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Payments of local housing allowance (LHA) are made to the claimant, directly into their bank or building society account, by BACS. A claimant cannot choose to have LHA paid to their landlord.

A claimant is able to nominate a person, (but not their landlord) to receive LHA on their behalf; that person must have agreed to receive the claimant's LHA directly into their bank or building society account. If a claimant does not yet have a suitable bank account, LHA can be paid to them by cheque for a temporary period until they open a suitable account.

The safeguard policy sets the criteria, as listed below, under which LHA may be paid to the landlord in order to protect the tenancy of a vulnerable claimant.

- Criterion 1 - The claimant may have difficulty managing their financial affairs
- Criterion 2 - It is improbable that the claimant will pay their rent
- Criterion 3 - The claimant has rent arrears of 8 weeks or more
- Criterion 4 - Direct payments will assist the claimant in securing or retaining their tenancy

Requests for LHA to be paid direct to the landlord

Requests can be made by the claimant, their representative or the landlord; there are separate forms to complete dependent upon who is making the request. Requests can be made by letter, however as all the information and supporting evidence the council needs to make a decision is asked for on the form, it is preferred that requests are submitted in that manner. Requests must be signed and dated to declare that the information given is true and correct.

Answering all the relevant questions in full and providing as much detail and evidence as possible will help the council make a quick decision and avoid unnecessary delays. Where there is insufficient information the council will investigate fully to ensure the correct decision is made.

The council require the claimant's consent to discuss and share information with someone other than themselves; where this has not been received the claimant will be contacted.

All cases are considered on an individual basis. A request for direct payment can be submitted with a new claim or whenever concern arises over the security of the tenancy.

Forms and information are available at www.hullcc.gov.uk

Duration of direct payment

This will depend on the claimant's individual circumstances. Where direct payment is required on a short term basis only the anticipated period should be stated.

Notification of decision

The claimant and the landlord will be notified of the decision, whatever the outcome. There is a right of appeal against this decision.

Reviewing the decision

The Council will review the decision at an appropriate time however the claimant or landlord can ask for the decision to be reviewed earlier if circumstances change.

Safeguard criteria 1 or 2

The grounds for requests under criteria 1 or 2 may be related; indicate under which criteria you believe direct payment should be made. The council will consider the evidence and decide which the correct criterion is. Direct payment under these criteria is discretionary.

Possible vulnerability reasons (this list is not exhaustive)

Learning disabilities

People with severe learning disabilities are likely to have appointees who act on their behalf; others with less severe difficulties may struggle with learning and consequently experience difficulty with everyday living and social skills.

Physical disabilities or medical conditions

Physical disabilities vary enormously and may not affect a person's ability to manage their affairs. Conditions such as visual and / or hearing impairments, a person's age and state of health may affect their mobility, their ability to communicate and access information, they may use alternative methods to communicate and may be housebound; these may be barriers affecting their ability to manage their financial affairs.

Mental health problems

People who are coping with / recovering from a mental illness may feel unable to manage their financial affairs; this could be on a long term basis or a short term basis whilst on medication and / or receiving help from support networks. Forms of mental illness include anxiety, depression, dementia, alzheimer's, phobias, postnatal depression, and personality disorders.

Addiction

People who are experiencing (or have a history of) addiction, for example to alcohol, drugs or gambling, may find it difficult to prioritise their outgoings when receiving LHA themselves; it may present temptation for them to use this money for something other than for paying their rent and possibly create a risk of relapse.

Language barriers

People not fluent in English may experience difficulties communicating effectively with organisations such as banks, building societies, benefit agencies, landlords / letting agents etc which could adversely affect their ability to manage their financial affairs.

Illiteracy

People who have difficulty or who cannot read or write are likely to overlook / not understand correspondence that requires attention. Their ability to organise and make arrangements in respect of their benefit claim and financial commitments may be affected.

Recent or anticipated changes in personal circumstances

A person may have experienced a recent change, or may be expecting to experience a change, which will affect their ability to cope with their affairs. This may be on a short term basis because of bereavement, relationship breakdown, hospitalisation, or a terminal illness of a close relative.

In receipt of support or care

People who receive support from an agency, organisation, friend or family member to help rehabilitate them for independent living may benefit temporarily from having their LHA paid to their landlord whilst they concentrate on learning how to manage other affairs.

Fleeing domestic violence

A person fleeing domestic violence is likely to be dealing with a multitude of issues that would affect their ability to cope with all of their responsibilities. Payment of LHA to their landlord on a short term basis could help them cope with any other traumatic issues they currently face.

