









## What is Local Housing Allowance (LHA)?

In November 2003 we introduced the Local Housing Allowance scheme which changed the way we pay Housing Benefit for all private sector tenants. Tenants receive an LHA rate based on the area in which they live and the number of occupiers in their property. Payments are issued to tenant rather than landlord.

The Local Housing Allowance (LHA) was being tested in 18 Local Authorities of which Blackpool was one. However on the 7th April 2008 the scheme was rolled out nationally.

### The main aims of the Local Housing Allowance (LHA) scheme are:

- › Fairness: LHA is designed to pay the same amount of benefit to tenants with similar circumstances living in the same area.
- › Choice: It allows tenants to trade and choose between the quality and price of their accommodation.
- › Transparency and simplicity: It allows tenants to find out in advance how much benefit they will receive and complicated rent officer referrals are no longer needed.
- › Personal responsibility: As Local Housing Allowance is paid directly to tenants it encourages them to take responsibility for their own financial affairs and paying their rent themselves.

For more information on Local Housing Allowance visit the DWP's website [www.dwp.gov.uk](http://www.dwp.gov.uk)

## Who is affected by Local Housing Allowance?

Only tenants in the private rented sector receive Local Housing Allowance.

All of the following tenancies are exempt from the scheme:

- › Council tenancies and Housing Associations
- › Registered social landlords
- › Protected cases such as supported housing, social landlords, charities and voluntary organisations
- › Pre 1989 tenancies
- › Exceptional cases such as caravans and hostels, Board and Lodge cases

## How do I work out which Local Housing Allowance rate my tenant is entitled to?

The Local Housing Allowance rate your tenant receives depends on the number of people in their household and how many rooms they need. The amount of rent they pay or the size of the property they live in does not affect the rate they receive. The rates are based only on the number of bedrooms needed. Living rooms, bathrooms and kitchens are not included in the calculation.

### The number of rooms allowed is as follows:

One bedroom for each of the following counting each person once only in the first group they come into:

- › Every adult couple or single adult
  - › Any other adult aged 16 or over
  - › Any two children of the same sex
  - › Any two children, regardless of sex, under age 10
  - › Any other child
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- › Single claimants under 25 years old will get the shared rate no matter what size property they choose to live in
  - › Single claimants and couples over 25 years old with no dependent children will get the shared rate if they live in shared accommodation unless they have two or more rooms (bedrooms or living rooms) that no-one else can use.

For example:

Adult couple                      = 3 Bedroom Rate  
1 female child over 10  
1 male child under 10

Please remember if your tenant's Local Housing Allowance rate is more than their rent the maximum amount of benefit they can get is their rent plus £15

For example:

LHA rate = £120  
Rent= £90  
Maximim Benefit=£105

## What are the Local Housing Allowance rates and do they ever change?

The Local Housing Allowance rates are published on a monthly basis and may change from time to time in line with variations in the rental market. The rates are posted on our website and are updated each month. Your tenant will receive the Local Housing Allowance rate applicable to the month in which their claim starts. Unless they have a change in circumstances this rate will apply for 12 months after which it will be reviewed. If the LHA rate has changed they will start to receive the new revised rate from the month in which the review takes place. There is an up to date copy of the LHA rates in this pack. Alternatively visit our website [www.blackpool.gov.uk](http://www.blackpool.gov.uk).

## What is an overpayment?

An overpayment is caused when your tenant has been paid more Housing Benefit than they are entitled to.

Overpayments usually happen when your tenant does not tell us about a change in their circumstances, such as,

- › An increase in their wages
- › A change to their household
- › Or if they change address and another tenant moves in to your property

Where an overpayment arises the Council will take action to recover the money.

To avoid overpayments occurring please tell us as soon as you are aware that a tenant has left your property.

