

# Discretionary Housing Payments

## Policy Statement & Procedures

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**Please read this document carefully and retain it for future reference**

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## **1. Background**

Discretionary Housing Payments (DHP) are administered by the Council's benefit service and funded by the Department for Work and Pensions (DWP), with the Council receiving an annual budget. The scheme can offer Housing Benefit (HB) or Universal Credit (UC) customers short term financial assistance with their housing costs during periods of particular need. It provides limited funding to support customers through anomalies and hardship in situations where the normal HB or UC award does not fully cover specified housing costs.

DHP awards are governed by the Discretionary Financial Assistance Regulations 2001 and are outside the scope of the Housing Benefit regulations.

## **2. Policy objectives**

The overall aim of the scheme is to reduce the risk of homelessness and to support the stability of families and communities in line with the Council's goal to build sustainable communities and protect the most vulnerable in society. It aims to enable people to secure or retain and pay for appropriate and sustainable accommodation through temporary difficulties or unusual circumstances that are not fully supported by the benefit system.

Entitlement to DHP will be based on the financial and personal circumstances of each tenant and their household. Where customers meet the qualifying criteria for a DHP as set out in this document, an award may be made so far as the allocated budget allows.

Discretionary Housing Payment should not undermine the purpose and nature of the HB or UC Scheme, nor should it support irresponsible behaviour. The Council expects awards to be made in unusual circumstances where additional help will have a significant effect in alleviating hardship and reducing the risk of homelessness.

In general, the Council will also give higher priority to assisting people, particularly families with children of school age (to ensure stability in children's education) to retain an established home. Low priority will be given to assisting people who take on housing costs, which because of the nature, location or price of the property, are unaffordable and unsustainable from the start.

## **3. Basic eligibility criteria**

It is not possible to prescribe the circumstances that will result in the award of a DHP as each case is likely to be unique. However, before considering an award the Council must be satisfied that the customer is entitled to HB or the rent element of UC and meets the following criteria:-

- has a rent liability
- requires assistance with housing costs

All applications for DHP will be duly considered in conjunction with this document, the applicant's individual circumstances and the Department for Work and Pensions guide: -

<http://www.dwp.gov.uk/docs/discretionary-housing-payments-guide-draft.pdf>

#### **4. Exclusions from DHP**

There are certain elements of an applicant's rent that cannot be included in housing costs for the purposes of DHP. These are:

- Ineligible service charges
- Increases in rent due to outstanding rent arrears
- HB that has been suspended
- Certain sanctions and reductions in benefits

For further information about exemptions see the DWP guide:-

<http://www.dwp.gov.uk/docs/discretionary-housing-payments-guide-draft.pdf>

#### **5. Applying for a DHP**

All claims for DHP must be made in writing using the prescribed application form which can be downloaded at :-

<http://www.wiltshire.gov.uk/benefits-housing-benefit>

The council may require additional information and evidence from the applicant. This will be requested in writing, electronically or verbally (via the telephone or face to face). The applicant will be required to provide the information within one month of the date of the request. This time limit may be extended if the council considers it reasonable to do so.

If the applicant does not provide the information required, the council will make a decision based on any information or evidence it already holds. Any information provided may be verified by the decision maker.

Examples where DHPs should be considered:

- Reduction in HB or UC for under occupation in the social rented sector, particularly where any member of the household has a disability and the accommodation has been adapted to meet their needs.

- Reductions in HB or UC where the benefit cap has been applied.
- Rent shortfall to prevent a household becoming homeless whilst the housing authority explores alternative options.

In deciding whether to award a DHP, the Council will take into account:

- The shortfall between HB and the rental liability
- Any steps taken by the applicant to reduce their rental liability
- The financial and medical circumstances of the claimant, their partner and any dependants, as well as any other members of the claimant's household
- The income and expenditure of the claimant, their partner and any dependants or other members of the claimant's household – income from Disability Living Allowance/Personal Independent Payments (PIP) will be disregarded when considering the household income
- Any savings or capital that might be held by the claimant or their family
- The level of indebtedness of the claimant and their family
- The amount available in the DHP budget at the time of the application
- The possible impact on the Council of not making such an award, e.g. the pressure on priority homeless accommodation
- Any other special circumstances brought to the attention of the Council.

## **6. Period of Award**

The council will decide on the length of time that a payment will be awarded for. The start date for an award will usually be:-

The Monday after the claim for DHP is received or registered by the Council or the date on which entitlement to HB or UC commenced (providing the application for DHP is received within one calendar month of the claim for HB or UC. However, the council does have the discretion to backdate an award if it considers the circumstances warrant it.

Awards in most instances are for a fixed period, typically 26 weeks and exceptionally up to 52 weeks, depending on the individual circumstances. The Council recognises that a small proportion of awards will need to continue for longer periods, particularly where the current home has been significantly adapted to meet the needs of a family member with substantial and continuing disabilities.

## **7. Making Payment**

Awards will be made by electronic transfer (BACS) and in exceptional circumstances, by cheque.

Awards will be made to the same person as the HB or UC is being paid.

## **8. Notification of award**

The benefit service will inform the customer in writing of the outcome of their application. Where the application is unsuccessful, the benefit service will set out the reasons why the decision was made and explain the right of review.

Where the application is successful, the Benefit service will advise:

- The weekly amount of DHP awarded
- The period of the award
- How, when and to whom the award will be made
- The requirement to report a change in circumstances.

## **9. Change of circumstances**

The Council may need to revise an award of a DHP where the claimant's circumstances have materially changed.

## **10. Overpayments**

If there is an overpayment of DHP, the authority will consider whether it's appropriate to seek recovery.

## **11. Right of review**

There are no formal rights of appeal against decisions in relation to DHPs; but where a review of the decision is requested, arrangements will be made for the decision to be reviewed by two or more senior officers. This will ensure consistent decision making across the service.