

Local Housing Allowance

Many of you by now will have had some dealings with claims assessed under Local Housing Allowance and I'm sure you have started to form opinions, good or bad about the scheme.

Eight months in and what have we learnt?

A report has been written to give an initial evaluation and assessment of the impact of the implementation of Local Housing Allowance (LHA) on 7 April 2008 in Telford & Wrekin Council. The report looks at statistical outcomes between 7 April and 30 June 2008 to allow conclusions to be formed on the initial impact and whether there is any evidence to support early concerns raised and expected.

Before LHA

Despite extensive work in the form of various trials undertaken by the Department for Work and Pensions (DWP) prior to national roll-out, the final version of the scheme differed in a variety of ways. To this extent, to gauge the likely impact that the scheme would have for Telford & Wrekin has been unknown and difficult to predict. With this in mind and the fact that LHA posed some very radical changes to current housing benefit procedure and practice it was the intention within the unit from the outset of the project that evaluating the LHA on an initial and ongoing basis was critical.

Concerns both from landlords, housing advice agencies and those in the voluntary sector largely focused around;

- LHA being paid directly to tenants and having the choice to pay to landlord removed under

Welcome

Welcome to the fifth issue of the newsletter Landlord Links, produced by Telford & Wrekin Council's Benefit Service.

The newsletter will be sent to you biannually and will contain information about benefits together with other topics that Landlords may find useful.

the new legislation and fears around tenants subsequently not paying their rent to their landlord, falling into arrears and resulting evictions.

- Customers not being able to open bank accounts or having the skills to do so.

- Landlords increasing rents in line with LHA and evicting tenants to do so.

- Reduction in housing availability and landlords would no longer want to rent to people on benefit without the guarantee of rental income via direct payment.

Statistical outcomes

The statistical information detailed below is accurate as at 5 June 2008.

Number of claims transferred over compared to expected

Some initial analysis of the expected 'churn' of existing claims onto LHA was undertaken in December 2007. This can now be compared against the actual figures between 7 April and 5 June 2008.

	2,373	2,725
	923	1,275
	1,450	1,450

Safeguard applications from 7 April 2008

Safeguard applications from 7 April 2008 to 31 July 2008		
Total number of safeguard applications received to date	63	
	April	16
	May	3
	June	6
	July	38
Number of applications approved	51	
	Bond Scheme/qualifying offer	36
	Arrears > 8 wks	3
	Interim payment	9
	Vulnerable case – short term	1
	Debt History	2
Number of applications refused	8	
	5	Were not safeguard applications
	3	After investigation were not deemed vulnerable

- In the first 10 week period an average of 5.3 applications per week have been received

- 54% (29) of applications received have been processed of which;
 - 72% were approved
 - 28% have been refused

- Current average time between referral to Safeguard Officer and decision is 8.5 days

Average amount of HB paid to those on LHA compared to average non LHA benefit in payment

As at 16 March 2008 the average Housing Benefit for private sector tenants was £84.15 compared to £86.49 on 1 June 2008 which also included LHA claims.

Looking purely at LHA claims as at 13 June 2008 there were 198 active LHA claims with an average LHA in payment of £92.86. This is £6.37 per week higher than the private sector average above.

Obviously the number of claims in the case of LHA averages is enormously less than the stock count sample in the first example so will be skewed by this. However, the fact that LHA rates for the larger properties are considerably higher will also be a factor.

Increase in eight weeks applications

The Landlord Liaison Officers have reported a very small increase of contact from landlords due to eight weeks arrears and requesting direct payment but there is no specific evidence to back this up.

Housing Advice

There has been an increase of landlord contact to the Housing Enforcement Team for advice since the introduction of LHA. This is generally around how much rent they can charge to maximise LHA income.

Evictions

All stakeholders who were involved in the development of the safeguard policy were asked to comment on any aspects post LHA implementation that have caused any issues or concerns.