## How will I know if my tenant has been overpaid benefit?

If you have been receiving Housing Benefit direct for a tenant who has been overpaid we will write to you with full details of the overpayment, for example:

- › The reason for the overpayment
- › The amount of the overpayment
- › What period the overpayment relates to
- › Whether the overpayment will be recovered, and if so, how
- › What to do if you disagree with the overpayment.

If it is decided that the overpayment is recoverable from you but you are no longer receiving Housing Benefit in respect of a tenant then we may send you an invoice for repayment of the money. If you are unhappy with the decision made or if you want us to explain it you should contact us straight away.

## Who can the Council recover the overpayment from?

We can recover the overpayment from:

- › The person who made the claim (and in some circumstances their partner)
- › Someone acting on behalf of the applicant eg an appointee
- › The person who has been paid the benefit eg you the landlord

## What if the overpayment was not my fault?

Even if the overpayment was not your fault, you may still have to pay it back. This could happen where you continue to receive and accept payments of benefit knowing that either the amount is too much or you should not be receiving any at all.

## Do I have to repay the money all at once?

If Housing Benefit is still in payment overpayments can be recovered gradually by what is referred to as a clawback. This is a set amount of benefit that is deducted from a claimant's weekly award in order to repay the overpayment that is owed.

If Housing Benefit payments have been going directly to you and we decide the overpayment is recoverable from you but the tenant who has been overpaid has since left your property we will recover the overpayment via a clawback off future payments you receive in respect of other tenants. This is known as third party recovery.

If you are no longer receiving any Housing Benefit payments direct for your tenants then an invoice will be issued to you in order to recover the outstanding overpayment.

## How do I make payments to the Council?

We can offer the following payment methods in order to help you make your repayments:

- 24 hour automated payment line 01253 478751- option 5, Council invoices for credit and debit card payments by telephone
- Credit and debit card payments in person at the Customer First Centre
- Payment by standing order
- By cheque or postal order, by post or in person at the Customer First Centre
- By cash in person at the Customer First Centre
- Instalments by agreement

If you are paying by cheque or postal order please remember to include your invoice number and make sure they are made payable to Blackpool Council.

## What will happen if I do not repay the overpayment?

The Council has a duty to recover overpayments and will take all reasonable steps to do so.

If you ignore requests for payment, the Council can refer your case to a debt collection agency or to the court. This could increase the debt because of added costs and may affect your credit rating.

You should contact us at once if you are having difficulty repaying the debt.

## Can I appeal against the overpayment?

Yes, if you are unhappy with our decision you can ask us to look at it again or you can appeal against it. If you wish to do this, you must write to us within 1 month of the date of our decision letter.

## What if my tenants circumstances change?

Your tenant must tell us straightaway about any change in their circumstances. Here are some examples of changes they need to tell us about:

- › Starting to get or no longer getting Income Support or any other type of State Benefit
- › Starting work or changing jobs
- › Wages going up or down
- › Savings going up or down
- › Change to number of people living in household
- › Any children leaving school
- › Moving home (this includes if your tenant moves to another flat or room at the same address)
- › Change to your tenancy
- › Birth of a baby
- › Going into hospital
- › Going into a rest home

Please note this is not an exhaustive list and if your tenant is unsure whether a change in circumstance will affect their benefit they should contact us for further advice.

They must give us full details about the change in their circumstances including the date the change occurred. Once we have been notified of the change we will advise them whether a new application form or any further proof is required.

It is important that we are told about any changes as soon as possible so that we do not pay too much benefit. If a tenant or landlord receives too much benefit (an overpayment) we will ask them to pay the money back.

## What does my tenant do about their benefit when they are moving house?

If your tenant is intending to move house or has moved, they must let us know by contacting our Customer First Centre as soon as they can. Even if they move to another flat or room at the same address we need to know about this as it can affect their benefit claim.

We have a shortened 'Change of Address Form' which must be completed when a tenant moves house or moves from one flat to another in the same property.

## What happens to my tenants benefit if they start work?

Your tenant must tell us straightaway if they start work. If they are under 60, they also need to tell Job Centre Plus.

