

**HUNTINGDONSHIRE DISTRICT
COUNCIL**

**DISCRETIONARY HOUSING
PAYMENT POLICY**

APRIL 2013

DISCRETIONARY HOUSING PAYMENT POLICY

1. Background

- 1.1 Local authorities have the power to make discretionary payments to help relieve financial hardship with housing costs through The Discretionary Financial Assistance Regulations 2001.
- 1.2 Broadly speaking, housing costs mean rent, rent deposits, rent in advance and other costs associated with a housing need.
- 1.3 The scheme is discretionary and Huntingdonshire District Council (HDC) determines how to operate the scheme for its residents.
- 1.4 HDC is allocated a budget for funding Discretionary Housing Payments (DHP's) by central government on an annual basis.
- 1.5 The amount that HDC can pay out is cash limited by the Secretary of State at 2.5 times the contribution from central government.
- 1.6 Any unspent funding is returned to the Department for Work and Pensions (DWP) at the end of each year.
- 1.7 Although DHP's are not payments of benefit, the customer must be in receipt of Housing Benefit (HB) or Universal Credit (UC) to be able to make a claim.

2. Aims of the scheme

- 2.1 The aims of awarding a DHP may be based on the following considerations:
 - to alleviate poverty
 - to encourage and sustain people in employment
 - to maintain tenancies and prevent homelessness
 - to safeguard residents in their homes
 - to help those who are trying to help themselves
 - to keep families together
 - to support domestic violence victims who are trying to move to a place of safety
 - to support the vulnerable or the elderly in the local community
 - to help claimants through personal and difficult events
 - to support young people in the transition to adult life
 - to promote good educational outcomes for children and young people

This list is not exhaustive.

2.2 Claims will be treated on their own merits and customers will be treated equally and fairly.

3. Process

3.1 The legislation gives very broad discretion over the application of the scheme but decisions must be made in accordance with good decision making principles. HDC has a duty to act fairly, reasonably and consistently. In doing this, reference is made to the Department for Work and Pensions' DHP Guidance Manual.

3.2 Although applications for DHP's are administered by the Council's Benefits Section, there is liaison with the Housing Section and other partners on cases they may have an involvement with.

3.3 Claims for a DHP are made on an application form provided by the Benefits Section. The application form asks questions about the customer's circumstances and financial situation that are used to build up a picture of why the customer requires additional help with their housing costs.

3.4 A senior Benefits officer deals with DHP claims to ensure decision are made consistently and fairly. A proforma is completed setting out what information has been used to make the decision. This is then passed to a second officer to check and countersign.

3.5 The customer is notified in writing of the outcome of their claim. The letter details the weekly amount and length of award. If the claim has been unsuccessful, the letter sets out how the customer can ask for the decision to be looked at again.

3.6 Where possible, DHP payments are made in line with the HB/UC payment cycle.

4. Awarding a DHP

4.1 It must first be established that:

- the customer is entitled to Housing Benefit
- further financial assistance is required
- there is sufficient money left in the DHP budget to make an award.

4.2 A DHP can cover shortfalls between the rent and amount of benefit award including:

- a Rent Officer restriction or where the Local Housing Allowance rate does not meet the rent
- where the rent used in a claim for a person renting from a social landlord has been restricted due to the household under-occupying the property,

with particular regard to disabled people living in significantly adapted accommodation and foster carers

- where Housing Benefit has been reduced due to a household's income exceeding the benefit cap levels
- where non dependant deductions are applied
- where income tapers reduce entitlement
- rent deposits
- rent in advance

4.3 A DHP cannot cover:

- ineligible service charges
- increases in rent due to outstanding rent arrears
- certain sanctions and reductions in benefit
- any shortfall between Council Tax Support entitlement and Council Tax liability

4.4 Although the level of DHP awarded cannot exceed the weekly eligible rent, the amount of the award is not fixed.

4.5 DHP's are generally awarded from the Monday after receipt of the DHP application but backdated awards are considered depending on the individual circumstances of the claim.

4.6 There are no specific guidelines over the length of the award, but DHP's are not generally paid indefinitely. Due to the limited budget, this allows as many people to be helped as possible. In addition, frequent reviews ensure that the claimant's circumstances still warrant a DHP payment.

4.7 All decisions are made taking into account the claimant's individual circumstances including, but not restricted to:

- the conditions of the tenancy
- the household's financial circumstances
- the household's medical circumstances
- the reasonableness of the customer's expenditure
- the shortfall between the rent liability and HB entitlement.

4.8 Supporting evidence is requested where appropriate.

5. Overpayments

- 5.1 A customer is required to notify the Benefits Section of any change in circumstances that may affect their entitlement to a DHP.
- 5.2 If as a result of a change in circumstance, an overpayment of a DHP occurs, the customer is notified of the amount and the reason for the overpayment.
- 5.3 HDC will seek to recover any overpaid DHP. Repayment is usually made by payment against an invoice.

6. Disputes

- 6.1 There is no formal right of appeal against a decision not to award a DHP.
- 6.2 However, the customer can request a review of the original decision which is carried out by a senior officer.
- 6.3 After the internal dispute process is exhausted, the customer would need to request a judicial review to take their case further.

7. Monitoring

- 7.1 Details of each award made are recorded for monitoring purposes.
- 7.2 Submissions have to be made to the DWP on a six monthly basis detailing overall expenditure and the reasons for each award broken down into four categories:
 - to support a customer affected by the benefit cap
 - to support a customer affected by the social sector size criteria
 - to support a customer affected by the Local Housing Allowance reforms
 - any other reason
- 7.3 The return to the DWP must be signed by the Council's Section 151 Officer.