

Questions and Answers

Changes to the Local Housing Allowance

Q. Can you explain what a Crisis loan is, and whether this can be used to cover rent which is due or overdue?

A: A Crisis Loan is an interest-free loan from the Social Fund to help you with the cost of items and services that you need as a consequence of a disaster. In addition in both emergency and disaster situations a Crisis Loan can help with the following:

- living expenses
- rent in advance where the landlord is not a local authority
- charges for board and lodging accommodation and hostels
- travel expenses when stranded away from home
- repaying emergency credit on a pre-payment fuel meter

Further information can be obtained by clicking on the following links: -

<http://www.dwp.gov.uk/publications/specialist-guides/technical-guidance/sb16-a-guide-to-the-social/crisis-loans/#whocancel>

http://www.direct.gov.uk/en/MoneyTaxAndBenefits/BenefitsTaxCreditsAndOtherSupport/On_a_low_income/DG_10018856

Q; What are discretionary housing payments?

A: If you get some housing benefit or council tax benefit but are having difficulty paying the rest of your rent yourself, you may be able to get a discretionary housing payment. In some circumstances, discretionary housing payments can be made to help pay rent arrears.

More information can be found by clicking on the following link: -

<http://www.warwickdc.gov.uk/WDC/Your-Council/Council+tax/Council+tax+benefits/Discretionary+housing+payments.htm>

Q: Can you explain the difference between actual rent and contractual rent?

A: 'Contractual' rent refers to the rent charged to the tenant by the landlord of the property. The contractual rent is considered to be the same as 'Actual' rent.

'Eligible' rent is another term sometimes used and refers to the maximum amount of Housing Benefit a claimant could receive based on the circumstances of the tenant and the locality in which they live.

Q: Was an Equality Impact Assessment undertaken in connection with the changes to the Local Housing Allowance (LHA)?

A: No, legislation was only passed on 19th July 2010, and we are now working with those who are affected by changes to the LHA rates

Energy Efficiency

Q: As a landlord, when am I required to have an Energy Performance Certificate, and how long will it remain valid?

A: An Energy Performance Certificate or EPC is required by law when a building is constructed, rented or sold. For landlords, this took effect from 1 October 2008. If your property was rented out when this law came into effect, the requirement to provide an EPC only took effect when the property was re-let to a new tenant. EPC's remain valid for a period of 10 years.

Q: What grants are available for energy efficiency measures?

A: Grants are not generally available to landlords. However, if you have a tenant who is in receipt of a qualifying benefit, and the property has a low energy rating, your tenant may apply for a 'Warm Front' Grant through the Government scheme to provide certain insulation measures or heating improvements. Full details are available here:
http://www.direct.gov.uk/en/Environmentandgreenerliving/Energyandwatersaving/Energygrants/DG_10018661

Tenants may also be able to claim CERT (carbon emission reduction target) grants from energy suppliers, not just the one that supplies their property.

Both CERT funding and the Warm Front Scheme are due to close at the end of 2012. Further information is available through Act on Energy Free phone (0800) 988 2881.

Others

Q: How does the Tenancy Deposit Scheme operate and can the Council take deposits on behalf of landlords? How does this differ from the Council's Rent Bond Scheme?

A: The Tenancy Deposit Scheme is a National Scheme, set up by the Government to protect deposit money paid by tenants. It is designed to ensure deposit money is returned promptly at the end of a tenancy provided there are no arrears or damage to the property. It requires any landlord taking a deposit to register the deposit with one of 3 scheme operators. The Council does not administer the Tenancy Deposit Scheme. Further information is available here:
<http://www.direct.gov.uk/en/HomeAndCommunity/PrivateRenting/Tenancies/index.htm>

The Council's Rent Bond Scheme (sometimes confused with the Tenancy Deposit Scheme) allows prospective tenants in housing need who could not otherwise raise sufficient funds for a deposit to secure private accommodation. The Council can provide a paper guarantee of the bond required from the tenant. The bond is available to cover both damage and arrears and is equivalent to one months rent. There is no requirement to register the bond with a Tenancy Deposit Scheme as no payments are made upfront.

Q: I have heard that an Article 4 Direction is coming into force which may restrict new houses in multiple occupation from operating. Can you explain what Article 4 is and what it will mean for landlords?

A: An Article 4 Direction relating to HMO's is a type of Order which enables a local authority to require planning permission before new development takes place. HMO's which are created in Leamington Spa from 1st April 2012 stand to be affected by Article 4, and will require planning permission. Further information is available from the Council's Planning webpage:

<http://www.warwickdc.gov.uk/WDC/Planning/Planning+policy/hmo-article4.htm>