

North East Derbyshire District Council

Discretionary Housing Payments Policy

1. Purpose

The purpose of this policy is to specify how North East Derbyshire District Council Revenues Section will operate the Discretionary Housing Payment (DHP) Scheme and to indicate some of the factors that will be considered when deciding if a DHP can be awarded. Each case will be treated strictly on its merits and all customers will receive equal and fair treatment. The Revenues Section is committed to working with the local voluntary sector, social landlords and other interested parties in the District to maximise entitlement to all available state benefits and this will be reflected in the administration of the DHP Scheme.

2. Statement of objectives

The Revenues Section will consider awarding a DHP to all customers who meet the qualifying criteria as specified in this policy. The Revenues Section will treat all applications on their individual merits and will seek through the operation of this policy to:

- Prevent and alleviate homelessness;
- Alleviate poverty;
- Support vulnerable young people in the transition to adult life;
- Encourage North East Derbyshire residents to obtain and sustain employment;
- Enable families to remain in their homes where they are not living in over-large or over-expensive accommodation and there are good reasons why they are unable to move.
- Provide short-term support to vulnerable customers facing a shortfall in rent payments through Housing Benefit or Universal Credit whilst they find cheaper alternative accommodation. (In this context, 'vulnerable' relates to the mental and physical health needs of the customer and any family members and any other circumstances preventing them from moving to cheaper accommodation straight away);

- Provide short-term support to vulnerable customers facing a shortfall in rent because of the Government's reforms to Housing Benefit whilst they access support and/or advice to assist them to resolve their financial difficulties, for example, support with finding work or budgeting and managing their money. (In this context, 'vulnerable' relates to the mental and physical health needs of the customer and any family members.)
- Support disabled people affected by the under-occupation deduction living in properties which have been significantly adapted including any adaptations made for other household members such as a disabled child or non-dependant;
- Support families affected by the under-occupation deduction with a disabled child or non-dependant who require an additional bedroom for a non-resident overnight carer or team of carers;
- Support couples affected by the under-occupation deduction where one of them has a medical condition that makes it difficult for them to share a bedroom;
- Support approved or prospective adoptive parents or foster carers affected by the under-occupation deduction;
- Support those affected by the benefit cap who, as a result of a number of complex challenges, cannot immediately move into work or more affordable accommodation. For example, individuals or families fleeing domestic violence, or individuals or families who cannot move immediately for reasons of health, education or child protection;
- Support lone parent households affected by the benefit cap that include a child under 2.
- Support all households affected by the benefit cap that include a child aged 9 months or under or a woman within 11 weeks of the expected week of childbirth.
- Help those who are trying to help themselves;
- Keep families together;
- Support the vulnerable or the elderly in the local community;
- Help customers through personal crises and difficult events;
- Promote good educational outcomes for children and young people.

The DHP scheme should primarily be seen as a time limited emergency fund. It is not and should not be considered as a permanent solution to meet current or future entitlement restrictions set out within the Housing Benefit legislation.

Awards will be made on flexible terms, dependent on household circumstances but, in the main, will be for between three and six months.

Long- term awards will only be considered in exceptional circumstances. In the main, these are where the family is living in a significantly adapted property to meet the needs of a disabled person in the household.

There is a legal limit on the amount each Council can pay in Discretionary Housing Payments each year for people in their area. This means that not everyone who claims will receive a payment. North East Derbyshire District Council will operate the DHP Scheme so that those **most** in need receive a payment. DHP awards will be conditional on the applicant taking reasonable action to change their circumstances wherever this is possible. In all circumstances, it must be remembered that the scheme is reliant on Central Government funding and, without this, the scheme could not continue.

3. Claiming a DHP

There must be a claim for a DHP to make an award. A claim for a DHP must be made on a claim form approved and available free of charge from the Council. The DHP claim form will be available to download from the Council's website. The Revenues Section will also issue claim forms on request or in circumstances where they consider a person may be entitled to a payment.

In most cases, the DHP claim should be made by the same person entitled to Housing Benefit or the Housing Element of Universal Credit. However, the Revenues Section will accept claims from someone acting on that person's behalf such as their appointee, support worker or Housing Options officer.

The Revenues Section may request any reasonable evidence in support of an application for a DHP. Such requests will normally be made in writing. The customer will be asked to provide the evidence within one month of such a request although this may be extended if the customer has acceptable reasons as to why they are unable to provide the information within this time.

The Revenues Section reserves the right to verify any information or evidence provided by the customer in appropriate circumstances including contacting third parties and other organisations if necessary.

If the customer is unable to, or does not provide the required evidence, the Revenues Section will still consider the application and will take into account any other available evidence including that held with the customer's Housing Benefit or Universal Credit claim.

4. Length of award

In all cases, the Revenues Section will decide the length of time for which a DHP will be awarded on the basis of the known facts and the evidence supplied.

