



## **Equality Impact Assessment- Local Housing Allowance Safeguard Policy – Executive Summary**

Local Housing Allowance is to be introduced on 7 April 2008, it is a new way of calculating Housing Benefit for people on low incomes who rent their homes from a private landlord was introduced. The new scheme is called Local Housing Allowance (LHA) and is no longer based on the property that you are renting.

The existing Housing Benefit scheme is based on the rent that you actually pay, or what the rent officer decides is a fair rent for the property you are living in.

Under the new Local Housing Allowance scheme:

- you can find out the maximum Local Housing Allowance you could be entitled to before you rent a property
- Local Housing Allowance is a simpler system, there is no longer a need for complex rent restrictions and individual referrals to the Rent Service, which will help speed up the administration of Housing Benefit payments
- Local Housing Allowance payments will normally be paid direct to the tenant, the easiest way for you to receive your Local Housing Allowance is straight into a bank account. Under the Local Housing Allowance scheme there is no longer the option for claimants to request payments direct to their landlord, except in certain circumstances

The circumstances are:

- where the claimant is considered vulnerable and it is in the best interests of the tenant to pay Housing Benefit direct to the landlord. Plymouth City Council has developed a safeguard policy for assessing vulnerability claims.
- where the claimant is eight weeks or more in arrears with their rent, unless we consider it in the tenant's best interest not to pay the landlord direct

## Background

Currently a customer can request that we make payments directly to their Landlord, however from April 2008 made direct to their landlord. However, payment may be made to a tenant's landlord/letting agent where "the Local Authority considers the claimant is likely to have difficulty in managing their affairs" (New Regulation 94(c)). In order to protect vulnerable tenants the council will apply discretion to pay the landlord. By vulnerable we mean someone who may have difficulty managing their money, we do not mean someone who does not want to pay their rent. This policy sets out the guidelines by which council officers will make decisions. By landlord we also mean letting agent where the agent is acting on behalf of the landlord.

The following people may be classed as vulnerable however this list is not exhaustive & each case must be assessed on its own merits:

- Tenants with learning difficulties:
- Tenants with medical conditions:
- Tenants with physical disabilities:
- Tenants addicted to alcohol, drugs or gambling:
- Tenants who are or have a history of homelessness and are receiving help from a homelessness charity.
- Tenants who have a history of rent arrears and tenants who have been evicted due to non payment of rent.
- Tenants within these criteria may have difficulty managing their financial affairs, but only on a temporary basis.
- Tenants for whom English is not their first language:
- Tenants who may find opening and running a bank account, and dealing with invoices/bills/statements difficult due to language barriers.
- Tenants may have difficulty managing their financial affairs, but only on a temporary basis. This may include:
  - Have had a relationship breakdown
  - Are fleeing domestic violence
  - Have had a death in their immediate family
  - Have been hospitalised temporarily
  - Have just left prison

## The scope of the EIA

The six main equality strands have been examined against the policy and the possible impact on them. However Local Housing Allowance administration is governed by legislation, which ensures that all claims are dealt with under the same legislation.

## Key Findings

From the EIA the following was found:

Age: This can have both a positive and negative impact for the following reasons:

- Positive as it does not rely just on the landlord's opinion, as the policy requires the customer to provide evidence to support vulnerability, eg Connections, Social Worker
- Negative if customer is not classes as vulnerable and cannot open a bank account and will therefore have problems in receiving Housing Benefit, also if a customer has problems planning their finances.

Disability: This can have both a positive and negative impact for the following reasons:

- Positive as the policy is available in different formats on request
- Negative if the customer has learning disabilities and does not understand the policy, also if the landlord will only accept cash the customer may have problems in getting to a bank to withdraw it.

Race: This has a positive and neutral impact for the following reasons:

- Positive as the policy is available in different languages on request.
- Neutral as government legislation ensures that the claims are all dealt with in the same way, so a customer is either entitled or not to benefit.

Faith: this has a negative and neutral impact for the following reasons:

- Negative if a persons faith does not allow them to use banks, as payments have to be made directly to the customer
- Neutral as government legislation ensures that the claims are all dealt with in the same way, so a customer is either entitled or not to benefit.

There is no impact on either gender or sexual orientation due to Government legislation.

## **Recommendations**

As this is a new policy, which will not be implemented until April 2008, it is not possible to make any recommendation at the present time. We will however be monitoring the number of claims made, and customers identified as vulnerable.