

DISCRETIONARY HOUSING PAYMENTS (DHP's)

Procedural Document 2013/2014

Background

The legislation governing DHP's can be found in the Discretionary Financial Assistance Regulations 2001 (S1 001 / 1167).

The Discretionary Housing Payments Scheme, covers shortfalls between rental liability and payment of Housing Benefit. Every claimant who is entitled to the minimum amount of Housing Benefit (50p) *and* who has such a shortfall between their eligible rent and Housing is entitled to make a claim for help.

The main features of the scheme are that:

- the scheme is purely discretionary; a claimant does not have a statutory right to a payment,
- the amount that can be paid out by an Authority in any financial year is cash-limited by the Secretary of State,
- the Benefits Service administers the scheme.
- DHP's are not a payment of Housing Benefit. However, DHP's are paid as part of the claimant's payment from the Authority.

The Benefits Service Procedure

Purpose

The purpose of this procedural document is to specify how the Benefits Service will operate the scheme and to indicate some of the factors that will be considered when deciding if a DHP can be made. Each case will be treated strictly on its merits and all customers will be treated equally and fairly when the scheme is administered. The Benefits Service is committed to working with the local voluntary sector, social landlords and other interested parties to maximise entitlement to all available state benefits and this will be reflected in the administration of the DHP schemes.

Statement of objectives

The Benefits Service will consider making a payment of a DHP to all claimants who meet the qualifying criteria as specified in this policy. The Benefits Service will treat all applications on their individual merits, and will seek through the operation of this policy to:

- alleviate poverty;
- support vulnerable young people in the transition to adult life;
- encourage residents to obtain and sustain employment;
- safeguard residents in their homes;
- help those who are trying to help themselves;
- keep families together;

- support the vulnerable in the local community;
- help claimants through personal crises and difficult events;
- Support foster carers
- Support those where there have been significant adaptation's to their property because of a disability

Claiming a DHP

A claim for a DHP must be made in writing and signed by the claimant. However, applications will be accepted from the claimant's representative.

- The Benefits Service may request any (reasonable) evidence in support of an application for a DHP. The claimant will be asked to provide the evidence within one month of such a request although this will be extended in appropriate circumstances.
- If the claimant is unable to or does not provide the required evidence, the Benefits Service will still consider the application and will in any event take into account any other available evidence including that held on the Housing Benefit file.
- The Benefits Service reserves the right to verify any information or evidence provided by the claimant in appropriate circumstances.

Period of award

The DHP scheme should be seen as a short time emergency fund to help claimants through a difficult time whilst they take steps to improve their financial situation.

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

The Benefits Service cannot award a DHP for any period where there was no entitlement to Housing Benefit.

The minimum period for which the Benefits Service will award a DHP is one week.

- Generally awards of DHP will be for a period of 3 to 6 months.
- DHP's will not normally be awarded for a period exceeding 12 months.
- Reasonable requests for backdating an award of a DHP will be considered.

Awarding a DHP

In deciding whether to award a DHP, the Benefits Service will take the following factors into account:

- the shortfall between Housing Benefit and the liability;
- any steps taken by the claimant to reduce their rental;
- Any action taken by claimant to improve their financial circumstances

- the financial and medical circumstances (including ill health and disabilities) of the claimant, their partner and any dependants and any other occupants of the claimant's home;
- the income and expenditure of the claimant, their partner and any dependants or other occupants of the claimant's home;
- 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 exceptional nature of the claimant and their family's circumstances;
- 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 Benefits Service.
- the length of time the claimant is likely to need to a DHP, and if there is any foreseeable improvement in the claimants financial circumstances.

The Benefits Service will decide how much to award based on all of the circumstances. This may be an amount below the difference between the liability and the payment of Housing Benefit. An award of a DHP does not guarantee that a further award will be made at a later date even if the claimant's circumstances have not changed.

Changes of Circumstances

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

Method of Payment

The Benefits Service will decide the most appropriate person to pay based upon the circumstances of each case. This could include paying:

- the claimant;
- their partner;
- an appointee;
- their landlord (or an agent of the landlord); or
- any third party to whom it might be most appropriate to make payment.

The Benefits Service will pay an award of DHP by the most appropriate means available in each case. This could include payment:

- by cheque or electronic transfer (e.g. BACS)
- by crediting the claimant's or rent accounts;

Discretionary Housing Payment will be paid in line with Housing Benefit.

Notification

The Benefits Service will inform the claimant in writing of the outcome of their application. Where the application is unsuccessful, the Benefits Service will set out the reasons why this decision was made and explain the right of review. Where the application is successful, the Benefits Service will advise:

- the weekly amount of DHP awarded;
- whether it is paid in advance or in arrears;
- the period of the award;
- how, when and to whom the award will be paid
- the requirement to report a change in circumstances;

Part of an award will include an expectation that the claimant take steps to improve their financial circumstances where appropriate. And where follow up claims for a DHP is made, the Benefit Service will require evidence that the claimant has taken action to improve their circumstances and what the outcomes of those actions are.

The right to seek a review

DHP's are not payments of Housing Benefits and are therefore not subject to the statutory appeals mechanism. All Councils are expected to set up an appropriate review process.

The Benefits Service will operate the following policy for dealing with appeals about a refusal to award a DHP, a decision to award a reduced amount of DHP, a decision not to backdate a DHP or a decision that there has been an overpayment of a DHP.

- A claimant (or their appointee or agent) who disagrees with a DHP decision may dispute the decision. A request for a review should be delivered in writing to the Benefits Service within one calendar month of the written decision about the DHP being issued to the claimant.
- An officer, independent of the original decision (an Independent Reviewer) will review all the evidence held and will make a decision within 14 days of referral or as soon as practicable.
- Where the Independent Reviewer decides not to revise the original decision, they will notify the claimant of their decision in writing, setting out the reasons for their decision.
- The decision of the Independent Reviewer is final and the claimant cannot request a further review.
- The claimant may have recourse to Judicial Review of the decision and will need to take their own legal advice to pursue this.

Overpayments

The Benefit Service will seek to recover any DHP found to be overpaid where it considers this appropriate.

Publicity

The Benefits Service will publicise the scheme and will work with all interested parties to achieve this. A copy of this policy statement will be made available for inspection.

Review of this procedural document

This document will generally be reviewed on an annual basis, however as there are further Welfare Reform changes mid year that will impact on the procedures awarding a Discretionary Housing Payment this document will be reviewed to take those into account as and when this is appropriate. Changes to State Benefits and the introduction of new benefits such as introduction of Universal Credit (UC) and Personal Independence Payments (PIP) will be incorporated into this document when the full impact is known.