

# Local Housing Allowance

## Money advice and bank accounts

### **Local Housing Allowance and Bank Accounts**

Under Local Housing Allowance your housing benefit entitlement cannot be paid to your landlord unless you are considered to be vulnerable. The Local Housing Allowance has been introduced to make the rent allowance scheme fairer and more transparent for claimants who are privately renting, allowing them more choice and greater personal responsibility.

### **What will happen if I don't use my benefit to pay my rent?**

As a tenant you are responsible for paying your rent to your landlord. This is the same as for tenants who do not get benefit. If you do not pay your rent your landlord may apply to us to have your benefit paid to them. Or they may take other action to recover their money, including evicting you from your home.

Eviction means that:

- you will lose your home
- your benefit may not be paid to you in the future
- you may have difficulty finding new accommodation, as your landlord is unlikely to give you a reference
- you will still have to pay the landlord the money you owe and possibly extra money to cover any court costs
- an application for re-housing could be affected as you may be considered to have made yourself intentionally homeless

### **The advantages of having a bank account**

- Payment of benefits directly into your bank is safer
- You will always receive your benefit payment on time
- You will no longer have to worry about postal delays and postal strikes
- You will no longer have to worry about lost cheques
- Very soon all benefits will be paid directly into claimants' bank accounts

- This will help you practice financial and budgeting skills
- Provides a route to many other banking services
- Helps build a banking history/credit history
- You can pay bills by direct debit. Often discounts are offered if you pay this way
- Budgeting is made easier as paying bills by direct debit spreads payments out on a monthly basis
- Cashing personal cheques can be difficult and expensive without a bank account
- You can have your LHA paid straight into your bank account
- You can pay your landlord by standing order or direct debit

### **What do I need to open a bank account?**

We have spoken to most of the local banks, building societies in Central Ealing (W5) Borough and they welcome new applications. You can pick up a form and apply on the same day. Most of the banks also offer an appointment if you need help to complete the application form.

#### **To confirm who you are the bank will want one or more of the following:**

- Full Passport or EU National ID card/Residence permit
- UK driving licence (photo card or paper)
- DWP benefit book/benefit entitlement letter
- National Insurance number card with P45/60
- Current Tax Credits letter
- Birth certificate
- Student Identification
- Armed Forces Identification card

#### **To confirm where you live the bank will want one or more of the following:**

- Utility bills less than 3 months old
- NHS Medical Card (under 20 years old)
- Tenancy agreement
- Council rent card
- Credit Card statement
- Housing Benefit entitlement letter
- Council Tax bill for the current year
- HMRC (Inland Revenue) letter
- Disabled Drivers pass
- Letter from existing account holder
- Letter from employer

- Construction industry scheme card
- Local Education Authority award letter (students only)
- Home Office letter
- Pensioners' travel pass
- Motor/home insurance certificate
- Vehicle registration document
- Television renewal licence less than 3 months old

For full details of what is acceptable please contact the bank you intend to open an account with. The more evidence that you provide the more likely that your application will be successful.

### **How does a basic bank account work?**

Basic bank accounts are available to almost everyone from most banks. Basic Bank accounts do not have an overdraft facility and so there is no danger of running up debts and charges.

With a basic bank account you can:

- Have your wages, benefits, State pension and Tax Credits paid directly into your account.
- Pay in cheques for free
- Take money out at cash machines with a cash card (this is usually free, but some machines make a charge)
- Withdraw money at the Post Office
- Pay your bills by direct debit. (You could save on gas, electricity, and telephone bills)

### **Help with managing your money and debt**

If you are concerned about managing your money or you have debts do not ignore your problem, it won't go away. If you cannot pay your rent because of money problems you may be evicted from your home. You must ask for help.

You can make an appointment to see a Local Welfare advisor, who can help you:

- open a bank account
- complete an 'Application for direct payments of Local Housing Allowance to your landlord' form
- complete an application for A Discretionary Housing Payment
- assist you with debt related problems

You can contact them by ringing 020 8825 6237.

A Local Welfare advisor can provide you with details of the range of bank and building society accounts available to you.

If you are struggling to live on the money you have and are already getting Housing and or Council Tax Support you may be eligible for a Discretionary Housing Payment and or a Discretionary Council Tax Discount. See our website [www.ealing.gov.uk](http://www.ealing.gov.uk) or ask the Local Welfare advisor for more details.

You may want to think about whether you are getting all the benefits or tax credits that you are entitled to. For more information and advice you can visit the central government money advice section on the internet at [www.Gov.uk](http://www.Gov.uk). This also has a wide range of public service information and links to other organisations, which you may find useful if you are looking for help or advice.

