

Managing the effects of housing benefit change: A toolkit for local authority Housing Options services



Introduction

Changes to housing benefit and local housing allowance, announced in the Government's 2010 Budget and Comprehensive Spending Review, will affect the majority of housing benefit claimants (whether in work and on benefits or on benefits only) in some way across all local authority areas.

The first phase of these changes is effective from April 2011. It may have serious impacts on people in your local area and particularly those facing a shortfall in their housing benefit payments, meaning that households will have to make up the shortfall themselves in many cases. It will be important to take a pro-active approach with housing benefit or local housing allowance claimants in your area, to prevent homelessness and avoid them falling into debt. This toolkit is designed to suggest the most effective ways you can do this.



What's included

We include actions and interventions that will assist housing services in partnership with other agencies to deliver advice and assistance early on, helping you to co-ordinate and lead your communities through each element of the Government's package of housing benefit reform. A guiding principle will be to work together to identify and target additional support for households least able to cope. We advise local authorities to consider each of our suggestions on a priority basis, tackling anticipated reforms for 2011 first, before addressing the likely impacts of measures that are planned in future years.

Don't forget that the National Homelessness Advice Service (NHAS) can support you, by providing your frontline Housing Options staff with advice and practical support to help you with:

- the detail of housing benefit and regulation changes
- casework when advising households affected by the changes
- guiding you when considering potential homelessness, and Housing Act Part VII homelessness applications, which may be a result of these changes.

NHAS help extends to providing casework support when negotiating with private rented sector (PRS) landlords and advising on the legal obligations of PRS tenants, PRS landlords, and tenants in the social housing sector, as well as the role of your Housing Benefit department, to mitigate the impact of these changes on claimants.

It is important for Housing Options and homelessness services to take the initiative, positioning and preparing yourselves to respond effectively. The best way to maximise potential to prevent homelessness will be in identifying and strategically targeting affected households early on. This approach should also reduce the number of households in an area that will require alternative accommodation.



Summary of changes and when they come into effect

These changes affect both new and existing claimants. New claimants will be subject to revised regulations when making a claim for housing benefit (HB) as social housing tenants, or local housing allowance (LHA) as private rented tenants. Existing claimants will be affected at the annual review date of their HB or LHA. However, they will have transitional protection for nine months after their review date for the following:

- capping of LHA rates relevant to the size of the property and removal of five-bedroom rate
- LHA rates being set to change to the 30th percentile of local market rents (for each Broad Market rental area).

Existing claimants will not receive the nine-month transitional protection concerning:

- being entitled to keep a £15 excess above actual rent (losing this at the point of their review)
- the changes to non-dependant deductions (NB the DWP have not yet confirmed the rate at which these will be uprated or absolute timings for these increases, but we assume it to start from April 2011).

People will also not be covered by transitional protection if they move and make a new claim, unless the move was because they needed larger size housing due to a change in circumstances, or if they break their claim (eg due to working) and then reclaim.

An important point to note is that not every PRS tenant will be in receipt of local housing allowance (LHA). Tenants who have lived in the same property and continuously claimed HB since before 7 April 2008, and have not transferred on to LHA, will not be affected by these changes.

