

Gosport Borough Council

DISCRETIONARY HOUSING PAYMENTS (DHP's)

POLICY

POLICY STATEMENT

Discretionary Housing Payments provide Customers with further financial assistance, in addition to any welfare benefits, when the Local Authority considers that help with housing costs is required.

1.0 General

1.1 The Discretionary Housing Payment (DHP) scheme provides a small amount of funding to deal with anomalous situations where normal Housing Benefit or Universal Credit, housing costs element, (when introduced) does not cover all of the rent and the customer is suffering extreme hardship.

1.2 A claim for DHP can only be made for a period where there is entitlement to Housing Benefit or at a future date Universal Credit, housing costs element.

1.3 DHP awards are expected to be short term awards to ease transitions and overcome temporary situations, to give customers time to seek resolution to their difficulties, to enable them to secure, retain and pay for appropriate and sustainable accommodation.

1.4 The Council expects to make payments in cases of unusual circumstances or extreme hardship where additional help will have a significant effect in alleviating hardship, reducing the risk of homelessness or alleviation of other extreme difficulties due to personal crisis.

1.5 The Benefits Section will treat all applications on their own individual merit 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;
- support tenancy sustainment and homelessness prevention;
- safeguard residents in their homes;
- help those who are trying to help themselves;
- keep families together;
- support the vulnerable or the elderly in the local community;

- support domestic violence victims who are trying to move to a place of safety;
- help claimants through personal crises and difficult events.

2.0 Housing Costs:

2.1 For the purposes of this Policy “Housing Costs” in general, means rental liability but can also in certain circumstances cover rent in advance, rent deposits and removal costs. This Policy covers shortfalls in housing costs where there is an entitlement to either Housing Benefit or Universal Credit (housing costs element). Every customer who is entitled to an amount of Housing Benefit or Universal Credit (housing costs element) *and* who has a shortfall between their liability and their benefit award is entitled to make a claim for help.

2.2 Customers may have a shortfall in housing costs for many reasons, and the Council will consider awarding a DHP for the following circumstances, should the personal and financial circumstances of the customer entitle them to an award:

- a shortfall due to the benefit cap having been applied;
- a shortfall due to the social rent size criteria legislation having been applied;
- a shortfall due to Local Housing Allowance rate/size restrictions;
- a shortfall due to a restriction by the Rent Officer such as local reference rent;
- a shortfall in housing costs to prevent the household becoming homeless whilst the Council’s Housing Department explores alternative options;
- a shortfall due to a non- dependant deduction;
- a shortfall due to the income taper;
- a shortfall due to the size criteria assessment restrictions for Foster Carers;
- a shortfall for those returning to work after a long period (at least 18 months) of unemployment, who have difficulty in managing their finances during the transition from long term benefit until stable in work income is secured.

2.3 Awards of DHP for rent in advance, deposits and removal costs are expected to be rare, and will be only be considered when a current benefit entitlement exists and where a homelessness application has been made to the Housing Department and assistance with accommodation cannot be gained through normal homelessness routes. An award for rent in advance, deposit or removals will only be considered for a property that is affordable for the customer on-going i.e. is within the normal Local Housing Allowance/ size criteria limits.

2.4 DHP's cannot be considered for:-

- Ineligible service charges (as defined by Regulations)
- Increases in rent due to outstanding rent arrears
- Certain sanctions and reductions in Benefit (as detailed in Appendix B to the DWP's DHP Guidance Manual.)

2.5 The level of any weekly DHP payment may not exceed the weekly rental liability.

3.0 Claiming a DHP

3.1 A claim for a DHP must be made in writing and signed by the claimant (or their appointee if unable to act for themselves).

- A customer wishing to make an application for DHP should contact the Benefit Section who will issue an application form and all claims must be made on this claim form. The form must be returned to the Benefit Section within one month of the date of issue accompanied by all supporting evidence. The claim date will be the date the form is issued if received within one month of issue. If received after the one month time limit the date of claim will be the date it is subsequently received.
- The Benefits Section may request any evidence in support of an application for a DHP as stipulated on the application form or by subsequent request. The Benefits Section will make such requests in writing, by telephone, e-mail or text as appropriate. The claimant will be asked to provide the evidence within one month of such a request although this will be extended in appropriate circumstances.
- The Benefits Section will verify any information or evidence provided by the claimant in appropriate circumstances.
- Part of the assessment of the DHP application may involve a home visit or office interview.
- If all evidence is not supplied within the month timescale (or longer if extended) the application will be treated as withdrawn and the customer will be notified of the decision in writing. This decision will have a right of review as detailed in this Policy.

4.0 Period of award

4.1 In all cases, the Benefits Section 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 start date of an award will normally be the Monday after the DHP claim date.

4.2 The minimum period for which the Benefits Section will award a DHP is one week other than awards for rent in advance, deposits or removal costs.

4.3 Awards of DHP will generally be short term allowing the customer to address the circumstances that are causing extreme hardship and therefore awards of DHP are not usually expected to exceed three months.

