

SPSO decision report

Case: 201305092, Falkirk Council
Sector: local government
Subject: local housing allowance and council tax benefit
Outcome: upheld, recommendations

Summary

Mr C complained to us about the council's handling of his tenant's application for Local Housing Allowance (LHA). When his tenant failed to pay the rent, Mr C phoned the council. He was told that there were delays in processing the application, but that when it was done, he would receive a payment directly. The council finished processing the application some four months after it was submitted. However, a computer system fault meant that the first payment went directly to the tenant's bank account, instead of Mr C's. Mr C did not know this, and when he had still not received payment several weeks later, he made a further enquiry. It then became apparent what had happened, but by this time a further rent payment had gone to the tenant.

We found that the council gave Mr C inaccurate information about applying for direct payments. They delayed in processing the application, and there were then faults with the payment system. We found that it would have been reasonable for the council to make the first payment directly to Mr C, and they should have confirmed with the tenant that he had not already paid any rent for this period.

We were also critical of the council's handling of Mr C's complaint. They did not respond within their stated timescales, and did not tell Mr C why the investigation was taking longer or when he could expect a response. We also identified failures with the way the council responded to the complaint, in their decision-making and their use of evidence - they relied too heavily on unreliable evidence from the tenant. We also found that they did not provide Mr C with consistent information.

Recommendations

We recommended that the council:

- pay Mr C the cost of the first payment which was sent in error to the tenant;
- ensure that all staff involved in processing LHA applications are fully aware of the timescales in the council's complaints handling procedure; and
- apologise to Mr C for the errors in handling his tenant's LHA application, and for the time and effort involved in this complaint.