

Discretionary Housing Payments

Introduction

The Discretionary Housing Payment scheme exist to help those suffering financial hardship. This enables Councils to assist those in greatest need meet their housing costs by more than the 'normal' benefit regulations allow.

Applicants must;

- Be in receipt of Housing Benefit (HB); or Universal Credit (UC) which includes an element for rent; and
- Have a rental liability; and
- Appear to the local authority to require further financial assistance with housing costs.

A customer who is receiving local council tax support only, with no rental liability (e.g. an owner occupier) or who is receiving Universal Credit without an element for rent is not eligible to apply for a DHP.

Welfare reforms took effect in 2013. These included the introduction of a benefit cap and new social sector bedroom requirement restrictions. Households that are affected and considered to have more bedrooms than they need will receive reduced Housing Benefit payments.

If Housing Benefit reduces as a result of the welfare reforms, the council may be able to award further assistance via a Discretionary Housing Payment. These are usually short term awards however, the following applicants may be considered for an award of DHP up to the end of the current financial year;

- Those living in properties which have been significantly adapted for disabled needs

Other awards of DHP are still intended to be for transitional or exceptional circumstances and each application will be considered individually.

There is no guarantee of a DHP award even if an applicant falls within one of the priority groups due to limited funds.

The Benefits Service's Policy

Purpose

This policy specifies how the St. Albans Benefits Service will operate the scheme and identifies 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 applicants will be treated equally and fairly when the scheme is administered. The Benefit Service is committed to working with the local voluntary sector, landlords and other interested parties. If the Benefits Service identifies that the claimant is not receiving a state benefit they may be entitled to, they will advise them to make such a claim rather than awarding a Discretionary Housing Payment. The prevention of homelessness is the Council's priority when considering claims.

Examples of circumstances which may qualify for DHP

- To prevent homelessness by assisting in reducing rent arrears (applicants will be expected to be making payments towards their rent arrears through a repayment plan agreed with their landlord)
- New applicants under 35 years old who may be affected by the Local Housing Allowance rules for a time limited period
- To help disabled applicants living in homes which have had significant adaptations carried out to meet their health needs (e.g. adaptations costing over £7000, stair lifts, level access showers, wet rooms) or properties which have been specifically designed for individuals with disabilities. There must be someone living in the home that requires the adaptation
- To help applicants to obtain a private rented tenancy i.e. Help with the deposit

Awarding a DHP

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

- The shortfall between the claimants Housing Benefit entitlement or their entitlement to the Housing element of Universal Credit and their contractual rental liability;
- Steps taken by the claimant to reduce their rental liability;
- The financial and medical circumstances (including ill health and disabilities) of the claimant, their partner, any dependents and any other occupants of the claimant's home;
- The income and expenditure of the claimant; their partner, any dependents or other occupants of the claimant's home;
- Any savings or capital that might be held by the claimant or their family;
- The exceptional nature of the claimant and their family's circumstances;
- Whether the claimant's circumstances are likely to change in the future.
- The amount available in the DHP budget at the time of the application;
- The possible impact on the Council of not making such an award; e.g. the pressure on priority homeless accommodation;

- Whether the applicant had previously been awarded a Discretionary Housing Payment.
- Any advice which the claimant received or which was available to the claimant prior to them entering into their rental liability. Any other special circumstances brought to the attention of the Benefits Service.
-

DHP claims are dealt with by a team of 3 experienced officers who will decide how much to award based on all of the circumstances. The total weekly value of Housing Benefit plus DHP cannot exceed the full rent liability (calculated weekly). Any award of DHP cannot exceed the maximum housing element used in the calculation of a claimants Universal Credit award. 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.

Period of award

In all cases, the Benefits Service will decide the length of time for which DHP will be awarded on the basis of the evidence supplied and the facts known, but will normally be limited to a maximum of 13 weeks. The Benefits Service has the discretion to award for longer periods where necessary and in accordance with the council's priorities.