Date	New measure	People affected
April 2011	Basis for setting LHA rates to change from the median (average) to the 30th percentile of local market rents (for each Broad Rental Market area).	Likely to have the most impact on a significant number of LHA claimants whose rent is above the cheapest 30 per cent of rents for the size of property in their area.
April 2011	Capping of local housing allowance (LHA) rates at: <ul style="list-style-type: none"> ■ £250 pw for a one-bedroom property ■ £290 pw for a two-bedroom property ■ £340 pw for a three-bedroom property ■ £400 pw for all properties of four bedrooms or more. 	Private tenants living in more expensive areas (mainly inner London), whether in work or on benefits.
April 2011	Ending of the five-bedroom rate (LHA restricted to four-bedroom rate).	All households currently eligible for the five-bedroom LHA rate, whether in work or on benefits.
April 2011	Up-rating non-dependant deductions to reflect the rates they would be if they had not been frozen in 2001, to be introduced in stages until April 2014.	Households, in the private and social rented sectors, containing other adults such as grown-up children, elderly parents or siblings. Some exceptions apply if certain non-dependants receive benefits.
April 2011	Housing benefit (HB) claimants no longer entitled to keep up to £15 weekly 'excess' above actual rent.	LHA claimants whose rent is below the current median (average) rent for their property size.
April 2011	Size criteria amended to provide extra bedroom for disabled claimants without a resident carer (can be backdated to 1 April 2011, if eligible).	Disabled LHA claimants needing an extra room for carer to stay with them overnight. No time limit on award.
April 2012	The threshold for the shared-room rate will rise from 25 to 35 years of age.	Single adults (either in work or on benefits) up to the age of 35 without child dependants, living in one-bedroom properties in the private sector.
April 2013	A maximum cap will be imposed on the amount of benefits a household can claim. This is expected to be: <ul style="list-style-type: none"> ■ £500 pw for couples and lone parents ■ £350 pw for single people. 	Larger families, and families living in more expensive areas in the private rented sector.
April 2013	HB for working-age social housing tenants who occupy a larger property than the family size needs will be restricted to the standard regional rate for a more appropriate size property.	Social rented sector tenants living in properties with more bedrooms than they need.
April 2013	HB reduced by 10 per cent of the full award after 12 months for claimants getting jobseeker's allowance (JSA).	Long-term JSA claimants in any tenure.
April 2013	LHA rates to rise by the Consumer Price Index rate of inflation rather than in line with local rent rises.	All LHA claimants.
April 2011– March 2015	The Government contribution to Discretionary Housing Payments (DHP) will increase from £20 million to £30 million in 2011/12, and will be £60 million in 2012/13.	All local authorities (available to help sustain tenants in their home, or to provide a rent deposit for tenants to move home).

Steps you can take now...

Get ready. Connect up locally.

1. Work with the Housing Benefit department and other partners to understand who will be affected and mitigate impacts.

- You will need to map the likely impacts of LHA changes in your local area. To do this you can go to <http://www.dwp.gov.uk/docs/impacts-of-hb-proposals-tables.xls> paying close attention to tables 14, 15, 18, 19, 22 and 23. You should also visit http://www.voa.gov.uk/LHADirect/Documents/LHA_percentile_rates_Nov_2010.html to find out LHA rates for your area – **remember**, these rates are updated monthly.

You should also set up a meeting with your authority's LHA Valuations Officer to get the information you need on local impacts of the LHA rate change to the 30th percentile for your area.

Your council's Housing Benefit (HB) department will make initial contact with existing claimants, guided by the Department for Work and Pensions (DWP), to inform them about local housing allowance change and how it might affect them. HB departments will be supplied with template letters to use with individual households. But it will be important for you in the Housing Needs or Housing Options department to work closely with HB, offering appropriate advice and support to those who will need it.

To ensure effective joint-working, you could consider the co-location of HB staff within your team.

Key actions to take with your Housing Benefit department:

- Set up regular meetings with your HB colleagues. It may help if you designate a person from within your Housing Options team to act as the key contact with the HB department.
- Set up an agreed referral process between yourselves and HB so that they may refer households to you for advice.
- Provide some training to HB staff to help them identify households who may need further support, such as money advice or support in negotiating with PRS landlords.
- HB teams may also benefit from some basic training on the services available from your Housing Options teams to facilitate effective referrals.
- Ensure you understand how HB will manage their HB overpayment recovery process, and ensure they understand that households with overpayments may well need money advice.
- Meet with HB to review your current safeguarding policy, reflecting the needs of vulnerable households who will be affected by the changes.
- Ensure HB can support you by offering direct payments to landlords for vulnerable tenants who need to move. Guidance on direct payments is available from the Department for Work and Pensions (DWP) and Communities and Local Government (CLG): <http://www.dwp.gov.uk/docs/lha-good-practice-guide.pdf>



Use Template tool 1 (Letter to alert claimant of changes) and, when sending to claimants, also include the NHAS public information leaflet explaining the changes.

