



Benefits Team

Discretionary Housing Payments Policy

Introduction

Discretionary Housing Payments (DHPs) were introduced in July 2001. The general provisions for DHPs are contained within the Discretionary Financial Assistance Regulations 2001

Discretionary Housing Payments (DHP) provides additional financial assistance to people who are already in receipt of Housing Benefit (HB) or the Housing Element of Universal Credit (UC).

DHP's are not classed as payments of benefits. They are stand-alone payments and the awards are made entirely at the discretion of the Council, subject to a cash limited budget set by the Government.

A DHP can be claimed by every claimant who has entitlement to HB, or entitlement to the Housing Element of UC and there is a shortfall between their rent liability and the amount of HB or Housing Element of UC and they require additional financial help to pay this shortfall.

A DHP may be awarded to meet a shortfall in rent for any of the following:

- Reduction in HB/UC where the benefit cap has been applied
- Reduction for under-occupation in the social rented sector
- Reduction due to Local Housing Allowance (LHA) restrictions
- Any shortfall to prevent a household becoming homeless whilst the Home Options team explores alternative options
- Reduction due to Rent Officer restrictions
- Reduction due to the application of income tapers

Housing costs are not defined in the regulations and this gives LA's a broad discretion to interpret the term as they wish. In general, housing costs means rental liability. However, housing costs can be interpreted more widely to include;

- Rent in advance
- Deposits
- Other lump sum costs associated with a housing need/move such as removal costs.
- A reasonable payment to clear qualifying rent arrears if they are preventing a customer from moving to affordable accommodation, subject to no DHP award being made at the new address, unless affected by a relevant change of circumstances.

Payments are purely discretionary and nobody has the statutory right to receive a DHP. A DHP cannot be used for:

- Ineligible service charges included in the rent
- A reduction in benefit award following a sanction being imposed as a result of fraud
- An increase in rent liability due to rent arrears
- Rent because of the suspension of benefit payments
- A period for which there is no entitlement to HB or UC

The main features of the DHP scheme are:

- It is discretionary
- A claimant does not have a statutory right to a payment
- The amount the Council pay out in a financial year is cash limited by the Government
- The administration of the scheme is for the Local Authority to determine

Each DHP claim will be considered on its own merits and there will be no blanket policy or exemptions.

Scheme Objectives

The scheme objectives are to reduce inequalities by protecting the most vulnerable in our district and to:

- Safeguard people's housing/tenancies
- Sustain vulnerable households
- Prevent homelessness
- Alleviate poverty
- Help those trying to help themselves
- Keep families together
- Support the vulnerable in the local community
- Help people through personal crises and difficult events
- Support young people in the transition to adult life

Considering the application

The following list indicates elements which will be considered in the assessment of a DHP application (this list is not exhaustive)

- Any steps taken to reduce the liability
- The financial circumstances of the claimant and the family, including the ability to pay the shortfall themselves
- Any savings or capital held
- Any steps being taken to improve the claimant's financial situation
- The medical circumstances of the claimant and their family including adaptations to the property
- Length of time the circumstances are expected to last
- The prevention of homelessness and the Council's homelessness strategy
- The amount available in the DHP budget

Period of award

In all cases, the Council will decide the length of time for which a DHP will be awarded (usually a maximum 26 weeks) – this will be based on the facts known and the evidence supplied.

The start date of the award will normally be from the Monday following the date the DHP claim was made.

An award cannot be granted for a period for which there is no entitlement to HB or the Housing Element of UC .

Awarding a DHP

The Council will assess how much DHP to award based on all of the claimant's circumstances. A home visit or a telephone interview may be arranged to gather details of the claimant's circumstances. The award of DHP may be an amount lower than the difference between the liability and the rate of HB/UC being paid.

One award of DHP for a certain period of time does not guarantee that a further award will be made at a later date.

Changes in Circumstances

All customers receiving a Discretionary Housing Payment must report any change in their circumstances immediately. The Benefits Team may revise or withdraw the award following a change in circumstances, or at any other time it is practical to do so.

Method of payment

The Council will decide the most appropriate person to pay. This will include:

- Claimant
- Appointee
- Landlord or Agent

Payment will be made by BACS

Notification

The Council will inform the claimant of its decision and the letter will include the weekly award, the period of the award, how often it will be paid and to whom.

Where payments are to be made to a landlord or agent they will also be informed of the same.

Where the claim is unsuccessful the Council will provide an explanation of its reasons for refusing the claim.

Review of the Decision

As DHPs are not payments of benefit there is no right of appeal to be heard by an Appeals Tribunal. However in support of fairness to the customer the Benefits Team will carry out an independent internal review on the following decisions: -

- Not to award a Discretionary Housing Payment
- The level of a Discretionary Housing Payment
- Refusal to backdate a Discretionary Housing Payment
- Recovering an overpayment of a Discretionary Housing Payment

Customers or their appointees must make a request for a review in writing within one month of the original DHP notification giving their reasons for requesting a review.

The original decision will then be reviewed by a Senior Officer who has not been involved in the initial decision making process. The Senior Benefits Officer's decision will be notified in writing to the customer. No further requests for review will be accepted.

Overpayments of DHP

The Benefits Team will seek to recover any overpayment of DHP where the customer or their action has contributed to the overpayment. Recovery will involve the issuing of a Debtors Invoice.

Fraud

The Benefits Team is committed to the detection and prevention of fraud. Customers who deliberately make a false claim for a DHP will be investigated which may lead to criminal proceedings