A DHP will normally be paid from the date the Revenues Section receive the DHP claim but backdated awards will be considered where the customer has good reasons for not claiming earlier. In deciding what a good reason is, the Revenues Section will use the same 'good cause' criteria used for Housing Benefit claims.

The Revenues Section will also take into account the customer's age, health, dependent children and any other relevant circumstances.

A DHP can only be awarded if a claimant is in receipt of Housing Benefit, or the Housing Element of Universal Credit.

An award will generally be made for between three and six months. Shorter or longer periods will be considered based on the circumstances of the case. For example, shorter awards may be made where the applicant's circumstances are likely to change soon such as someone expecting a baby in two months who will then be entitled to a two-bedroom Local Housing Allowance rate rather than the shared accommodation rate; or an applicant who will be moving out of expensive accommodation in one month's time.

Longer awards, up to 12 months, may be made for example, where someone is recovering from a serious illness and is unable to move whilst they recover; or where someone in the household is disabled and the accommodation has been significantly adapted to meet their needs.

The Revenues Section will not award a DHP for a period of more than 12 months. A further claim may be made at the end of this period but there is no guarantee that a further award will be made even if the customer's circumstances have not changed.

One-off payments will be considered, for example, for rent in advance, deposits or removal costs, but only where these payments are reasonable, unavoidable and the customer has a valid reason to move. For example, customers moving to accommodation that is more affordable to them following a reduction in their Housing Benefit as a result of the reforms. One-off payments will not be made where the customer is otherwise able to secure a payment from the Housing Options Team's Rent in Advance or Deposit Bond Scheme.

5. Awarding a DHP

Before awarding a DHP, the Revenues Section must be satisfied that the applicant;

- is entitled to Housing Benefit, or Universal Credit that includes a housing element towards rental liability; and
- has demonstrated that they are unable to meet their housing costs from their available income.

The Revenues Section will seek to maximise the customer's income by checking the availability of state benefits and other sources of financial assistance that may be available to the customer on application. In cases where additional benefits are potentially available, the Revenues Section will refer the customer to the relevant agency for more specialist help and advice with claiming these benefits.

In deciding whether to award a DHP, the Revenues Section will take the following circumstances into account:

- The shortfall between Housing Benefit or the Housing Element of Universal Credit and rent (net of any charges included in the rent that are not eligible for Housing Benefit, for example, fuel charges, meals or water rates);
- Any advice that has been given to the claimant by the Council's Housing Options Team to ensure that all housing options advice is made available to customers, including any appropriate alternative support.
- Any non-dependant deductions being made from Housing Benefit;
- Any steps taken by the customer to reduce their rental liability or help themselves, for example, by seeking cheaper accommodation or asking the landlord to reduce the rent;
- Whether the customer took steps to find out how much Housing Benefit they would be entitled to before taking on the rent liability, for example, by checking the Local Housing Allowance rate that applied to them. If they did and they knew there was going to be a shortfall, the reasons why they still decided to take the property on;
- The mental and physical health and support needs of the customer, their partner and any other members of their household, and any special reasons which make it necessary for them to remain in their home rather than finding cheaper alternative accommodation;
- The income of the customer, their partner and any other adult members of their household who could contribute to the shortfall. All income will normally be taken into account except income awarded to meet specific needs related to a disability, for example, the mobility component of Disability Living Allowance.
- Expenditure which is reasonable, necessary and unavoidable. Avoidable and unnecessary expenses which serve to enhance the customer's lifestyle, for example, satellite TV subscriptions such as SKY, will not normally be taken into account. This is because we consider that the customer could use this money towards their rent and that this should be a greater priority. If we have not taken disability-related income into account, we will not normally take disability-related expenditure into account. This is because in most cases, the disability benefit received should cover these expenses. Where the disability-related income does not cover these expenses, we will consider taking the additional expenses into account on a case by case basis. This will only be in exceptional circumstances though and only where the expenses are reasonable and necessary.
- Increases in essential work-related expenditure such as increased fares to work where a customer has moved to cheaper accommodation that is further away from their place of work;
- Whether the customer has applied for all sources of income available to them;
- Any savings or capital held by the customer and their partner;

- The level of indebtedness of the customer and their partner (if they have one). Whether the customer has tried to renegotiate loans to reduce their expenditure or sought advice from a debt advisor to try to alleviate their situation;
- The consequences for the customer and people living with them of not making an award taking into account the Statement of Objectives of this policy.
- Any other relevant circumstances brought to the attention of the Revenues Section.

The Revenues Section will decide how much to award based on the circumstances of the case. The level of payment may cover all or part of a shortfall in rent or assist with the cost of moving and/or taking up a new tenancy. Where the payment is to cover a shortfall in rent, this can only be up to the amount of the actual shortfall, for example, if the rent charge is £75 and Housing Benefit is £50, the most that can be awarded in Discretionary Housing Payments is £25 a week.