- You must agree with your HB colleagues how they plan to provide direct payments to landlords, who have dropped their rents to make them affordable to claimants, which will generally be at or around the revised LHA rates to allow someone to either continue their tenancy or move to a more affordable property. Be clear with them how you can promote this change to landlords in your area and find out if they plan to write to landlords to alert them to this change.
- Check the timings for HB writing to tenants and landlords, and be clear there is a plan to ensure all affected claimants receive information about the changes and the help that Housing Options and other agencies can give them.
- Obtain a copy of the HB team's DWP task list and copies of letters they are using.
- Be pro-active and work with your HB team, making sure letters and information about the changes and entitlement go out to households six months before the effective date or as early as possible. As well as giving people enough time to get advice, this will allow households time to consider whether or not they can sustain a six-month assured shorthold tenancy that they may be entering into.
- Find out from HB how they will record any response from households from the letters they send out, and agree a joint strategy for enabling households to obtain advice where they do respond to letters.
- Ensure HB provide you with basic information of claimants affected by the cuts, providing the following essential information:
 - claimant name
 - household address
 - current claim (status/type)
 - date affected by change.

You will need this information from HB to ensure that your Housing Options team can target the households affected, sending out follow-up letters that offer advice to claimants, social housing and private rented sector tenants. Any further details of the claimant's situation can be obtained when you have made contact and are providing advice.

- HB should also be able to provide you with the list of landlords receiving housing benefit/local housing allowance payments directly on behalf of more vulnerable tenants (claimants).

Data protection warning

Use Template tool 7 (Sharing client information, what to think about).

Rules on data protection need to be observed. Where there is a data-sharing protocol in place that allows Housing Benefit to share information with Housing Options, then you will have more information about the household prior to following up and contacting claimants yourselves.

Amass as much local information as possible, using any existing information-sharing protocols already in place between departments of your local authority.



Use of discretionary housing payments (DHP)

Make sure your HB department is aware of revised guidance on discretionary housing payments (guidance available from the DWP from the end of December 2010), agreeing to prioritise use of this to prevent homelessness – for example, ensuring staff know it is possible to offer rent deposits on people's behalf where appropriate.



Use Template tool 4 (Checklist of options for households affected by the changes).

- Set up a joint training session between your Housing Options staff and HB teams, to ensure everyone knows how best to use DHP for households affected by the changes.
- Agree and set up a protocol for referral to HB for a DHP assessment.
- Make sure you know how much has been allocated as a DHP pot and any additional allocation to be received from the Government's DHP increase for 2011/12 and 2012/13. This will help to assess whether or not your council could already make better use of its DWP allocation and ensure that additional DHP funding is used strategically to prevent homelessness in the local area.
- Set up clear criteria on when and how DHP gets used to minimise adverse affects of the changes, for example:
 - rent deposits to help people move
 - short-term propping up of rent to the end of the school year
 - longer-term propping up of rents for a limited number of vulnerable clients who cannot be expected to move.

Some local authorities may wish to consider pooling their DHP allocations across a sub-region to achieve greater value for money and mitigate the effect of households moving from one local authority area to another – this is not prohibited by the DWP.



Working with other services to identify vulnerable households

Use Template tool 1 (Letter to alert claimant of changes).

You could create a PRS Liaison Officer function within your Housing Options team, to support the targeting of vulnerable households living in PRS accommodation.

Use Template tool 5 (Letter to support agencies working with HB claimants).

A range of statutory and voluntary sector services are likely to be supporting tenants who will be affected by the changes and be able to help them manage changes in their finances or home.

Use Template tool 4 (Checklist of options for households affected by the changes).

