in a separate bank account or with a solicitor. If not you may consider that the tenant is using this as an excuse, and consider paying the landlord. It is important therefore to look at all the information.

Note: If eight weeks rent arrears have built up, the local authority should arrange to make payments direct to the landlord unless it is not in the customer's overriding interests to do so or the landlord is not a 'fit and proper person'. However, landlords are encouraged not to wait for the eight weeks period to be reached before contacting the local authority.

Not paying shortfalls to the landlord where the benefit has not covered the contractual rent is an indicator of a 'won't payer'.

If you decide that direct payments are appropriate, you should set a diary date in order to conduct a review of your decision, not exceeding 12 months, to look again at the decision again. **See *Local Housing Allowance Guidance Manual, paragraph 6.92.***

Receiving a representation to pay the landlord direct (slides 36 and 37)

TOPIC 14

In most cases, people who are likely to have difficulty paying their rent or people unlikely to pay their rent are identified through representation, either from the customer themselves or the customer's

- spouse
- family
- friends
- landlord
- GP/Doctor
- Probation Officer
- Local/council rent deposit schemes
- welfare organisations
- the national rent deposit forum
- money advisors
- Social Services
- DWP (eg Jobcentre plus, The Pension Service), Homeless charities/organisations
- Supporting People Team

Note: This list is not exhaustive.

Any representations from these sources must be signed and be in writing, and must always be investigated. This is important as it may be the case that the claimant will be the least likely person to identify themselves as being people who are likely to have difficulty paying their rent or unlikely to pay their rent.

It is always important to try to get enough satisfactory evidence to make a decision. If you cannot get enough evidence you should seek to interview the customer.

Do not make direct payments on safeguard grounds in respect of customers who have an appointee acting on their behalf. Where a customer does not have an appointee, then you should consider all information that is available (eg do you have information that a customer is disabled or can you get information from other sections in your council, eg visitors) which you can use as evidence to suggest that the customer would not be able to manage their own affairs or would be unlikely to pay their rent.

Evidence (slide 38 and 39)

Wherever possible, written evidence should be obtained from any relevant party. The evidence does not have to be addressed to your LA directly nor does it have to have been specifically prepared for the purpose. Therefore, you can use evidence that pre-dates your investigation as long as it is still relevant. However, it is important to bear in mind that the older the evidence, the less reliable or relevant it may be.

Degrees of weight should be added to each source of information or evidence.

Information from the following groups should be accepted without question

- Social Services
- GPs
- DWP
- Courts
- Reputable financial institutions

Evidence should also normally be accepted from welfare groups who have the 'legal services quality mark'.

Although very important, more caution should be given to evidence received from friends or family and it may be necessary to request additional information to that already received.

Landlords do have an important role to play in providing information, however their evidence alone should not be considered as sufficient to make a decision on whether someone is likely to have difficulty paying their rent or people unlikely to pay.

Where no evidence is provided it will be assumed that the claimant is able to manage their affairs.

A decision on whether someone is likely to have difficulty paying their rent or unwilling to pay can be made once all the evidence has been received.

It is good practice to set a date for concluding the enquiry.

Do not delay making payment of HB in order to await the outcome of your decision. Where you decide to make payment to the landlord, you should set a firm deadline of no more than eight weeks for concluding your enquiries and make a decision having regard to all the available evidence. Where the landlord is already being paid, this should continue up to a maximum of eight weeks, pending a decision being made. You may wish to consider making initial payments to the claimant whilst gathering any available information/evidence. How the claimant handles these initial payments may, in fact, help you to reach a decision. These cases will require careful monitoring to ensure that LHA is paid to the correct payee on conclusion of the enquiry.

If it is not possible to make a decision due to the fact that the customer does not provide sufficient proof or does not answer requests for more information, then it is possible to use this fact in deciding whether someone is likely to have difficulty paying their rent or unlikely to pay.

Once a decision has been made, it should be recorded and a decision letter issued. (Please remember that the claimant, landlord (if applicable) or any relevant person should be notified of their appeal rights in respect of your decision).