Discretionary Housing Payments cannot cover:

Service charges that are not eligible for Housing Benefit such as water rates or fuel costs for non-shared areas;

- Increases in rent due to outstanding rent arrears;
- Certain sanctions and reductions in benefit such as a reduction in benefit as a result of non-attendance at a work-focused interview.
- Shortfalls caused by a Housing Benefit or Universal Credit overpayment recovery.

An award of a DHP does not guarantee that a further award will be made at a later date even if the customer's circumstances do not change. If a further DHP claim is made later, the Revenues Section will look at what the customer has done to try and alleviate their situation themselves

6. Paying a DHP

Payments will normally be made to the person who claimed. However, in some cases the Revenues Section may pay the person's landlord or their appointee depending on the circumstances involved.

Where Discretionary Housing Payments are awarded to someone renting their home from the Council, they will be paid to the rent account they have with Rykneld Homes.

Where Discretionary Housing Payments are awarded to someone renting their home from a private landlord, they will be paid with Housing Benefit normally direct into the tenant's or landlord's nominated bank account.

7. Notifications

The Revenues Section aims to deal with DHP claims within 10 days of receipt of the claim and all required evidence. A letter will be sent to the person claiming as soon as a decision has been made.

Where the Revenues Section has decided not to award a DHP, the notification letter will provide the reasons and the customer's right to dispute the decision.

Where the Revenues Section has awarded a DHP, the notification letter will include the following information:-

The weekly amount of DHP awarded;

- The period of the award;
- How and when the payments will be made;
- Who the payments will be made to;
- The requirement of the person claiming to notify the Revenues Section of any changes in their circumstances.

In cases where the DHP will be made to the landlord, a letter will also be sent to the landlord.

8. The Dispute Process

Discretionary Housing Payments are not payments of Housing Benefit and are therefore not subject to the statutory appeals procedure for those benefits. The Revenues Section has set up a different process for appeals against DHP decisions.

If a claimant disputes a DHP decision that has been made they should write to the Council within one calendar month of the date on which the decision was notified to them. The customer must give the reasons why they do not agree with the decision in the dispute letter and include any additional supporting evidence they want the Revenues Section to consider.

Any dispute letters received after one month may still be considered if the customer has good reasons why the dispute is late.

Disputes will be dealt with by an officer who was not involved in making the original decision. This officer will look again at the original decision and all the information and evidence used to make that decision. They will also take into account any new information the customer has provided and they may ask them for more information if they consider it necessary. The officer will write to the customer advising them of their decision within one calendar month of the date the dispute was received by the Revenues Section.

If the decision remains disputed at this stage then a claimant must write to the Revenues & Benefits Manager at North East Derbyshire District Council within one calendar month of the date of receipt of the further refusal letter.

The decision of the Revenues & Benefits Manager will be final and binding and may only be challenged by the judicial review process, or by complaint to the Local Government Ombudsman in the event of maladministration.

If a dispute against a decision not to award Discretionary Housing Payments is not successful, this does not prevent a further application being made in the future if the circumstances of the person who claimed change.

Where the claimant has an appointee, that person can ask for a decision to be explained or dispute the decision on behalf of the person claiming.

9. Changes in Circumstances

The Revenues Section will decide whether to award Discretionary Housing Payments based on the circumstances of the person claiming at the time. If any of those circumstances change, the person claiming will be required to report those changes to the Revenues Section. Depending on the nature of the change, the award of Discretionary Housing Payments may have to be reconsidered.

The Revenues Section will inform the person claiming of the type of changes they need to tell them about in the DHP award notification letter.

The Revenues Section will also review DHP awards where there is a change in the amount of Housing Benefit the person claiming receives, or their rent liability changes.

10. Overpayments

In the event that a DHP is found to have been overpaid, the Revenues Section will consider whether it is appropriate to recover it in full, in part or not at all. The Revenues Section will seek to recover any DHP found to have been overpaid as a result of fraud or the recipient failing to report a change in their circumstances. Overpayments cannot be recovered from any Housing Benefit the customer is receiving. Normally, an invoice for the overpaid DHP will be sent to the customer or the person to whom the award was paid and, ultimately, recovery through the courts or a debt collection agency. However, if the overpayment was caused by an "official error" and it is not reasonable for the customer to have known that they were being overpaid, recovery of the overpayment will not be sought. The decision letter notifying the customer that an overpayment has been made will also set out their right to dispute the decision and the process for doing so.

11. Publicity

The Revenues Section will publicise the DHP Scheme and will work with all interested parties to achieve this, in particular, the Council's Housing Options Team

and the Financial Inclusion Group. Information about the DHP Scheme will be available on the Council's web site.

12. Fraud

North East Derbyshire District Council is committed to the fight against fraud in all its forms. A person who tries to fraudulently claim a DHP by falsely declaring their circumstances or providing a false statement or evidence in support of an application, may have committed an offence under the Fraud Act 2006.

Where it is alleged, or the Council suspects that such a fraud may have been committed, the matter will be investigated and, if fraud is found to have occurred, action will be taken including the recovery of overpaid monies and, if appropriate, criminal proceedings.