- Identify what these services are in your area, ensure they are briefed on the changes and ask them to identify any of their clients who are likely to be affected.
- Ensure any welfare rights advisers you may have, or providers operating locally, are contacting households who may be eligible under the 'extra bedroom' size criteria for disabled claimants (from April 2011). This increase could be backdated to April 2011 and is not time limited.
- Households who may qualify for the 'extra room rate' are:
 - someone who is in receipt of attendance allowance (AA) or middle- or higher-rate Disability Living Allowance (DLA)
 - a household where there is other evidence from a GP, community nurse, or other health or support agencies, to say the person requires someone to stay overnight. To support this, the relevant authority will have needed to engage overnight care or have arranged for someone to stayover, and that person is not normally resident with the household so would need the extra bedroom.
- Relevant services to approach will include:
 - local providers of Supporting People services, such as floating support teams, family intervention teams, family support providers, and Children's Centres
 - Leaving Care teams that support young people for whom the local authority plays the role of Corporate Parent



- Child Protection and family support services including Children’s Social Care, who can identify households where children are on the Child Protection Register or otherwise subject to ‘safeguarding’ concerns and can put in place appropriate support and information-sharing arrangements if the family has to move home
- Adult Social Care teams including learning disability and mental health services
- Probation Service, particularly in relation to high-risk offenders
- providers of floating support and tenancy sustainment services (usually funded through Supporting People or its successor in your area)
- any other client-specific advice provider in contact with a household (eg Mind, Royal British Legion, DIAL, Age UK, Refugee Council, Action for Blind People, Gingerbread).

The NHAS public information leaflet explaining the changes should be sent to them.

- Provide households, carers or support workers with information on the changes and what helpful measures are in place locally to assist affected claimants.
- Provide leaflets and other information to Meals on Wheels, day centres, lunch clubs and other groups in your area.

Working up the action plan

2. Work co-operatively with your partners.

Use Template tool 6 (Developing a local fact pack on HB changes and help available).

Local authorities need to be taking the lead role to avert worst-case scenario impacts of the housing benefit changes at a local level.

Identify who your key partners are and build or maintain relationships with them now. You will need to agree clear and correct messaging and information for landlords and tenants and work together in a co-ordinated fashion. Your goals will be to reduce and manage local impact of the changes in terms of any increased debt or homelessness.

Develop a communications plan and media strategy. This should help to keep all partners informed and maximise awareness among landlords and tenants of the issues and services available.

- Make use of the materials the NHAS and DWP can provide you with: eg public information posters, leaflets, template letters etc to speed up your communications.
- Talk to local housing associations or private sector landlords/agencies. Can they help by providing the housing department with properties, through a private renting leasehold scheme, to rent out to HB claimants and meet the demand? Find out how you could use PRS leasing or licensing schemes to maximise HB payments, where you are discharging a homeless duty or relieving homelessness by accommodating a household into a PRS scheme.
- Set up protocols and agreements with neighbouring local authorities on a sub-regional basis, to facilitate tenant moves into neighbouring authorities when necessary. This will be needed to ensure a move into another local authority area is not hindered by misunderstandings or disputes between councils, and that incentives paid to landlords do not become unnecessarily inflated by competition between authorities for a limited pool of properties.



Use Template tool 4 (Checklist of options for households affected by the changes).

Use Template tool 6 (Developing a local fact pack on HB changes and help available).

