

## **Discretionary Housing Payments (DHP) Policy**

### **1. Introduction**

The aim of this policy is to ensure that the Revenues and Benefits Section adopts a fair, reasonable and consistent approach in awarding Discretionary Housing Payments when claimants require extra help with their housing costs. This Authority is aware that the legislation gives a broad discretion to the making of awards but it is determined to ensure that the decisions it reaches are competent and transparent.

A Discretionary Housing Payment is not awarded as a benefit; it is an award from a cash limited fund given by Central Government each financial year.

### **2. Overall Aims of DHP**

The main aims of DHP are to:

- To maintain tenancy and prevent homelessness.
- Safeguard residents in their own home.
- Keep families together
- Support victims of domestic violence who are trying to move to a place of safety
- Support the vulnerable or the elderly in the local community
- Help customers through personal and difficult events.
- Support young people in transition to adult life.
- Alleviate poverty
- Encourage people to stay in employment

### **3. Background**

The regulations covering a DHP are the Discretionary Financial Assistance Regulations 2001.

A DHP provides claimants with further financial assistance with their housing costs, in addition to any welfare benefits.

Housing costs are not defined within the regulations but in general housing costs means rental liability, but it can also cover a wider spectrum which includes, rent in advance, rent deposits and other lump sum costs associated with a housing need.

Following the abolition of Council Tax Benefit from April 2013, a DHP can no longer be made towards Council Tax liability.

### **4. Criteria for award**

Before an award the authority must be satisfied that the claimant (claimant in this policy refers to a tenant having a relevant commercial tenancy upon which housing benefit is determined) is entitled to:

- Housing Benefit (HB) or,
- Universal Credit (UC) and,
- Has a commercial rental liability and,
- Requires further assistance with housing costs

#### **5. A DHP can cover**

1. Reductions in HB or UC where the benefit cap has been applied
2. Reductions in HB or UC for under-occupation in the social rented sector
3. Reductions in HB or UC as a result of local housing allowance restrictions
4. Rent shortfall to prevent a household becoming homeless whilst the housing authority explores alternative options
5. Rent officer restrictions such as local reference rent or shared room rate
6. Non dependant deductions
7. Income tapers
8. rent in advance
9. deposits
10. other lump sum costs associated with a housing need.

Before points 8, 9 and 10 can be considered and to avoid future evictions the claimant must prove they can meet the financial commitment when moving into the property where there is a liability to pay rent.

#### **6. A DHP cannot cover?**

1. Ineligible services such water or heating costs
2. Increases in rent due to outstanding rent arrears
3. Reductions in any benefit as a result of Jobseekers sanctions, Child Support Sanctions or sanctions following benefit related offences
4. Any Council Tax Liability
5. Shortfalls caused by overpayment recovery

#### **7. Process**

The DHP process will be audited therefore it is expected that a completed application form is received for each request showing a budget statement of their monthly/weekly income and expenditure. The income can be compared to what is shown on our records for the Housing Benefit award and then queried if it differs.

A DHP decision will always be in writing with an explanation of the award or refusal.

A DHP can be backdated but normally a claimant's request will be considered from the date of the DHP application is made.

Before awarding the DHP this Authority will decide whether the claim for Housing Benefit is correct for example:

- Is the applicant entitled to more relevant benefits?
- Could a Housing Benefit overlap be given?
- Should a 13 week rule apply because they could afford the rent before losing their employment?
- Are they trying to improve their own personal and financial situation by considering debt counselling or possible move?

When evaluating a claimant's overall indebtedness and in particular in cases where debts are accruing or not being fully addressed, the Council will direct the claimant to the Citizens Advice Bureau or One Support for debt counselling or other recognised debt counselling services.

The DHP will be awarded in a fair and consistent way and awarded on the claimant's financial circumstances, therefore these policy guidelines will help support the decision making process in deciding whether or not an award of DHP can be made.

The claimant's income/expenditure information will be checked to determine whether or not the data submitted is fair and reasonable. Further enquiries could be made to clarify the information supplied.

## **8. Review of Decision**

The Authority will review a DHP decision in the event of a dispute. This will be carried out by a different officer and the claimant will be advised of the outcome of the review in writing with the reasons of the decision.

## **9. Overpaid DHPs**

The Authority will recover DHPs if it decides that payment has been made as a result of misrepresentation or failure to disclose a material fact, either fraudulently or otherwise.

## **10. Publicity**

The Council will make a copy of this policy available for inspection and it will be published on the Council's website.