If you have any queries about Housing Benefit and how it is worked out using the Local Housing Allowance rates:

- phone the Benefit Services Call Centre on 020 8825 7000
- look on our website [www.ealing.gov.uk](http://www.ealing.gov.uk)

Remember that this leaflet is a guide only. It is not meant to say exactly what your legal rights are. While we have tried to make sure that the information in this leaflet is correct at the date shown on the cover, it is possible that there may be incorrect information or some ideas may be oversimplified.

Listed below are some organisations that can give you advice about debt and money problems.

## **Advice**

### **British Bankers' Association (BBA)**

The BBA produce some useful leaflets on proving your identity and a range of banking services.

#### **For more information**

- visit [www.bba.org.uk](http://www.bba.org.uk)
- phone 0207 216 8800

### **Money Advice Service**

For more details visit: [www.moneyadviceservice.org.uk](http://www.moneyadviceservice.org.uk)

**StepChange Debt Charity**

The Step Change Debt Charity provides free debt advice over the phone. Everything is free and confidential, from budgeting advice to practical Debt Management Plans. This service is available to everyone in the UK

**For more details**

- look on their website [www.stepchange.org](http://www.stepchange.org)
- ring them on 0800 138 1111
- or write to them at:

StepChange Debt Charity  
Wade House  
Merrion Centre  
Leeds  
LS2 8NG

**National Debtline**

This is a telephone-based service and is a national helpline for people with debt problems in England, Wales and Scotland. They will discuss debt problems with you and explain the options available to you.

**For more details**

- look on their website [www.nationaldebtline.org](http://www.nationaldebtline.org)
- ring them on 0808 808 4000

**Payplan**

Payplan provide free debt advice and management.

**For more details**

- look on their website [www.payplan.com](http://www.payplan.com)
- email [help@payplan.com](mailto:help@payplan.com)
- ring them on 0800 280 2816
- or write to them at:

Payplan  
Kempton House  
PO Box 9562  
Lincolnshire  
NG31 7LE

## **Age UK**

Age UK provides information on income and benefits for older people.

### **For more details**

- look on their website [www.ageuk.org.uk](http://www.ageuk.org.uk)
- ring them on 0800 169 6565
- or write to them at:

Age UK  
Tavis House  
1-6 Tavistock Square  
London  
WC1H 9NA

## **The Money Charity**

The Money Charity provides information and guidance for people with debt or money worries.

### **For more details**

- look on their website [www.themoneycharity.org.uk](http://www.themoneycharity.org.uk)
- email: [hello@themoneycharity.org.uk](mailto:hello@themoneycharity.org.uk)
- ring them on 020 7062 8933
- or write to them at:

The Money Charity  
15 Prescott Place  
London  
SW4 6BS

## Basic Bank accounts

The table below lists some of the available bank accounts that offer basic bank accounts in central Ealing.

Name of Bank	Address	Telephone Number	Name of Account	Direct Debits and Standing Orders	Cash Card	Debit Card	Post Office Access	if any of the following apply to you, your application may be declined
Santander	8 Bond Street Ealing W5 5AE	0208 840 8071	Basic Account	Yes	Yes	No	Yes	Undischarged Bankrupt
Barclays Bank	53 The Broadway Ealing W5 5JS	0800 400 100	Cash card account	Yes	Yes	Yes	Yes	none
Co-operative	14 New Broadway Ealing W5 2XL	0208 579 0100	Cashminder	Yes	No	Yes	Yes	Record of Fraud
Halifax	64/65 The Mall Ealing W5 5LS	0208 276 9500	Easycash	Yes	Yes	yes	Yes	Undischarged bankrupt record of Fraud
HSBC	PO Box 260 46 the Broadway Ealing London W5 5JR	03457 404 404	Basic Bank Account	Yes	Yes	Yes	Yes	
Lloyds	45 The Broadway Ealing W5 5JU	0845 3000 0000	Cash Account	Yes	No	Yes	Yes	
Nationwide building society	9 New Broadway Ealing W5 5AW	0845 266 0217	Flex Cash Card	Yes	Yes	Yes	Yes	Undischarged Bankrupt
NatWest	1 The Mall Ealing W5 2PL	03457 888 444	Basic Account	Yes	Yes	Yes	Yes	
Royal Bank of Scotland	14 High Street Ealing Broadway W5 5EB	0208 840 7171	Basic Account	Yes	No	Yes	Yes	