If your tenant or their partner starts work or increases the number of hours they work and have been getting:

- Jobseeker's Allowance (income based), or
- Jobseeker's Allowance (contributions based), or
- Income Support

they may be able to claim up to 4 weeks Housing / Council Tax Benefit at the same level they were getting before their circumstances changed. This is called an 'Extended Payment'.

If your tenant was getting Housing / Council Tax Benefit and still wants to claim after they have started work they will need to fill in a new shortened application form 'Change of Circumstances, Coming off Income Support, Jobseeker's Allowance or Guarantee Credit'. Before we can work out their new benefit entitlement we will need to see proof of their wages. Please see our factsheet 'Benefit Claims' for a list of acceptable evidence.

**IF YOU ARE AWARE THAT YOUR TENANTS CIRCUMSTANCES HAVE CHANGED  
PLEASE CONTACT US.**

## What if my tenant falls into rent arrears?

If your tenant receives benefit payments direct and falls into arrears with their rent please inform us as soon as you are aware there is a problem. In some circumstances we may decide to make future payments of benefit directly to you.

We will require evidence of the rent arrears from you but until a decision is made by us we will ensure no further payments are made payable directly to the tenant. Evidence of arrears should be a rent account/ rent book showing clearly the date rent due, amount received and accumulative arrears outstanding.

Once you have informed us of any outstanding arrears and provided us with satisfactory evidence of these we will give your tenant 7 days to dispute them. If no response is received future payments will be made directly to you. Any payment due in the meantime will be issued as a cheque in your name sent to your tenant's address.

If the proof of arrears you supply is unsatisfactory we will advise you in writing.

To speed up the process please supply satisfactory proof of arrears when you first contact us.

## What are you able to tell me about my tenant's Housing Benefit claim?

If your tenant has signed the section of the Housing Benefit Application Form 'Sharing Information with your landlord' we will be able to discuss the progress of your tenant's claim with you. If the tenant gives us permission we will be able to tell you, for example, whether:

- > They have claimed Housing Benefit
- > We have made a decision on their claim
- > We have made a payment to the tenant
- > We need more information for their claim and what that information is.

We will however not be able to tell you anything about your tenants:

- > Personal household circumstances or
- > Financial circumstances

If a tenant receives payments of benefit direct as long as they have signed the appropriate section of the application form giving us permission we will continue to send you a schedule telling you when a tenant has been sent a payment and how much it was for.

Please be aware that a tenant can withdraw their permission for us to share information with you at any time during their claim.

If a tenant would like to give us permission to share information with their landlord after the claim has been processed they should complete the relevant form which can be obtained from our Customer First Centre.

## How do I contact Blackpool Council's Benefit Service?

Tel: 01253 478847  
Fax: 01253 478900  
Email: [benefits@blackpool.gov.uk](mailto:benefits@blackpool.gov.uk)  
Address: Benefits Division  
PO Box 50  
Town Hall  
Blackpool  
FY1 1NF

Website: [www.blackpool.gov.uk](http://www.blackpool.gov.uk)

Customer First Centre Opening Hours: 8am to 6pm Mon- Fri  
9am to 2pm Saturdays

## What support does Blackpool Council offer Landlords?

There is various support on offer for Landlords such as:

### **Landlord Liaison Service**

There is a dedicated telephone line for landlords to make enquiries about specific cases  
Tel: 01253 478920

### **Landlord Policy Line**

An officer has been designated to provide help with issues surrounding the Housing Benefit regulations or enquiries of a more complex nature. Tel: 01253 478991

### **Landlord Forums**

Meetings are held at the Town Hall every 2 months and are open to all landlords with properties in Blackpool. They are an opportunity for landlords to be kept informed of changes and developments and also allows you to discuss problems and raise any issues or concerns. Representatives from Benefits, Environmental Health and other council departments also attend these meetings. For more information on the Landlord Forums please Telephone 477477.