

Housing Benefit Council Tax Benefit


**Cardiff Council
Housing and Neighbourhood Renewal**

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Local Housing Allowance

A Guide for Landlords

Proud to Deliver



What is Local Housing Allowance?

From April 2008 Housing Benefit is changing with the introduction of Local Housing Allowance. The main changes are:

- Local Housing Allowance will be based on a set rent figure based on the number of bedrooms the tenant needs.
- The tenant can keep up to £15 per week more than the rent.
- Payments will normally be made to the tenant.

Details of all these changes are outlined below:

When will Local Housing Allowance be introduced?

Local Housing Allowance is being introduced on 7th April 2008. It will only apply to tenants who:

- Make a new claim for Housing Benefit
- Change Address
- Have a break in their claim after 7th April 2008

Local Housing Allowance will only apply to tenants who are in private rented accommodation.

Local Housing Allowance Rent Levels

The same Local Housing Allowance rates will apply across Cardiff and the Vale of Glamorgan, so the same rate will apply for a property of a similar size anywhere in that area. The figures below are examples only, see below for how to find out the up to date rates.

Provisional Local Housing Allowance rates.

These figures are a guide only and are subject to change before April 2008

Cardiff and the Vale of Glamorgan rates

Number of Rooms	Example Weekly Local Housing Allowance rate	Monthly Equivalent
Shared Accommodation	£54.00	£234.00
1 Bedroom self contained	£103.85	£450.02
2 Bedrooms	£126.92	£549.99
3 Bedrooms	£138.46	£599.99
4 Bedrooms	£173.07	£749.97
5 Bedrooms	£207.69	£899.99

For Cardiff addresses with the postcodes beginning CF83 1 or CF83 3 different rates will apply. Please contact us for further information.

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How is the Local Housing Allowance rate worked out?

The Local Housing Allowance rate that a tenant will qualify for will depend on the number of people in the household and their ages.

One bedroom is allocated for each of the following:

- A single adult or a couple
- Any other adult (aged 16 or over)
- Any 2 children of the same sex both aged under 16
- Any 2 children under the age of 10
- Any other child

If the tenant is single and under the age of 25 they will be entitled to the shared accommodation rate, whatever type of accommodation they live in.

If there is a joint tenancy each tenant will be entitled to the Local Housing Allowance rate that is appropriate to their own household, they will normally receive the shared accommodation rate.

Not everyone in the house is counted when working out how many rooms are required. Foster children, joint tenants, boarders and lodgers are not counted as part of the household.

Will the tenant get the full amount of Local Housing Allowance?

The tenant may not get the full amount of Local Housing Allowance, this will depend on the level of their income and savings and whether there are any other adults living in the property.

How can I find out how much the current Local Housing Allowance rates are?

From April 2008 the Local Housing Allowance rates will be provided to the Council each month by The Rent Officer Service. The rates will be publicised by the Council in local offices, on the Cardiff Council internet site (www.cardiff.gov.uk/benefits) and can be obtained by telephoning the office.

When will the Local Housing Allowance rate change?

Normally the Local Housing Allowance rate will be updated on the anniversary of the claim. However if there is a change in the household this could affect the number of bedrooms that that tenant requires. The Council should be notified of this change immediately.

Differences between the contractual rent and Local Housing Allowance Rate

What if the rent is lower than the Local Housing Allowance rate?

If a tenant chooses to take accommodation that is cheaper than the Local Housing Allowance rate that they would qualify for, the tenant can keep the difference up to a maximum of £15 per week.

What if the rent is higher than the Local Housing Allowance rate?

The most the tenant will receive is the Local Housing Allowance rate for their household size. If their rent is more than this figure it is up to the tenant to make up any shortfall.

Payment of Local Housing Allowance

Who will the Local Housing Allowance payment be made to?

Local Housing Allowance is normally paid to the tenant; the tenant cannot decide to have the payments made direct to the landlord. We appreciate that it may not always be in the tenant's best interest for payment to be sent to them so the Council has a "Safeguard Scheme" to protect tenancies.

When must payments be made to the landlord?

If a tenant has rent arrears of 8 weeks or more or deductions are being made from their Income Support or Jobseekers Allowance to pay rent arrears, payment must be made to the landlord until the rent arrears have been cleared. The Council would have to be notified of the arrears in writing and wherever possible evidence of the arrears would be required.

Payment will also be made direct to the landlord if:

- There is evidence that the tenant is unlikely to pay their rent
- The tenant is likely to have difficulty in managing their financial affairs.