The Housing Enforcement Team reported that there is no evidence to suggest that there is any increase in evictions attributable to the introduction of LHA.

Increase in DHP's related to LHA

2006	14	20	20	14	68
2007	8	14	20	16	58
2008	10	21	11	25	67

It is possibly a little early to draw any conclusions due to the limited amount of data available but DHP applications are up 29% for the first two months of the current financial year compared to the same period last year.

Only with continued monitoring will it be possible to conduct a more complete evaluation.

Summary

Given that at the time of writing LHA had been in live operation for just less than three months it is somewhat difficult to draw any firm and representative conclusions in some areas and only the passage of time will reveal the true outcome and impact of LHA.

It is pleasing to see that at the present time there is no evidence to suggest that evictions have increased or available private rented housing has decreased as a result of LHA. The fact that some LHA rates are significantly higher than under the previous Rent Officer arrangements may go some way to explain this. There are no reports from housing colleagues and Landlord Liaison Officers that landlords are withdrawing their properties from the housing market in fact the opposite situation where landlords are 'buying up' larger properties to take advantage of the generous LHA rates has already occurred.

LHA - A Landlords perspective

Mr Thomas has been a Landlord in the Telford area since 1987 and currently has a portfolio of 30 properties, 25 of which are in Telford.

- Of the 25 properties owned by Mr Thomas, 11 pay their own rent and 14 require assistance to meet their rental liability.

Half of the tenants who can't afford their rent receive assistance through the Local Housing Allowance scheme.

As a Landlord of many years standing, Mr Thomas has an insight into the practical elements of tenants receiving Housing Benefit, which could previously be paid to the Landlord, and Local Housing Allowance which in the majority of cases is paid direct to the tenant.

Mr Thomas felt confident in most of his tenants to receive their LHA and forward it on to him and believes this was as a result of how he deals and manages his tenants and he gave the following advice to any prospective Landlords out there;

- Check the tenant's previous property; does it look a well kept property?
- If the property is in the same area as existing tenants ask for personal recommendations from other tenants.

- Let to family members of other 'good' tenants.

It's not all been plain sailing for tenants being paid LHA. Mr Thomas had a tenant who kept a payment of LHA and did not pass it on for their rent payment, Mr Thomas contacted the Landlord Liaison Team at the earliest opportunity who took all the details and arranged for future payments of LHA to be paid direct to Mr Thomas.

Mr Thomas is now collecting the arrears for the missed payment direct from the tenant.

Finally, Mr Thomas was asked to sum up his thoughts and offer any tips to any new or prospective landlords out there,

- Check your tenants ask them questions and if you can visit them in the property they are leaving.
- Don't class your tenants as 2nd class citizens, they are doing you a favour living in your house and looking after it.
- Treat them as equals – they are living in your house but its their home and give them the freedom to live in the property as you would.

Many thanks from the Landlord Liaison Team to Mr Thomas for his insight.

LHA - A te

Following the introduction of the In-Home assessment method a claim for Local Housing Allowance has been made easier.

The following case study is an example of how the process works.

Miss Griffiths is a single parent moving into a new property and needed help meeting her rental liability.

She rang our Customer Liaison Centre on the 14th August and advised us she needed to make a claim. By answering a few questions she was deemed suitable for an In-Home assessment.

There was no need for Miss Griffiths to complete a 30 page form; our Officer completed the form on-line after he visited.

A letter was issued to Miss Griffiths the same day that an officer would be visiting her on the morning of the 15th September 2008 to assess the property.

Tenant's perspective

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claim for LHA. The letter gave full details of all the evidence she would need to supply for the assessment to be made.

After a successful visit to the home of Miss Griffiths on 9th September 2008 Local Housing Allowance was awarded and before the Officer left he was able to tell Miss Griffiths exactly how much benefit she had been awarded.

The tenancy of Miss Griffiths started on 28th August 2008 and the assessment was completed on 9th September 2008, it took only 13 days for the award to be completed.

