

Milton Keynes Credit Union... The LHA Scheme

Do you rely on Local Housing Allowance/Housing Benefit?
Do you find it hard to find a landlord who accepts benefits?
Or are you a landlord who refuses tenants on benefits?
If so, MK Credit Union offers a possible solution:
The LHA Scheme...

An exciting new scheme for tenants of private landlords who receive Local Housing Allowance payments is now operational in Milton Keynes.

Since 2008 tenants of private landlords have received housing benefit called Local Housing Allowance (LHA). Tenants who receive LHA can join this scheme

Under the scheme, Milton Keynes Credit Union (MKCU) collects Local Housing Allowance on behalf of tenants and pays it direct to landlords. This means that Local Housing Allowance does not get mixed in with other funds and is only used for the purpose of paying rent.

The benefit for both tenant and landlord is that rent payments are guaranteed and the scheme helps to ensure the security of the tenancy for both parties.



To use this scheme, a tenant has to become member of MKCU and their landlord also has to agree to take part. The tenant completes an authorisation form for the Credit Union to set the account up and a Payee Declaration to instruct MK Council to make the payments to us. Equally, the landlord completes a Registration Form.

Once the tenant is a member, an LHA account is opened for them. Local Housing Allowance will be then be paid directly into this account and Milton Keynes Credit Union will transfer the money straight on to the landlord. The purpose of this is to remove the need for tenants to manage their payments and to prevent them from falling into rent arrears.

"Milton Keynes Credit Union is a local financial cooperative run for the benefit of people who live or work in Milton Keynes. Members save with us, and can also take out loans at low interest rates to pay for everyday items.

We aim to provide an alternative way of saving and borrowing, particularly for people who want to choose an ethical provider of for those with no bank account or a poor credit history, who often fall prey to doorstep lenders" explains Terry Calvert, Development Officer for MK Credit Union.



MKCU does not charge the tenant for making any LHA payments. The cost of the scheme is paid by the landlord.

To join the LHA Scheme, or for further information please contact MK Credit Union direct:

Milton Keynes Credit Union
Foundation House
The Square
Aylesbury Street
Wolverton
Milton Keynes MK12 5HX

Tel: 01908 525086

Email: enquiries@mkcreditunion.org.uk

Visit: www.mkcreditunion.org.uk



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in this issue >>>

Issue
Three

Milton Keynes Credit Union's:

New Housing Benefit Solution for Tenants + Landlords?

Wycombe Tenants + Landlords:

Do You Use Housing Benefit

An Insider's Perspective by Daphne:

'Relocating to Milton Keynes'

A Houseflys Insight into the Private Rented Sector in Milton Keynes + Buckinghamshire

A landlord's view of The LHA Scheme >>>

Trisha Arathoon, of Zest Residential, has been using the scheme and explains how it has benefitted their tenant relations:

"Since implementing the Credit Union Scheme, I have found that relations between my-self and my tenants are so much better. One of the main factors is that I'm not now calling them to check it will be paid or chasing them for their rent if it's not in on the day it is due.

They don't need to worry about bringing it to the office or making the journey to the local bank to pay it over the counter. Just the removal of the worry factor alone is worth the £5.00 per month, let alone the time saved and the cost for petrol to collect or telephone calls.

"All in all, I've increased my business by being able to offer this protection both to my own properties and those which I manage. There is a huge market out there for Local Authority tenants and if managed properly, and by using this scheme, it should avoid the headaches and horror stories that we're often used to hearing."



relocation

Wycombe Tenants + Landlords: Do you Use Housing Benefit? >>>

Wycombe District Council is notifying over 2,000 claimants that their housing benefit may be reduced, under new government guidelines, which come into effect from 1st April 2011.

WDC has sent letters to residents who currently claim housing benefit on privately rented properties. Claims made on their current address from 7th April 2008 onwards, may be affected by new rules. **Private landlords should also be aware of this, as it will affect rent paid.**

WDC officers are urging residents who received the letter to contact them so they can discuss any changes, so claimants can prepare if they receive a shortfall in benefit when the regulations come in.

For more information visit or call: www.wycombe.gov.uk 01494 461000
Or visit the WDC offices in Queen Victoria Road in High Wycombe.

Houseflys

Contact us: 01908 791121
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Thank you Houseflys!

Daphne recounts her experience of relocating to Milton Keynes from Wiltshire

For more than two years I had been looking for a suitable, affordable accommodation to rent in Milton Keynes, preferably with a private landlord. The only two houses I visited in that time were unsuitable so, in desperation, I registered with all the agents in the area where I wanted to live. This was an eye-opener....

I was well aware that these agencies were in business but, in some cases, their demands were outrageous – not only did they ask for a Deposit of 1½ times the rent plus over and above 1 months' rent in advance but also a hefty admin charge + vat to check your references.

Some firms even had a scale of *extra fees*, like having to pay if you turned up late for viewings or if you asked them to ask the landlord to conduct repairs. What's more the landlord would be charged extra fees by the agent as a result as well.

So when I discovered Houseflys I registered right away on their user-friendly website, I could list precisely what I needed and how much I could afford, so private landlords matching my requirements could contact me instead.

When I discovered Houseflys I registered right away on their user-friendly website, listing what I needed + how much I could afford...

I found Jana to be a mine of useful tenancy information, approachable by phone or email. She clearly had a wealth of knowledge on the whole subject of private lettings, not only to help would-be tenants but prospective landlords.

I cannot speak highly enough of her wisdom in the thorny field of 'finding somewhere to live'.

Finally, before I found a house through Houseflys I was lucky enough to find a private landlord through a card in a local store, advertising a 3 bedroom house at a rent I could afford. I am now very happy in my new home but I would urge landlords as well as prospective tenants to register with Houseflys because it covers such a wide area and would make the process of finding a home easier, especially when relocating.