



## APPENDIX 1 - THE MORAY COUNCIL



### Local Housing Allowance - Vulnerability Policy

Under Local Housing Allowance (LHA), the benefit is to be paid directly to the tenant. But we can pay Local Housing Allowance to the landlord if we decide a tenant is vulnerable. To protect vulnerable tenants, the council will apply discretion where payments are requested to be made direct to the landlord. This policy sets out the guidelines by which local authority officers will make decisions. The policy has been developed in consultation with stakeholders across the Moray Council Local Authority area and is split into the following sections:

- **Aims and objectives**
- **Examples of vulnerability**
- **Rent arrears**
- **Procedure**
- **Further Information**

#### Aims and Objectives

The aims and objectives of this policy are:

- to provide a safeguard for the most vulnerable tenants and reassure them that their benefit and rent will be paid
- to help prevent rent arrears and tenants being put at risk of eviction
- to help sustain tenancies for vulnerable tenants
- to reassure landlords that their rent will be paid if they have vulnerable tenants or are approached by vulnerable tenants
- to help put tenants in touch with other agencies where necessary and give people the opportunity and support so they can manage their own affairs
- to ensure local council officers make reasonable, fair and consistent decisions
- to promote a transparent and simple process that is widely understood
- to treat each case individually and to avoid making assumptions about people's situations

The policy is not designed to:

- supersede support that is being received by tenants helping them to be responsible for their own income and expenditure
- be a blanket policy for agencies providing support to private tenants
- be used by landlords to circumvent the aims of LHA

Tenants who are likely to have difficulty managing their affairs are deemed to be vulnerable tenants. Some tenants may wish to be classed as vulnerable simply because they would prefer to have payments sent direct to their landlord. The vulnerability provision cannot be used to circumvent the fact that there is no longer a provision for the tenant to request direct payments. In most cases we would be looking for evidence from professional bodies, such as doctors, social workers etc.



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#### Examples of Vulnerability

There are many reasons why someone cannot manage their money. For example, a vulnerable tenant might be someone who:

- is going through some changes that means the tenant needs some extra support
- is unable to open a bank or building society account
- has severe debt problems e.g.
  - Summary Warrant and enforcement action against them,
  - sequestration/undischarged bankruptcy
  - a bad credit rating preventing them from a bank account
- has some of their Income Support or Jobseeker's Allowance paid direct to the gas, electricity or water company by DWP
- is getting help from a homeless charity or Supporting People

We may look into whether the tenant is vulnerable if the tenant:

- has a medical condition (affecting their mental or physical health)
- has learning difficulties
- illiteracy
- does not speak English as their first language
- is addicted to drugs, alcohol or gambling
- is unlikely to pay their rent, e.g. consistently failed on past occasions without good reason

There may be other reasons why someone might be vulnerable. Most claimants are capable of managing their own affairs and we must assume that they will make payments of rent to their landlord unless there is evidence to the contrary.

#### Rent Arrears

If there is rent arrears equivalent to 8 weeks rent, we can pay the landlord direct for a period of time until the arrears are cleared and we feel that the tenant is able to manage rent payments themselves. If the Local Housing Allowance is in excess of the rent amount, in this situation, we are able to pay the landlord the excess until the arrears are cleared.

Moray Council have placed an additional safeguard in the system whereby landlords should contact us **before** the 8-week level, and we can then investigate the situation. In this situation Data Protection legislation limits what information we can feed back to the landlord without the consent of the claimant.



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### Procedure

The procedure to help carry out this policy is as follows:

#### 1. Alerting the council of potential vulnerability

The tenant or their representative makes the council aware that they would prefer their LHA to be paid to the landlord. The request needs to be supported with written evidence from a third party, but initially can be submitted by:

- a letter / email
- a phone call
- the application form

#### 2. Gathering information and evidence

Local authority officers will consider the information that has been received and whether there is enough evidence to make an appropriate decision.

Evidence can be provided from the following sources:

- the tenant
- welfare support and advisory groups (including money advisors)
- Social Services
- GP
- Probation officers
- Jobcentre Plus
- The Pension Service
- Tenant's family or friends
- Landlord (**Note:** Evidence from a landlord cannot be accepted alone)

#### 3. Making a decision / Appeals

Once we have collected evidence we will decide as quickly as possible if a tenant is vulnerable.

One of two decisions will be recommended and approved by a manager:

- the tenant is vulnerable and payment of LHA will be made to the landlord
- the tenant is not vulnerable and payment of LHA will be made to the tenant

If the tenant or landlord disagrees with our decision they can appeal. The rules for this are the same as the rules for Housing Benefit appeals. We can look at the decision again. This is called a review and usually takes place after an agreed time.



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#### 4. Notifying affected parties

The tenant and/or their representative will be written to and advised of the following:

- the decision
- if and when the decision will be reviewed
- appeal rights
- advice agencies, voluntary or statutory organisations that may help them

The landlord will also be written to and advised:

- if their tenant has been found vulnerable and the council will pay them LHA directly up to the contractual rent
- if and when the decision will be reviewed
- if their tenant has been found not to be vulnerable, the landlords appeal rights against this decision

#### 5. Money/Debt advice

Tenants can get help managing their money from:

Trading Standards, 232 High Street, Elgin, IV30 1DJ

**Tel:** 01343 554623

**Fax:** 01343 554622

**Email:** [money.advice@moray.gov.uk](mailto:money.advice@moray.gov.uk)

Or they can visit a welfare organisation such as:

Citizens Advice Bureau

30/32 Batchen St, Elgin

**Tel:** 01343 550088

**Email:** [bureau@moraycab.casonline.org.uk](mailto:bureau@moraycab.casonline.org.uk)

Other Free Money/Debt Advice Agencies include:

- **Payplan** - Freephone: 0800 716 239.  
Website: <http://www.payplan.com/>  
Free confidential advice on debt problems.
- **Consumer Credit Counselling Service** - Freephone: 0800 138 1111  
Website: <http://www.cccs.co.uk>  
Offers a structured programme on how to manage your money.
- **Financial Services Authority** – Tel: 0845 606 1234  
Website: <http://www.moneymadeclear.fsa.gov.uk/>  
Set up by Government to regulate financial services and protect rights.
- **National Debtline** - Freephone: 0808 808 4000  
Website: <http://www.nationaldebtline.co.uk/scotland/>  
Advice on debt problems.
- **Consumer Direct** – Tel: 08454 04 05 06 Website:  
[http://www.consumerdirect.gov.uk/after\\_you\\_buy/money\\_and\\_credit/](http://www.consumerdirect.gov.uk/after_you_buy/money_and_credit/)



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#### **Commercial Money/Debt Advice**

There are many companies who charge for money/debt advice, and many who claim to offer free advice, but make money by selling loans to those in debt. The choice is yours, but we advise using free, independent advice such as ourselves or the agencies listed above.

#### **Further information**

If you want more information about vulnerable tenants:

- Phone our **Customer Contact Team** on 01343 563456
- Visit the Department for Works & Pensions (DWP) website at [www.dwp.gov.uk](http://www.dwp.gov.uk)
- Email us: [revenues@moray.gov.uk](mailto:revenues@moray.gov.uk)