- If you already have protocols in place, these will need to ensure that relevant alerts are included around 'child protection' or multi-agency public protection arrangements (MAPPA), to ensure that households are contacted by the relevant local authority in their new location.
- If you do not have these protocols in place, you will need to develop them to ensure that a multi-agency approach can take place and households do not slip through the net.
- You must tell local voluntary organisations and other parts of the council (eg social services) about the help you are offering people at risk of homelessness or debt as a result of HB changes, in order that as many people as possible who need your help can access it (eg people from minority communities may experience barriers in accessing services).
- Update any directory of services in your area, to ensure you can appropriately refer or signpost households to them.
- Review and amend your current Homelessness Prevention Strategy. Make sure you have included the role of the HB department and 'safeguarding' (direct payments) policies and details about DHP are clear, liaising fully with HB when revising this strategy.
- Appoint a 'lead' for reviewing the Homelessness Prevention Strategy in light of HB changes, remembering to consider as many services as possible – services most likely to be in contact with affected households, such as the antisocial behaviour (ASB) units, pupil referral units, health and other welfare organisations.
- Co-ordinate and be responsible for a multi-agency action plan with overall responsibility held by the local authority that would also hold the co-ordinating role.
- Inform mediation services about what's in place in response to the housing benefit reforms and the impact locally. Ensure these agencies are ready to work with any affected households, where the loss of LHA may result in their exclusion from home by parents, other relatives or friends.

Doing the groundwork

3. Talk to local private rented sector (PRS) landlords. Get them to work with you.

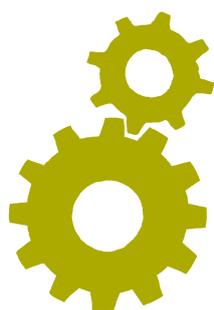
Ensure you have someone in place to take the 'lead' in working with PRS landlords and to support other Housing Options staff in dealing with them.

The NHAS can provide your staff with advice and support on any legal responsibilities PRS landlords must comply with.

Housing Benefit records are a source of contact details for all landlords letting to HB claimants in the authority area. Act upon this information, and:

Use Template tool 3 (Letter to PRS landlords with HB recipients as tenants).

- Set up a meeting with the relevant PRS grant-providing department of your authority (eg Environmental Health) to discuss how grants for improvements, insulation, or renovations might be an incentive for PRS landlords to negotiate down their rents to suit the new benefit cap.
- The DWP will provide your HB department with template letters to send to landlords, explaining the different changes to LHA and how it will work.
- You should follow up these, adapting and using this toolkit's template letter, so that you have made contact with landlords too – they may then encourage households to access advice.
- Your adapted template letter could highlight the advantages of keeping a good tenant, measured against likely costs of an empty property plus advertising and agency fees necessary to find new tenants. See the useful section in the CLG's 'Short guide to preventing repossessions' that demonstrates benefits to the PRS of working with local Housing Options services – your local authority should have a copy of this.
- Organise a special event for landlords and invite them along to discuss the HB changes. Your existing landlord forums can also be useful, but a special well-publicised event is likely to attract a wider audience.
- For landlords who express difficulty with reducing the rent, offer to meet with them individually to explain the positive benefits and see if there is any way round the problem.
- Make sure your PRS landlords are fully conversant with the vulnerability safeguards that can be put in place to ensure rent is paid. This may encourage them to contact you if a rent payment is missed, so you are then able to target households concerned who may benefit from these safeguards.
- Inform landlords about any floating support services that you may be able to put in place to support tenants affected by the changes (where a household meets the Supporting People service criteria).
- Make sure you are clear with your HB department how they will apply the revised rules allowing direct payments to landlords who are willing to reduce rents to meet new LHA rates (for people to remain in their home or find a new tenancy). Make sure households are aware of the ability to negotiate a lower rent and receive direct payments.
- Where PRS landlords are indicating they will no longer accommodate households affected by the changes or experiencing shortfalls, make sure your staff are fully trained on the correct process a landlord must use to remove a tenant. The NHAS Local Authority Advice Line 0300 330 0517 can support you on this.
- Where you think there is a risk of landlords not following correct procedure and therefore evicting tenants illegally, make sure any designated Tenancy Relations Officer in your local authority is fully briefed on the changes and agree a joint strategy for handling evictions.
- Where you run a court desk service in your area, monitor the numbers of applications for possession submitted by PRS landlords. This may help to inform your Homelessness Prevention Strategy and gauge the likely level of demand for housing services.
- Monitoring court activity may also enable you to intervene in some cases and negotiate with a landlord to prevent an eviction.



