

Discretionary Housing Payments Policy

This policy will be reviewed yearly

Introduction

The Discretionary Housing Payment (DHP) Scheme is designed to help people who need additional financial help with their housing costs. It is extra money that the Council can pay on top of the claimants normal Housing Benefit (HB) or for those in receipt of Universal Credit (UC) (with a rental liability and eligibility for support towards housing costs (HC)) if it considers that they need extra help. The main principles of the scheme are:

- The claimant has no statutory right to a payment
- The scheme is discretionary
- All applications must be treated on their own merit
- The scheme is administered by Southend on Sea Borough Council
- The level of payment will be decided by the Council and administered via the Housing Benefit system
- DHP is not a payment of HB or rental costs through UC and as such is not subject to the statutory appeals mechanisms. Southend however does have a review process further information can be found Reviews section of this policy
- The DHP scheme should in most cases be seen as a short-term emergency fund.
- The Council has the right to amend, suspend or cancel a DHP when necessary or appropriate
- Total amount payable in any financial year is cash limited and therefore applications cannot be progressed once the funding is fully utilised within that year.

Purpose of the scheme

The purpose of the scheme is to:

- Prevent homelessness
- Alleviate poverty
- Safeguard residents in their home
- Keep families together
- Help claimants through personal crises and difficult events
- Assisting people who are long term unemployed
- Provide tenants with time to re-assess their situation and find a long time solution
- Help people who are trying to help themselves and better their circumstances
- Support the most vulnerable in the community.

Funding of the scheme

Central government currently decides and provides Southend on Sea Borough Council with a financial contribution to the scheme. This amount is reviewed each April.

How to claim

- The link to the claim form is located on the Local Authority website in the 'Apply for It' section of the Do it online page. The claim must contain sufficient evidence/information to enable the local authority to get a balanced view of the claimant's situation and circumstances.

Once the form is completed we may contact the claimant to conduct a Face to Face or telephone interview.

The DHP Claim form requests the following:

- The claimant's reasons why they require financial assistance
- A declaration that the information given is correct
- Authorisation for Southend on Sea Borough Council to verify information given
- A declaration that the claimant will repay any overpayment
- Additional evidence may also be requested and this must be provided within one month of the request date. A suggested list of information required is provided with the application form

Who can complete a request for DHP

Southend on Sea Borough Council will accept claims from:

- Claimants
- Appointees
- Another person acting on the claimant's behalf such as a relative or social worker. The claimant, however, must countersign the claim
- Supportive departments i.e. Housing Options Team, Citizens Advice Bureau, Support Worker from a Supporting People funded service.

Who can claim?

Claimants can be considered for DHP if:

- they are already receiving HB or rental costs through UC

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- **and** they get less than full HB or rental costs through UC e.g. if a deduction is made from their benefit for someone else living in their home, or the rent used in their benefit assessment is less than the amount they have to pay
- **and** they need further financial assistance with their rent.
- **and** they are able to prove that they are trying to help themselves better their situation by enrolling in relevant courses to better their circumstance or to increase their income to cover any shortfall that they may have.

Claimants will not be considered for DHP if:

- they have received adequate notice of a change in legislation which would entitle them to a lower entitlement to Housing Benefit **UNLESS** the claimant can prove that they have attempted to change their circumstances or have had and can prove that they have had extenuating problems that has hindered their ability to handle their shortfall.

What DHP's cannot cover

DHP's cannot be paid in the following circumstances:

- Service charges, hot water/heating charges, water rates or other non-housing costs that may be included in the rent as set out in the tenancy agreement.
- Increases to cover rent arrears, which are not eligible for HB or rental costs through UC
- Deductions for the recovery of Housing Benefit overpayments or overpaid rental cost through UC
- Reduction in any benefit as a result of Jobseeker's sanctions, Child Support Agency sanctions or sanctions following certain benefit related offences
- HB or UC that is suspended
- If benefit entitlement and DHP would exceed weekly rental liability
- For top up on Council Tax Account after award of Council Tax Reduction
- Any fees relating to admin or agencies
- Rent when Local Council Tax Support is being received but not Housing Benefit or UC Housing Costs

What types of shortfalls can DHP's cover?

Southend gives priority to cases to safeguard individuals and families living in the community and contribute to preventing homelessness.

Any awards for a DHP: :

- are subject to available funding
- are **SHORT TERM** only

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- are given on the understanding that during the period of the payment the claimant uses the time to find cheaper accommodation or additional income to cover the shortfall once the payment period has ended. The period of payment may be extended based on their circumstances. This is down to the Council's discretion.
- cannot exceed the ongoing weekly eligible rent for a housing benefit claimant or the value stated for housing costs on the award notice in the case of a UC claimant

The types of cases that can be considered for a DHP include people who have a:

- Shortfall in rent due to the application of the Benefit Cap
- Shortfall in rent due when affected with rent restrictions, Local Housing Allowance shared accommodation rate for under 35 year olds and size criteria (**See note 1, 2, 3, 4 & 5**)

NOTE Those who are foster carers and are currently between placements should not be penalised with size criteria.

