

Full Name:

Address:

Date:

Dear Sir/Madam

**Account No.**

**The First Right of Appropriation**

**Section 187, The Social Security Administration Act 1992**

I have been asked to write to you by Tendring District Council to inform you that I am due to receive Housing Benefit payments paid into my account.

The Social Security Administration Act 1992 provides certain benefits such as Housing Benefit to be 'inalienable'. Section 187- "Subject to the provisions of this Act, every assignment of, or charge on-

- (a) benefit as defined in section 122 of the Contributions and Benefits Act;
- (b) any income-related benefit; or
- (c) child benefit,

and every agreement to assign or charge such benefit shall be void; and, on the bankruptcy of the beneficiary, such benefit shall not pass to any trustee or other person acting on behalf of his creditors.

The above extract from the regulations means that the specified funds are protected and banks may not automatically use those funds to clear an overdraft. This is because the law recognises that customers need a certain amount of money to live on.

These payments will be sent to you from Tendring District Council and I wish to use my first right of appropriation for the next and every subsequent payment, for the following purposes: to pay my rent.

I have set up a standing order/direct debit/will withdraw the money for the above use and I should be grateful if you would ensure that any other payments out of my account do not interfere with this withdrawal.

Please acknowledge that you have received this letter and will act upon its instructions.

Yours faithfully



**The First Right of Appropriation**  
**Section 187, The Social Security Administration Act 1992**

Some claimants have had problems with their bank when they have been overdrawn; the bank has taken their Housing Benefit payments to reduce their overdraft. If you write to your bank and let them know that you wish to exercise the first right of appropriation, they should not do this.

You will need to send the attached letter to your Bank; please input your account number on the letter, together with your name, address and date. Please remember to keep a copy of the letter you send to them.

If the bank does not write to you within one month to confirm they have received your letter, then please contact them. If the bank fails to act on your instructions, please let us know immediately.