The start date of an award will normally be:

- The Monday after the written claim for a DHP is received by the Benefits Service; or
- Any other date which is considered appropriate given the circumstances and the reasons given for the delay in making the application (providing the applicant is in receipt of Housing Benefit that does not meet their full rental liability at the date of the award) or in receipt of Universal Credit that includes the housing element

In determining whether it is reasonable to grant a 'back-dated' awarded, the authority shall have regard to the principal that the greater the amount of time that has elapsed between the period over which the award has been requested and the date of the request, the more compelling should be the reasons for the delay.

The Benefits Service cannot award a DHP for any period outside an existing HB period granted under the HB statutory scheme or for periods where a claimant is in receipt of Universal Credit that does not include the housing element

Statement of objectives

The Benefits Service will consider making a payment of DHP to 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;
- Encourage St Albans residents to obtain and sustain employment;
- Safeguard St Albans 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.

The Benefits Service considers that the DHP scheme should be seen as a short term emergency fund. It is not and should not be considered as a way around the current or future entitlement restrictions set out within the Housing Benefit or Universal Credit legislation.

Claiming a DHP

A claim for a DHP must be made in writing. A letter or statement made to the Council Offices will be deemed as sufficient.

- In appropriate circumstances (e.g. Where benefit is restricted due to the LHA rate), the Benefits Service will advise the claimant that they may claim a DHP. The DHP scheme will also be publicised on the www.stalbans.gov.uk website.
- The Benefits Service may request any (reasonable) evidence in support of an application for a DHP. The Benefits Service will make such requests in writing. 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
- Home visits may be undertaken where it is felt that this would assist in verifying the information or evidence to support a successful DHP claim
- The minimum period for which the Benefits Service will award a DHP is one week
- If an application is successful, the Benefits Service will usually award a DHP for a period of up to 13 weeks

The Benefits Service will consider any reasonable request for an award for an earlier period

Changes of circumstances

The Benefits Service reserve the right to revise an award of a DHP where the claimant's circumstances have changed or where it becomes aware of additional information which would have influenced its decision when making the initial award

Method of Payment

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

- The claimant;
- Their partner;
- An appointee;
- Their landlord (or an agent of the landlord); or
- Any third party to whom it might be appropriate to make payment.

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

- By electronic transfer (e.g. BACS)
- By crediting the claimant's rent account.

Payment will be made in line with normal Housing Benefit payments or monthly for Universal Credit claimants

Notification

The Benefits Service will inform the claimant in writing of the outcome of their application within 14 days of receipt. 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 notify the claimant of;

- The weekly amount of DHP awarded;
- The period of the award;
- The requirement to report a change in circumstance.

The right to seek a review

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

The Benefits Service will operate the following policy for dealing with requests for a review of the decision not to award a DHP, to award a reduced amount of DHP, not to award a DHP for an earlier period or recover 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 shall be delivered in writing to the Benefits Service within one calendar month of the written decision about the DHP being issued to the claimant
- If the DHP team are unable to revise their decision the claimant will be notified that their case will be considered by the Housing Review Panel
- The Housing Review Panel consists of Senior Officers from the Housing Department. Claimants are not able to attend but may make written submissions for the panel to consider
- The claimant will be advised of the panel's decision in writing
- The Housing Review Panel decision is final and may only be challenged via the judicial review process or by complaint to the Local Government Ombudsman.

Overpayments

The Benefits Service may seek to recover any DHP found to be overpaid. Normally this will involve issuing an invoice to the claimant or the person to whom the award was paid or. It is unlikely that recovery of any overpayment caused by a St. Albans 'official error' will be sought.

Publicity

The Benefits Service will publicise the scheme and will work with all interested parties to achieve this.

Fraud

A claimant who tries to fraudulently claim a DHP by falsely declaring their circumstances, providing a false statement or evidence in support of their application may have committed an offence under the Fraud Act 2006. Where the Benefits Service suspects that such a fraud may have occurred, the matter will be investigated as appropriate and this may lead to criminal proceedings being instigated.

Revised 15/05/2017 – Benefits Service