Tenants unlikely to pay their rent and tenants in rent arrears

We know that some tenants will not pay their benefit to their landlord, or will have accrued rent arrears.

If your tenant has not paid their rent we recommend that you contact the Landlord Liaison Team immediately by email or telephone.

We will take all allegations of rent arrears seriously and will suspend further payment, even if only one rent payment has been missed, while we investigate the allegation.

We will normally ask the landlord to complete a "Request for Direct Payment – Rent Arrears" form to help ensure that all the necessary information is provided, however letters or emails containing the same information will also be accepted. Emails should be sent to Landlords@cardiff.gov.uk. Proof of the arrears will need to be provided, such as a rent book or rent statement. We will also ask the tenant to comment on the allegation.

We will decide whether to pay further benefit direct to the landlord based on the information provided by the landlord and tenant, and any other information that we hold. We will notify both the tenant and the person making the request of our decision.

Exceptionally where we have clear and recent evidence that the tenant has failed to pay rent at a previous property we may decide to pay rent direct to the landlord even where the current landlord has not requested this. We will not however give any information about previous arrears to the current landlord.

If a tenant's benefit is more than their rent, we will also pay any excess to the landlord to help reduce the arrears.

Reviewing the decision on direct payment

The tenant may clear their arrears over time and we will check from time to time to consider if payments should still be sent to the landlord. This check will normally be carried out annually unless the arrears are likely to be cleared more quickly.

We will write to the tenant as part of the review and where appropriate we will also write to the landlord.

If the arrears have been cleared we will still consider whether the tenant is unlikely to pay rent in the future.

In some cases we may agree to make payments direct to the landlord for a set period of time only. Where this is the case we will make this clear in the notification letter.

Tenants who have difficulty paying their rent

There are many reasons why a tenant may have difficulty managing their finances, for example:

- Tenants with medical conditions
- Tenants with addiction problems
- Tenants with financial problems
- Tenants suffering or fleeing from violence
- Tenants with learning disabilities
- Tenants in prison
- Tenants with language or literacy barriers

We will consider making payment to you when we receive a request from:

- The tenant or their representative
- The landlord or agent
- Any advice agency or organisation acting for the tenant

Request for Direct Payment Forms are available to help ensure that all the necessary information is provided, however letters or emails containing the same information will also be accepted. Emails should be sent to Landlords@cardiff.gov.uk

We will need proof to support the request. This might include:

- Letter from a GP
- Letter from a social worker
- Letter from an advice agency

We will decide whether to pay rent direct to the landlord based on the information provided and any other information that we hold. We will notify both the tenant and the person making the request of our decision.

Reviewing the decision

The difficulty the tenant may have in paying rent may be permanent or just for a period of time. If we consider that the difficulty is not permanent we will check from time to time if payments should still be sent to the landlord. This check will normally be carried out annually unless there is a reason to review the decision more frequently. We will write to the tenant as part of the review and where appropriate we will also write to the tenant's representative and landlord.

In some cases we may agree to make payments direct to the landlord for a set period of time only. Where this is the case we will make this clear in the notification letter.

Can direct payment be made a condition of the tenancy?

The Council is not party to the tenancy agreement between a landlord and tenant, and is not bound by any conditions in a tenancy agreement. The Council cannot pay benefit to a landlord directly at the tenant's request.

Appeals

No appeal can be made against the rate of Local Housing Allowance either by landlords or tenants.

Landlords can appeal if they disagree with our decision to pay Housing Benefit to the tenant. A "Request for a Review" form should be completed in full and signed. Any evidence to support the case should also be provided at the same time.

As now, landlords can also appeal against the recovery of any overpayments.

Can I get information about my tenant's claim?

We can normally only share information about a tenants claim with the landlord if the tenant has signed a Sharing Information Form. These forms are included with the benefit claim form and are also available separately on request.

If a tenant has signed a Sharing Information Form we will, on request, provide the landlord with basic information about the progress of the claim, we will not give any information about the tenant's financial or personal details.

We will also write to the landlord:

- When benefit is awarded, to tell the landlord when the first payment will be sent to the tenant and the date of the next regular payment
- If benefit is suspended
- If benefit is cancelled
- If the tenant has withdrawn consent for us to share information

If you contact us to request information and the Sharing Information Form has not been completed we will be unable to give you any information.

Where to get further information

If you want to know more about the changes and how they affect you, you can contact the Landlord Liaison Team and they will be happy to discuss any Housing Benefit matter with you.

The contact details are:

Landlord Liaison Team

Email: Landlords@cardiff.gov.uk

Telephone: 029 2053 7292

Fax: 029 2082 7474

Postal address:

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