Local housing allowance rules

Under the rules, payments can be made direct to landlords if the local authority believes 'the claimant is likely to have difficulty in relation to the management of his financial affairs'. Statute does not set out the conditions that must be satisfied for local authorities to apply this safeguard. You can make payments to the landlord if they consider that a claimant is likely to have difficulty in paying their rent and it is in the interests of the claimant to do so.

Make sure you are familiar with chapters 5 and 6 of the DWP 'Local Housing Allowance Guidance Manual', June 2010. These chapters provide details of how households who would benefit from direct payments can be considered. In addition, you should also read the DWP's 'Local Housing Allowance – Paying benefit and applying the safeguards: A good practice guide', June 2010. The guide has some useful suggestions regarding how to effectively target households and will provide you with an opportunity to review your local 'safeguarding' policy, working in partnership with your HB colleagues.

It is important to review and understand the safeguarding and direct payments in light of new concessions announced on 30 November 2010. These state that direct payments can be applied if the local authority considers that it will assist the claimant in securing or retaining a tenancy.

-
- If a landlord is not prepared to lower the rent, especially if letting to a vulnerable person (eg where HB is currently paid direct to the landlord), ask them to give you advance warning of eviction so that you can encourage the tenant to move and help them if necessary.
 - Dedicate one of your phone numbers as a 'landlord hotline' and advertise it to landlords, encouraging them to contact you and discuss concerns over rent issues or tenancy failures. Complement this with a special email address for them to report any issues outside office hours. Staff operating these channels can also seek support from the NHAS Local Authority Housing Advice line 0300 330 0517.
 - Ask landlords if they have properties the new LHA levels will cover the rent of, and if they are prepared to rent out to affected HB claimants needing a new home to move to.
 - **Never** give landlords the impression, directly or indirectly, that the rent they charge can be propped up above LHA levels by DHP, unless there are exceptional circumstances.

Consider working with other departments and partner agencies to offer landlords a range of incentives, such as:

- a free insurance service, or redecoration by people doing community service – for landlords who lower their rent by more than a certain amount)
- fast-track HB processing – for landlords who engage positively with making adjustments to rents
- a voluntary repairs service – for local landlords who commit to reducing their rents in line with LHA levels (check viability of any local community projects with your colleagues in Community Safety and Probation)



- some type of public recognition – for landlords who make properties available at reduced rates (link to any existing Accreditation Schemes or schemes under development/consideration)
- making sure landlords are fully aware of the cost of evicting tenants, who may have been reliable but are now affected by the LHA changes. Outline the business case to them of receiving a lower rental income, but on a regular basis from a tenant they know. The business case should include the costs of having the property void for a period, redecoration prior to re-letting, agents' fees, legal fees for eviction, advertising (where they do not use an agent) etc
- an event that matches prospective landlords with properties available to prospective tenants, in advance of people needing to move (include attendance of local SP providers and advice agencies).

Preparing staff for action

4. Train frontline staff (and partner agencies) to understand the new measures and know what local response and action will be taken. Also ensure that elected local councillors are fully engaged in your strategy and understand the significance of this work in relation to homelessness prevention. Elected members will be instrumental in ensuring your Housing Options team receives sufficient resources to cope with the extra demand for housing and homelessness advice.

Use Template tool 4 (Checklist of options for households affected by the changes).



All your frontline advice staff should be conversant with the full package of measures implemented by the Government, in order to provide the right advice at the right time and signpost people to appropriate means of support. It is also important that all departments of the council know how you are responding to the changes, so they can advise and direct members of the community to relevant participating services.

- Give the Government literature available on benefit changes to all your staff and partner agencies.
- Find out how much Homelessness Prevention Grant your authority has been allocated for 2011/12, to help you start to build a case for the resources your Housing Options service will require to help households affected by these changes.
- Hold team meetings to discuss the changes and how you will respond strategically and operationally.
- Make sure frontline officers can identify disabled claimants who are eligible for the two-bedroom rate because they need overnight care, and advise them of what to do.