For foster Carers one extra bedroom is allowed for:

- Approved foster carers who have a child placed with them
- Approved foster carers who are between placements but only for a period of 52 consecutive weeks from the date of last placement.
- Newly approved foster carers but only for a period of up to 52 consecutive weeks from the date of approval if no child is placed with them in that period.

Any other foster children living in the property will not be included.

NOTE 2 the maximum amount of help that can be given is 3 months. If any further help is requested proof will be requested showing efforts to find work or downsize. A Discretionary Housing Payment is short term solution only.

NOTE 3 Due to the 2017 April changes an extra room is now allowed in cases where children, non dependants need an overnight carer and where couples are unable to share if they have a disability (subject to being in receipt of prescribed benefits, proving that they are unable to share and where a carer is required having a room available) An award of Discretionary Housing Payment will not be permitted in the situation of being restricted by size criteria if the applicant fits the criteria for the extra room allowance. It will be considered if they fall outside the criteria or if they are not in receipt of the required benefits due to the application being processed

- Shortfall in rent due to being affected by the social sector and private sector changes (1st April 2013) for approved or prospective adoptive parents.

NOTE 3: Until the child forms part of the household the extra room allowed will not apply to the size criteria used in the claims calculation.

NOTE 4: In order for the Discretionary Housing Payment to be considered proof will need to be provided to show that the applicant is trying to better their living situation by moving to a property that is the right size for the household and more affordable. Should a property be offered and refused the Discretionary Housing Payment will cease.

- Shortfall in rent due to rent arrears. Assistance with arrears will only be considered if they have accrued due to being affected by the size criteria or benefit cap or sudden loss of employment and they were under exceptional financial pressure. The assistance will not always cover the full outstanding arrears. The claimant will be expected to make a realistic offer to the landlord to clear them in part.

NOTE claimants that come under the Local Housing Allowance Scheme (LHA) have the ability to determine the LHA rate applicable for their needs prior to accepting a tenancy.

- Shortfall in rent due to a non dependant deduction being taken. A DHP based on this element will be decided on a case by case basis and will only be awarded in extreme circumstances.
- Shortfall in rent due to income tapers set by central government.
- Shortfall in rent due to the claimants receiving medical care or expenses that occurred because of a medical condition.
- Shortfall in rent due to income being Carers Allowance or being in receipt of the carers element of Universal Credit
- Rent Deposits for claimants that will be financially better off moving to a more affordable property. (Please see Rent Deposit guide below)
- Shortfall due to the policy to limit benefit to two children
- Periods where a claimant would have been entitled to UC Housing Costs were it not for the fact that it was specified or temporary accommodation

Rent Deposits DHP requests

In order to qualify for a DHP for rent deposits (excluding rent in advance) the claimant needs to be homeless or facing homelessness, fleeing domestic violence or affected by size criteria. Proof will also be needed showing that moving from the current residential address to another address will be

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beneficial to the householder/family and will be at a more affordable level of rent.

In some cases we reserve the right to pay the rent deposit direct to the landlord. In these cases evidence of tenancy take-up will be sought as well as agreement with the landlord for accepting the rent deposit.

Guidelines for awarding a DHP

Each case that meets the overall scheme objectives will be considered on its merits. Please note that an award for a DHP is short term only.

The following guidelines should be used to assess each case:

- Length of time of the award
- The size of the shortfall that exists between what the claimant receives from Housing Benefit or rental costs through UC and the total costs that they are liable for.
- Any social or health problems currently being faced by the claimant and/or their family – **Do they prevent claimant moving house? Do they affect the type of housing available to the claimant? Do they cause the claimant extra financial costs? Do the problems mean that the claimant/family will have higher travelling costs or special dietary requirements**
- Is there going to be a change in the number of people in the household? – **Is it a pregnancy within the family? If so consider giving them time to move by awarding DHP up to 3 months either side of the birth or longer if the case warrants it. Consider what has brought about the shortfall, is it due to rent being restricted because the property is larger than the household needs, will this be resolved when the baby is born?**
- Age should be considered in relation to other factors in the case e.g. a pensioner could find it more difficult to move and settle than a younger person.
- Are there young children of an educational age living in the property? The award of the DHP should tie in with the academic school year to ensure that children are not displaced from their school environment wherever possible.
- The financial circumstances (income and expenditure, savings, capital and debts) of the household excluding the joint tenant. Look at the amount of disregarded income that the claimants has (excluding

Disability Living Allowance/Personal Independence Payment/Attendance Allowance.

