

**Subject:**  
Local Housing Allowance Safeguard Policy

**Status:** For Publication

**Report to:** Cabinet

**Date:** 12<sup>th</sup> December 2007

**Report of:** Head of Customer Services and E-Government

**Portfolio**

**Holder:** Quality Services to Customers

**Key Decision:** No

Forward Plan  General Exception  Special Urgency

**1. PURPOSE OF REPORT**

1.1 The Department for Work and Pensions has piloted Local Housing Allowance (LHA) in 18 authorities across the country and from April 2008, all Authorities will introduce LHA, for new customers and those who have a change i.e. break in entitlement or change of address. LHA is usually paid to the tenant; a tenant cannot simply request that payment is made to their landlord. To protect vulnerable tenants the council will have some discretion to pay the landlord. The council's Safeguard Policy sets out the principles to be applied by council officers when making decisions.

**2. CORPORATE PRIORITIES**

2.1 The matters discussed in this report impact directly on the following corporate priorities and associated corporate objective.

- Delivering Quality Services to Customers (Customers, Improvement)
- Improving health and well being across the Borough (Health, Housing)

**3. RISK ASSESSMENT IMPLICATIONS**

3.1 There are no specific risk issues for members to consider arising from this report.

#### **4. BACKGROUND AND OPTIONS**

- 4.1 The Housing Benefit reform programme amended the Housing Benefit regulations to introduce LHA from April 2008. LHA is a new way of working out Housing Benefit and is for people on a low income who rent from private landlords.
- 4.2 LHA will be paid to the tenant. The tenant will be responsible for paying their rent to the landlord and all payments to tenants are to be paid into their bank account. Customers without bank accounts are being encouraged to open one and Rossendale Borough Council has worked closely with all the major banks in the area of basic bank accounts. Encouraging customers to take responsibility for their own affairs and open bank accounts falls in line with the Government's Financial inclusion agenda.
- 4.3 In recognition of the risk that some tenants may struggle with the responsibility of paying their rent, safeguards are to be put in place. This report asks that Cabinet approve the attached Safeguard Policy for Rossendale Borough Council.

#### **5. COMMENTS OF THE HEAD OF FINANCE**

- 5.1 The Council has received a DWP grant to fund any transitional costs. This additional funding and its expenditure is being managed by the Council's Service Assurance Team.
- 5.2 Ongoing changes to the benefits payments process will be managed within existing budget resources.

#### **6. COMMENTS OF THE EXECUTIVE DIRECTOR OF REGULATORY SERVICES**

- 6.1 The Safeguard Policy is appropriate.

#### **7. COMMENTS OF THE HEAD OF PEOPLE AND ORGANISATIONAL DEVELOPMENT**

- 7.1 There are no human resource implications.

#### **8. CONCLUSION**

- 8.1 The Cabinet is asked to note that the introduction of LHA is mandatory legislation. The Council has a duty to protect the welfare of vulnerable tenants.

#### **9. RECOMMENDATION**

- 9.1 That Cabinet approves the Rossendale Borough Council's LHA Safeguard Policy.

#### **10. CONSULTATION CARRIED OUT**

- 10.1 Various consultation exercises undertaken by pathfinder authorities and DWP guidance issued to authorities based on findings. Rossendale Borough Council

has also consulted with local representatives from Welfare Rights, Citizens Advice Bureau and Age Concern.

## 11. EQUALITY IMPACT ASSESSMENT

Is an Equality Impact Assessment required Yes

Is an Equality Impact Assessment attached Yes

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Background Papers	
Document	Place of Inspection
Safeguard Policy - Appendix 1	Attached
Equality Impact Assessment - Appendix 2	Attached