- Raise the potential impacts of HB changes and the response you are planning locally with your council's leadership team (eg housing strategic managers, education, environmental health, and social services managers etc).
- Brief elected councillors who hold responsibility for housing, homelessness and housing benefits, on the package of changes and your planned approach.
- Make sure all council employees are briefed on what the planned local response is to benefit reforms, especially key staff in:
 - Housing Benefit teams
 - Council Tax Recovery teams
 - Housing Management and Arrears Recovery teams
 - Visiting Officers
 - Contact Centre/Customer Service Centre staff
 - teams responsible for supporting people in the community
 - relevant adult and family/children's services teams.
- Make sure you include details of further welfare reforms that will be implemented in 2012 and 2013, so that you can start to consider likely impacts of further changes.
- The NHAS can provide you and your partner agencies with free training to handle these changes. We are running a series of regional seminars, beginning November 2010. Send your frontline Housing Options and Housing Benefit department staff to these events. They will meet frontline staff from advice agencies and be encouraged to work jointly with them in your community.
- NHAS can also provide you with our public information leaflet. This encourages people to approach agencies and the local authority for advice on their situation.
- The February 2011 issue of NHAS publication Housing matters will provide your staff with further information on HB changes.

Do not work in isolation – get other agencies involved

5. Work in connection with Money Advice and debt counselling services to prevent homelessness or debt problems in your community.

Reductions in housing benefit may not mean accommodation is unaffordable for every affected household, but timely money advice to those badly affected will reduce the pressure on Housing Services to provide DHPs to cover the shortfall or to source alternative accommodation.



- Arrange to meet key staff in Money Advice and other local debt counselling services. Discuss impacts of the HB changes and how they might deliver appropriate services to the community pre- and post-reform.
- Consider holding a joint training day on HB changes, including your Housing Options team and staff from local advice providers.

- Make sure to supply your area's advice providers with a copy of this toolkit.
- Recommend households affected by changes use reputable advice providers, such as local Shelter services they can find by visiting <http://www.shelter.org.uk/advice> or Citizens Advice Bureaux (CABx) via <http://www.citizensadvice.org.uk/index/getadvice>
- Make sure money advice agencies have the NHAS public information leaflet listing recognised advice-provider telephone numbers.
- Consult with money advice partners. Discuss their capacity to deal with referrals from households affected by LHA changes and to give these people advice on maximising income, sorting out their debts and budgeting to both afford and sustain their current PRS tenancies.
- Revise any referral agreements you may have with local agencies, to ensure you are planning to cope with an increased demand.
- These agencies, including any CABx working in partnership with your council, can help you identify households who are currently on a mortgage rescue scheme and could now be vulnerable as a result of HB changes (eg if they are under-occupying a property or where non-dependant deductions apply). Request that they contact their clients to offer them your help and advice.

Remember that all CABx and a number of other advice agencies can also seek support from the NHAS to help advise people on the changes.

Targeting households affected by the changes

6. Talk to tenants. Point them in the right direction.

Communicate the right information at the right time to PRS or social rented sector tenants and offer tailored support for those who need it. Draw up an action plan in conjunction with your HB department to communicate with households in advance of them being affected by different elements of the changes, taking individual circumstances into account such as their claim renewal dates. Some changes affecting PRS tenants will affect social housing tenants equally.

Liaise with your local authority media contacts to ensure information about the changes is reported accurately in local newspapers, radio broadcasts etc.

Many of the changes, including the new caps on HB and the 30th percentile change with LHA, will occur at the annual renewal date of a claim. But, if a tenant notifies your council's HB department about a 'change of circumstances', such as a change to the number of people in the household or a move to a new property, they will be affected by the Government changes at that time. In all likelihood, effects are going to be staggered over the year following the introduction of these changes.