Miss Griffiths stated

"I would definitely recommend the In-Home assessment, it was so easy and it was much better having someone to talk to about the claim, rather than staring at a big form. I am quite happy receiving the LHA direct"

Need more information about In-Home assessment?

How to apply for Housing Benefit and/or Council Tax Benefit

The council's Benefits Team can now visit customers at home to complete required claim forms and record legally required proof to support the claim.

This information is transmitted there and then using wireless technology to the council's computer system, allowing any benefit entitlement to be calculated while the council officer is still in the resident's home.

The new system is much quicker than paper claim forms and traditional processing methods.

Anyone wishing to make a new claim for housing and/or council tax benefit should contact Telford & Wrekin Council on 01952 383838. Some initial details will be taken to decide whether the claim can be processed best by a home visit and if so, a time for the visit will be agreed with the customer.



	New Claims	Change of Circumstances
2007/2008	25.36 days	8.86 days
2006/2007	29.61 days	8.54 days

FAIRshare Credit Union

In our last issue our LHA Q&As feature included some information about FAIRshare Credit Union which may have been unintentionally misleading. So we have invited FAIRshare to clarify the situation regarding the financial services they are able to provide for you and your tenants.

Please note that Telford & Wrekin Council does not endorse any specific financial institution and other basic banking accounts are available which are suitable for the purpose of benefits payments. It is for each individual customer to decide which basic banking facilities are most suitable for them. For more information on the range of basic banking facilities available in the area, we have produced an information leaflet "A Guide to Basic Bank Accounts".

FAIRshare is an independent not-for-profit financial co-operative owned and controlled by its members and run solely for their benefit. Regulated and authorised by the Financial Services Authority (FSA) we offer secure savings and low cost loans to anyone who lives or works in the Borough of Telford & Wrekin.

FAIRshare is the perfect solution for any tenants who, for whatever reason, either do not or cannot have a 'regular' account with one of the high street banks.

All our members are expected to save regularly and LHA tenants who open a FAIRshare Home Account will be asked to save a minimum of £5 per week. Because it's the regular savings we receive from members that create the 'pool' of money we use to provide low interest loans. Any profit we make is paid to members as a dividend on their savings.

There is an initial one-off membership fee of £5. However once a member has joined they can make as many payments in or out of their account (as often as they choose) without incurring any charges. They can also apply for a low cost loan (typically at 1% interest per month) without incurring any arrangement fees or penalties for early repayment.

We can arrange electronic payments in and out of members' accounts – again without the member or yourself incurring any additional costs. However we do not operate an overdraft facility and can only fulfil payment requests provided there are sufficient funds in the account.

Unless an account is opened on behalf of someone who is proven to be unable to operate the account themselves, the amounts that are paid into each member's account (from whatever source) remain theirs to do with as they choose.

So although we can and do actively encourage members

to improve their budgeting by allowing them (up to 4) 'separate' accounts to set money aside for specific items, we would not be able to prevent anyone withdrawing their Housing Benefit payment and using it for something other than paying their rent.

They could however elect to have their LHA allowance paid into their FAIRshare account, instruct us to pay their rent by standing order to you and have their £15 excess allowance 'moved' to a separate share account.

In addition to secure savings and low cost loans other benefits of 'banking' with FAIRshare include:- FREE life cover on savings and loans, access to a range of affordable 'no nonsense' insurance cover for home, car, travel, health, family protection and funeral plans, exclusive members' only Prize Draws and the opportunity to join our Travel Club and save up to 7.5% on UK and worldwide holidays as well as tickets for a wide range of major events.

To find out more about how FAIRshare Credit Union can help you and your tenants please contact us on 01952 282528 or call into our main branch at Southwater Square, Telford Town Centre.