Release after serving a custodial sentence

A person may find it difficult to handle their financial affairs when initially released after a custodial sentence. Payment of LHA to their landlord on a short term basis may benefit them whilst they settle back into independent living and ensure their tenancy is secured. The person may be receiving support or money management advice when first released.

Money management issues – various reasons as listed -

No suitable bank or building society account

A person may experience difficulties opening a suitable bank or building society account, maybe because of a bad credit rating due to severe debts, un-discharged bankruptcy, county court judgements, unpaid utility bills etc. Where the person has tried to find alternative means to receive LHA themselves, with no success, this may affect their ability to keep rent payments up to date. Short term direct payment may assist whilst a person seeks further professional advice.

Where an account is overdrawn, banks can offer a facility known as an 'appropriation of funds order'. This allows the LHA to be isolated to cover a standing order to pay rent.

A Credit Union account is suitable for direct payment of LHA; however there are small fees for opening such an account and ongoing administration costs.

Current or past rent arrears

A person may have difficulty coping with the responsibility of ensuring their rent is paid for any reason and may have fallen into arrears with their rent as a result. Details of such difficulties should be provided in as much detail as possible.

Previous rent arrears may have led to eviction and homelessness. Where there is a perceived risk this may re occur at the current tenancy direct payments would help whilst money management advice is sought.

Homelessness

A person with a history of homelessness and / or rough sleeping, who has received support, or who is currently receiving support to rehabilitate them to live independently may benefit from short term direct payments whilst they deal with other issues.

Multiple debts / un-discharged bankruptcy

A person may experience difficulty in paying their rent as they having to manage payments for other priority debts, un-discharged bankruptcy etc.

Deductions from benefits / earnings

Deductions from a person's income support (IS), jobseekers allowance (JSA) or employment and support allowance (ESA), or a person's earnings, in relation to social fund loans, utility debts and council tax arrears will reduce their disposable income; there may be temptation for them to utilise LHA for purposes other than for paying their rent. Where deductions from IS, JSA or ESA are payable to the claimant's landlord it is mandatory that the council pay LHA to the landlord.

Safeguard criterion 3

Direct payment under this criterion is mandatory.

Rent arrears

Where rent arrears of eight weeks or more is proven the council is required to pay LHA direct to the landlord.

By the time arrears have amounted to eight weeks steps should have been taken, leading up to this, to try and recover the outstanding rent. The person should have received correspondence to try and seek recovery of the amount of rent owed with proposals for them to make suitable arrangements to pay the arrears and ongoing liability.

A request can be made where arrears exist as no rent has been paid and two fortnightly LHA payments have been made, or, when erratic payments contribute to at least 4 weeks arrears. At this stage it could be reasonable to say that a person may have difficulty paying their rent or it is improbable they will pay their rent.

Rent arrears must be proven. The Council should be informed of any change to the amount of rent arrears that would affect the direct payment.

Safeguard criterion 4

Direct payment under this criterion is discretionary.

Factors that will secure and / or retain a claimant's tenancy:-

- The landlord has reduced the rent to make the accommodation affordable to their prospective tenant (LHA rate or below / less than that charged to the previous tenant).
- The landlord does not implement a contractual rent increase, keeping the rent at an affordable level (LHA rate or below) enabling the claimant to retain their tenancy.
- The landlord reduces the rent to an affordable level (LHA rate or below) enabling the claimant to retain their tenancy.

Negotiation to achieve such reductions may have taken place with the help of specialist or independent agencies for example the council's homelessness team or the Community Legal Advice Centre.

Suggested forms of evidence

For disability, health and addiction issues, language and literacy issues, personal issues or following release from prison: Letter from a GP, medical professional, support agency, care worker, college, probation officer, a detailed and credible written statement from the claimant

For money management issues: A detailed and credible written statement from the claimant, correspondence relating to rent arrears (past or present), eviction proceedings, periods of homelessness, outstanding debts, statement of a financial commitments

For rent arrears: A rent statement (showing relevant periods, amount due, amounts paid and recovery action taken), copies of correspondence relating to recovery of rent arrears / eviction proceedings.

For securing or retaining a tenancy: Tenancy agreement, copy of amendment to a tenancy agreement, contractual rent increase not implemented, signed statement declaring that rent has been reduced or set at an affordable level in order to secure or retain the tenancy.