Reviewing decisions (slide 40)

TOPIC 16

There are four occasions when a decision on who to pay has to be reviewed

- 1) On appeal from a relevant person (normal DMA rules)
- 2) At a set time after the original decision to check the customer's current circumstances and that the original decision is still correct/applicable
- 3) There is a change that would affect your decision eg someone who was previously unable to manage now has adequate support
- 4) Where the claimant requests a review

In instance 1) above, any person affected can appeal against our decision on who to pay.

This could be the claimant, landlord, appointee, etc.

In instance 2) above, a review date should only be set if safeguard criterion or 'unwilling to pay' has been satisfied and payments are to go to the landlord.

In instance 3) above, you may receive information from the claimant that they are now in a position to manage as they have for example an appointee, or that they were fleeing domestic violence but have now sorted out their situation and are in a position to manage their affairs.

In instance 4) above, the claimant may request a review, at this point you should review the information provided and make a fresh decision based on this new information.

If you feel that the condition experienced by the claimant is likely to be of a short-term nature, you should set an appropriate review date (not exceeding 12 months) to look again at the decision. Where the condition is likely to be of a long-term nature, you may decide that it is not appropriate to set a review date. You may also wish to set a review date where a claimant has been referred to advice agencies for help in managing their financial affairs. The decision may still be reviewed if there is a relevant change in circumstances or if requested by the claimant.

Any appeal against a decision that someone is not likely to have difficulty paying their rent will be covered under the normal DMA appeal process.

People who are deemed to have difficulty paying their rent or unwilling to pay should be encouraged to seek support and advice from either elsewhere in the council or from voluntary groups so that they may be in a better position to manage their affairs. This could be anything from money advice to health issues.

Appeals cannot be made to the appeal tribunal in relation to any part of a decision that adopts the decision of a Rent Officer. Therefore, there is no right of appeal about the levels of the LHA or the Broad Rental Market Areas on which they are based.

This is because, unlike now, where claims are assessed individually and so only a single claim would be affected by a re-determination, an appeal could call into question the level set for the whole area and therefore affect the benefit of other claimants in the area. This would undermine the transparency and certainty of the scheme for other claimants.

Any person affected can appeal against a decision relating to **who** the LHA is paid to. The normal DMA rules apply.

DWP have issued guidance as in the ***Local Housing Allowance Guidance Manual, paragraphs 8.30 to 8.39*** on appeal rights over direct payments.

Re-determinations to the Rent Service (slide 42)

TOPIC 18

The Rent Service can be asked for a re-determination of a decision on any existing claims or a board and attendance claim.

If the Rent Service makes an error other than an error of professional judgement, then they will make a re-determination. (eg if the Rent Service give an LA an incorrect LHA due to a slip of the pen or typing error). All claims affected will have to be changed.

Discretionary Housing Payment

TOPIC 19

There are no changes to the rules covering Discretionary Housing Payments (DHPs). However, a DHP award can only bring the amount of an HB award up to the level of the eligible rent, not to the appropriate LHA amount where that is higher.

One of the potential risks of paying the LHA direct to claimants is that overpayments could increase especially when a claimant moves out of the area. Recovery of the overpayment may be difficult if they are no longer claiming LHA or if you are unable to trace the claimant.

(Trainer Note: you may want to explain what your LA is doing about recovery and monitoring of overpayments. This may include work you are doing in partnership with DWP Debt Management.)

DWP Debt Management are able to provide LAs with

- options in terms of recovery from other DWP benefits, and
- information on the services Debt Management offer and the initiatives they are looking at in order to aid LAs in their overpayment recovery

Trainer Note

Refer to worksheet 4.

Issue Worksheet 4 to the delegates and give them 10 minutes to complete this exercise.

Please refer to Appendix 1A of Worksheet 4 for the answers to the exercise.

Answer any queries/questions delegates may have. Evaluate the training event by revisiting the objectives of the course and thank the delegates for their participation.