Energy Performance Certificates (EPCs)

Improving the energy efficiency of non-dwellings

From 1 October 2008 sellers and landlords will be required by law to provide an Energy Performance Certificate (EPC) for all buildings or parts of buildings when they are sold or rented. Those carrying out the construction of a building will be required to provide an EPC to the owner. An Energy Performance Certificate gives prospective buyers or tenants information on the energy efficiency and carbon emissions of a building. The certificate will be phased in from April 6 2008 when buildings sold, rented or built with a total floor area of more than 10,000sq m will require one. From 1 July 2008, this extends to buildings with a total floor area greater than 2,500 sq m. From 1 October 2008 all remaining commercial buildings will require an EPC on sale or rental or upon construction.

What does this mean in practice?

If you are offering any accommodation for sale or let (this includes sub-letting) you will need to make an EPC available that reflects the energy performance of the accommodation on offer. An EPC should be provided to a prospective buyer or tenant at the earliest opportunity and no later than when a viewing is conducted or when written information is provided about the building or in any event before entering into a contract to sell or let. As a seller or landlord you are responsible for ensuring there is an EPC available for the accommodation being sold or let even if an agent or another service organisation is acting on your behalf. You should therefore ensure any agents acting on your behalf are complying with the Regulations.

When a building is constructed, it is the responsibility of the person carrying out the construction when the building is physically complete to give an EPC and recommendations report to the owner of the building and to notify Building Control that this has been done.

For more information on EPCs:

Energy Performance Certificates
Communities and Local Government
Phone: 0845 365 2468
E-mail: help@epbduk.info
Website: www.communities.gov.uk/epbd



Need to get in touch with Revenues & Benefits?

Customer Contact Centre - 01952 383838
Email: benefit.service@telford.gov.uk

Landlord Liaison Officers

Sue Gaff

T: 01952 383858

F: 01952 383990

E: sue.gaff@telford.gov.uk

Suzanne Hull

T: 01952 383861

F: 01952 383990

E: suzanne.hull@telford.gov.uk



Or write to Sue or Suzanne at
Telford & Wrekin Council, PO BOX 215, Telford TF3 4LF

Have you received a Landlord Information Pack?
Ring Sue or Suzanne for details.

Further information for Landlords is available at our website www.telford.gov.uk, please click on Benefits which can be located in hot topics.

Landlord Links will, in the future, be produced twice yearly.

If you would like free help to understand this document in your own language, please phone us on 01952 382121.

You can also get this information in large print, in Braille and on audio tape.

如果你想利用我們的免費中文協助來幫助你明白這份資訊，請打電話 01952 382121 與泰爾福&瑞慶區政府聯絡。

ਜੇ ਤੁਸੀਂ ਇਸ ਜਾਣਕਾਰੀ ਜਾਂ ਪਰਚੇ ਨੂੰ ਆਪਣੀ ਬੋਲੀ ਵਿਚ ਸਮਝਣ ਵਾਸਤੇ, ਟੈਲਫੋਰਡ ਐਂਡ ਰੀਕਿਨ ਕਾਉਂਸਿਲ ਦੀ ਮੁਫਤ ਸੇਵਾ ਲੈਣੀ ਚਾਹੁੰਦੇ ਹੋ ਤਾਂ ਉਹਨਾਂ ਨੂੰ 01952 382121 ਉੱਤੇ ਫੋਨ ਕਰੋ।

Jeżeli potrzebują Państwo bezpłatnej pomocy w zrozumieniu tych informacji w swoim języku ojczystym lub nagranych na taśmie, napisanych dużym drukiem lub w alfabecie Braille'a, prosimy o skontaktowanie się z Telford & Wrekin Council pod numerem 01952 382121.

اگر آپ کو اس دستاویز میں دی گئی معلومات کو اپنی زبان میں سمجھنے کیلئے کسی بھی قسم کی مدد کی ضرورت ہے تو برائے مہربانی ٹیلفو رڈ اینڈ ریکین کونسل کو 01952 382121 پر فون کریں۔