- Is there danger of eviction and homelessness? Liaise with homeless placement team to ensure joint working.
- What is likely to happen to the family if a DHP is not awarded?
- Consider that the Payment on Two Homes regulations could help to cover a period of notice needed if the claimant must move, to avoid a need to extend the DHP award. (Ensure that the claimant has moved into new property for that rule to be applied.)
- Are there any other fund/funding schemes available via Benevolent funds or charitable organisations that would be appropriate to use instead of a DHP.
- Are there any pre existing Housing Benefit or UC protections that could apply instead of an award of a DHP.
- Is there evidence that the customer is finding it difficult to find a new property to move to? Liaise with homeless placement team to ensure joint working. Can Homeswapper be checked to ensure that there are or there are not any relevant places to move to?
- Is it clear that the claimant can not afford to live in the property or due to the upcoming changes with size criteria in social sector/benefit cap will not be able to afford to live in the property? Have they considered moving to a more affordable property? Will they benefit from having rent deposit paid for the new property?
- Is the claimant a foster parent or an approved or prospective adoptive parent renting from the private or social sector housing? If they have more than 1 foster child living with them they can apply for DHP. If they are an approved or prospective adoptive parent until the child forms part of the household they will not be included in the size criteria.
- If the claimant is affected by the introduction of the Benefit Cap, have they made steps to enrol onto training course to further increase their chance of increasing their income? Have they taken steps to control their finances and budget effectively by signing up to the various available budgeting courses? Are they being consistently sanctioned from the Job Centre for failing Job opportunities?

The Council will not make any allowance for the following:

- Any loss resulting from the claimant's failure or delay in claiming any income to which they are entitled

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- Any debt arising from an overpayment of Housing Benefit or UC
- Any debt, which, in the opinion of the Council arises from the financial imprudence of the claimant.

DHP decision

There are several possible outcomes of a DHP application:

- DHP refused
- DHP awarded in full
- DHP awarded in part i.e. less DHP paid than requested or paid for a shorter period
- Further information required

Notification details

Southend on Sea Borough Council will notify the claimant of the decision. If awarded, the notification advising them they have been successful will specify:

- Period of the DHP award
- Weekly amount of DHP
- The right of the claimant to ask for a review/appeal of the award and the time and manner of doing so
- The right of the LA to amend suspend or cancel a DHP when deemed necessary or appropriate.

Advance claims

Claimants can make a DHP claim no more than 13 weeks in advance.

Start dates

The start date of the DHP payment will normally be from the Monday following the date the written request was received. If a claim is received at the same time as an HB claim or a rental cost UC claim the start date of the DHP can be matched to the start of the HB or the UC claim.

Backdating

A DHP payment can be backdated if the claimant had a good reason for the delay in making the DHP claim e.g. if they were in hospital etc. Payment can be made from an earlier date if it is considered reasonable given the circumstances of the case. If however if Benefit is backdated then the DHP award will be awarded from that date.

Length of award

Most awards will be for the duration of 3 months unless any of the following circumstances applies:

- To tie in with an expected change in circumstance, i.e. baby due date.
- A date considered reasonable given the circumstances of the case
- The end date of the benefit entitlement.

When considering a DHP claim it should be taken into account that the DHP scheme should in most cases be seen as a short-term emergency fund. Claimants must be made aware that they must seek advice with regard to their housing needs and ways to manage financially in the long term. DHP cannot be paid indefinitely.

Payments

DHP's can be paid:

- To the claimant
- To the claimant's landlord

DHP should normally be paid to the person who receives the benefit payments. For example, if the HB is paid to the claimant, then the DHP will be paid to the claimant as well. However, where it is considered that it is not reasonable to pay the claimant directly, payment can be made to another payee as long as that person is also a 'person affected' by the benefit decision. For example, if HB is normally paid to the claimant, payment can be made to the landlord if it is considered reasonable to do so (both the landlord and claimant are 'person affected' by the Housing Benefit decision).

DHP for council tenants will be paid directly to the tenants rent account.

Payment frequency

DHP payments should mirror the payment frequency cycle used to pay claimants HB. Or as a separate calendar monthly payment to the UC claimant where UC is in payment.

Change in circumstance

Claimants must report, in writing, any change in circumstance that might affect the amount of DHP they get. Examples of these changes include:

- If they change address (or room if claimant occupies a room only)
- If they leave their home temporarily
- If their income changes
- If the household make up changes

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Overpayments

The Council may seek recovery of an overpaid DHP in certain circumstances, this being misrepresentation or failure to disclose a material fact, fraudulently or otherwise.

Reviews

Claimants can request a review of DHP decisions. They must do this in writing within one month of the date they are notified of the decision. The claimant (or appointee) must sign the review request letter. Late requests will be considered at the discretion of the Administering Officer where she/he considers that there were good reasons for the delay.

If a review is requested regarding the decision this will be looked at by a member of the Benefits Management Team who will then determine the final decision.

If an appeal is submitted as a result of the review it will be judged by a panel which will be made up with a member of staff from the Benefits Service as well as one other member of staff from another directorate. NOTE: the member of staff can not have an invested interest (related or by service provision)

Once the review has been completed, the officer will write to the claimant informing them of the decision within one week.

The claimant has no further right of review against this decision. However, applicants may still seek a Judicial Review of the Authority's decision.