4.4 However the Council recognizes that a small proportion of awards will need to continue for longer periods, particularly where the current home has been significantly adapted to meet the needs of a family member with substantial and continuing disability.

5.0 Awarding a DHP

5.1 In deciding whether to award a DHP, and the level of any award, the Benefits Section will treat all cases on their own merits and treat all applicants fairly and equally. To calculate financial affordability a means test calculation will be applied to the customer's income and expenditure. When assessing a customer's ability to meet a shortfall all income is considered to be available to the customer and this is then compared to the essential outgoing financial commitments a customer has.

5.2 All factors of each individual case will be considered including:

- the shortfall between any benefit award and housing costs liability and any steps taken by the customer to reduce their liability;
- the financial and medical or social needs (including ill health and disabilities) of the claimant, their partner, any dependants and any other occupants of the claimant's home, e.g. are there health or support needs which require a customer to remain in a particular property or area? Is choice of accommodation restricted due to a health problem either temporarily or permanently? Are there children in the household due to take crucial exams such as GCSE's? Are any household members nearing a significant birthday e.g. 16 years old which would allow an extra bedroom or reaching pension credit age which would exempt them from social rent restrictions?
- the income and expenditure of the claimant, their partner and any dependant's or other occupants of the claimant's home. All income is taken into account for the DHP assessment including income normally disregarded for a Housing Benefit assessment e.g. Disability Living/

- mobility allowance, maintenance, child benefit and voluntary payments. Is all disregarded income committed to essential financial commitments or can some of this disregarded income be used to make up the shortfall?
- any expenses incurred by the claimant, particularly expenses relating to ill health or disability for example if Disability Living Allowance, mobility supplement is in payment, is this already being used for a motability scheme or travel expenses?
 - Are there any unusually high work travel expenses, e.g. as the customer works further away from home or does split shifts?
 - any savings or capital held by the claimant or their family and whether any capital/savings can be used to make up the shortfall?
 - is there anyone else, e.g. family or friends that are willing to make up the shortfall?
 - can the customer change their spending pattern on non- essential items?
 - could the customer afford the rent when they moved in?
 - can the customer increase their working hours?
 - the level and nature of indebtedness of the claimant and their family and the steps taken to re-negotiate non-priority debts;
 - the exceptional nature of the claimants circumstances/ family's circumstances such as bereavement or terminal illness;
 - have all available Social Security benefits been claimed and income maximized by way of benefits entitlement.

5.3 Decisions will be made by specially trained Officers and the claimant will be notified in writing of the decision giving a full explanation of the decision and the factors considered when arriving at the decision.

6.0 The right to seek a review

6.1 DHP's are not payments of Housing Benefit or Universal Credit and therefore claimants do not have appeal rights to the Social Security Tribunal. However the Council will operate the following Review procedure:

- Where a customer disputes a DHP decision, the Head of Benefits will undertake a full review of the case, considering any additional information provided by the customer to decide whether to confirm or revise the original decision. The customer will receive a full written notice, setting out the findings of the review. This review will be completed within one calendar month of the dispute being received by the Benefit Section. If the Head of Benefits has been involved in the original decision then the dispute will be passed to their deputy to perform the review.

7.0 Changes of Circumstances

7.1 The claimant must ensure all changes to their circumstances are reported to the Benefit Section immediately, so that any award of a DHP may be revised e.g. where income has increased or another change would reduce the award. The customer will be notified of the changes that they must report in their decision letter that awards any DHP.

7.2 Any decision revised due to a change in circumstance will be subject to the review procedure as set out in this Policy.

8.0 Method of Payment

8.1 The Benefits Section 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 Section will pay an award of DHP

- by Bacs or cheque or where applicable,
- by crediting the claimant's rent accounts;

Payments will be made either 2 or 4 weeks in arrears or as a one –off payment for a rent in advance/deposit.

9.0 Notification

9.1 The Benefits Section will inform the claimant in writing of the outcome of their application within one month of receipt of the completed application form and supporting evidence. Where the application is unsuccessful, the Benefits Section will set out the reasons why this decision was made and explain the right of review. Where the application is successful, the Benefits Section will advise:

- the amount of DHP awarded;
- the period of the award;
- how, when and to whom the award will be paid
- the requirement to report a change in circumstances;

10.0 Overpayments

10.1 The Benefits Section will seek to recover any DHP found to be overpaid e. g due to an increase in income and subsequent reduction in DHP. The reasons for any overpayment will be explained to the customer in writing giving all appropriate dates and reasons for the overpayment and the customer will have a right of review against this decision as set out in this Policy.

11.0 Fraud

The Benefits Section is committed to the prevention of fraud in all its forms. 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 Theft Act 1968. Where the Benefits Section suspects that such a fraud may have occurred, the matter will be investigated which may lead to criminal proceedings being instigated.

12.0 Review Mechanism

This Policy will be kept under review to ensure all changes in legislation are reflected within the Policy.