You and your staff must be clear on how the nine-month transitional protection will operate. Existing claimants will not see a change in their actual LHA payments

for nine months after their annual review date **unless** they move properties and make a new claim or their household size changes. Remember that households who move because they have an additional child and so need a larger property will be protected under the nine-months transitional protection rules. Households who report a change in circumstances before their 12-month review will not receive nine-months transitional protection, unless they are eligible for a larger property. Households who find employment and have a break in their LHA claim, but then lose work, will then be considered under the new rates when they re-apply for LHA.

First steps

Use Template tool 1 (Letter to alert claimant of changes).

Use Template tool 2 (How HB changes effect, checklist and client questionnaire).

Make use of the template letters provided with this toolkit and work in conjunction with your HB department to make sure the following households have been alerted to the forthcoming changes:

- all tenants who will be affected by the loss of the £15 weekly excess above their rent
- all tenants affected by non-dependant deductions, spelling out the increases in deductions that will apply to their household
- all tenants affected by the new HB caps, loss of five-bedroom rate and 30th percentile changes, at least three months before their HB renewal date, to explain the anticipated shortfall on their rent. Explain that the HB department will be writing to the household with an accurate figure for their revised LHA and telling them when the nine-month transitional protection will expire. Put a process in place to follow this up with a reminder one month before renewal (which should be able to state the shortfall more exactly with an up-to-date LHA rate).

All letters should outline people's options, for instance negotiating rents down and direct payments to landlords who do so, or seeking another property where the landlord has agreed a rent at LHA rates and can therefore receive direct payments. Ask them to contact you at the Housing Options service for assistance if they are in difficulty with either negotiating down the rent or moving.

Next steps

- Deploy Housing Options staff best able to help tenants negotiate rents with their landlords or help people to move. Also use the expertise of a household's support worker and frontline advice agency staff to assist the tenant directly.
- Set up and advertise a Housing Options 'helpline for tenants' and make sure it is always staffed so that callers have no trouble getting through.
- After the HB department's initial contact with claimants, contact vulnerable tenants directly (by telephone, and visit if necessary).

Evidence of vulnerability could be where LHA direct payments are in place, where they are clients of floating support services or social services, or come from information the landlord provides to say a tenant is not taking steps to move despite a notice of seeking possession.

If carrying out any home visit with the relevant floating support worker, observe the local authority's standard health and safety procedures.



Use Template tool 4 (Checklist of options for households affected by the changes).

- Make sure help is on offer where necessary, and especially for the more vulnerable households, with:
 - negotiation with landlords
 - money advice services
 - rent deposits/bonds (use of DHP)
 - rent in advance
 - removal expenses/travel costs to work or school from a new address
 - registration with new schools where impracticable to remain at previous school
 - registration with a GP in the new area (particularly for households with children or a pregnant household member to ensure continuity of health screening)
 - registration with utilities, setting up new benefit claims, obtaining furniture or white goods.

Further recommendations

- Consider developing a questionnaire on your website to guide tenants through their options, with links to alternative properties available at the new LHA rates in your authority area.
- Consider how those clients wishing to make homelessness applications will be assessed, having particular regard to the issues of affordability of current accommodation and whether it is reasonable to continue to occupy.

7. Additional measures

- Consider how you might revise your approach to assessing households for PRS access schemes, such as Rent Deposit and Bond Guarantee Schemes. (A likely impact of proposed changes could be to make accommodation, provided through the scheme, unaffordable going on.)

Don't forget that HB can be more generous where you have secured accommodation for households via a PRS leasing or licensing scheme using a social landlord or other provider, so find out details of how this works in your area.

- Anticipate effects of the HB changes on under-occupiers in social housing tenancies from 2013. Ensure landlords look ahead and prepare a strategy to deal with the effects of this change, (for example, there is no sense in allowing new tenants to under-occupy). This might mean some landlords having to change their current lettings policies.
- Ensure your public information leaflets are also disseminated for staff colleagues in your offices. Due to increasing household costs, reductions in in-work benefits and the two-year public sector pay freeze, a number of your own staff could be receiving HB or LHA, or have relatives who do, and need help and guidance.

