

**Central Bedfordshire Council's
Discretionary Housing Payment Policy**

Revenues & Benefits Service



Approved by Executive: 17 July 2014

Discretionary Housing Payment Policy of Central Bedfordshire Council (CBC)

1. Background

- 1.1 On 2 July 2001 a new scheme was introduced which granted all Local Authorities new powers to make a discretionary award to top up the Housing Benefit statutory scheme. This is called Discretionary Housing Payment (DHP).
- 1.2 The legislation governing DHP's can be found in the Discretionary Financial Assistance Regulations 2001 (S1 001 / 1167).
- 1.3 The scheme provides further financial assistance for housing costs for those entitled to Housing Benefit or a rent housing element of Universal Credit, where payments under the statutory scheme are insufficient.
- 1.4 Broadly speaking housing costs means rent, rent deposits, rent in advance and other lump sums associated with housing need such as removal costs.
- 1.5 From April 2013 Council Tax Benefit was abolished and replaced with a Local Council Tax Support Scheme. Therefore help with Council Tax is no longer available through DHP as it will be included in the Local Council Tax Support Scheme.
- 1.6 From April 2013 there have been significant changes to Housing Benefit as part of welfare reform and this policy has been changed to account for this.

In particular changes have been made to the length of a DHP award from a fixed period to an indefinite period for disabled people in certain circumstances (see criteria at 8.4 a), b), and c), who are significantly affected by the welfare reform changes.

2. Budget

- 2.1 Every year Councils receive a cash fund from the Government, which can only be used for DHP awards. The Council is permitted to spend up to two and half times this amount.
- 2.2 From April 2013 the Government increased funding to help Councils manage the impact of the Housing Benefit reforms and the increased demand for DHP.

3. Purpose of policy

- 3.1 The purpose of the policy is to set out how Central Bedfordshire

Council will operate the scheme and to indicate some of the factors that will be considered when deciding if a DHP can be made.

- 3.2 It explains how we prioritise applications at a time of increased demand in a manner that is affordable for the Council and which allows us to assist residents considered to be in most need.
- 3.3 Each case will be treated strictly on its merits.
- 3.4 All claimants will be treated equally and fairly.
- 3.5 The Council 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 scheme. Where the evidence provided in support of a DHP indicates that the customer is not claiming another state benefit they may be entitled to, the Council will advise them to make such a claim and provide details of other agencies who may be able to help with such a claim.

4. **Objectives for award**

- 4.1
 - Alleviate poverty;
 - Encourage Central Bedfordshire residents to obtain and sustain employment;
 - Prevent homelessness and promote tenancy sustainment;
 - Safeguard Central Bedfordshire residents in their homes;
 - Help those who are trying to help themselves;
 - Keep families together;
 - Support domestic violence victims who are trying to move to a place of safety;
 - Promote good educational outcomes for children and young people;
 - Support the vulnerable or the elderly in Central Bedfordshire;
 - Support vulnerable young people in the transition to adult life;
 - Help families who are part of the Supporting Families Programme;
 - Help customers through personal crises and difficult events;
 - Alleviate short term crisis;
 - Support disabled people remain in their home;
 - Support the work of foster carers;
 - In accordance with Government expectations and the increased funding from April 2013, help manage the impact of Housing Benefit reform – reductions in Local Housing Allowance, under-occupancy in social housing and the Benefit Cap.

- 4.2 The Council considers that generally the DHP scheme should be seen as a short term emergency fund.
 - 4.3 The council considers that disabled people who are awarded DHP because they meet the criteria stated in either 8.4 a), b) or c) may be awarded DHP for an indefinite period. By disabled we mean under the Equality Act 2010 – if you have a physical or mental impairment that has a “substantial” and “long-term” negative affect on your ability to do normal daily activities.
5. **Features of scheme**
- 5.1 DHP payments are discretionary.
 - 5.2 Claimants do not have a statutory right to payment.
 - 5.3 Payments are made from a cash-limited fund.
 - 5.4 The scheme is administered by the Customer Accounts Department.
 - 5.5 DHPs are not a payment of Housing Benefit or Universal Credit.
 - 5.6 Housing Benefit or a rent housing element of Universal Credit

must be in payment in the benefit week that a DHP is awarded for.

6. **What DHPs can be paid for**

- 6.1 A shortfall between the contractual rent and the Housing Benefit or a rent housing element of Universal Credit, apart from rent or charges excluded under the scheme.

This may be due to:

- The rent is more than the Local Housing Allowance, Local Reference Rent, Shared Room Rate or maximum housing element of Universal Credit;
- Income tapers;
- Non-dependant deductions;
- Reductions in Housing Benefit entitlement following changes to Local Housing Allowance rates from April 2011;
- Reductions in Housing Benefit entitlement following changes from April 2013 in social housing, where the home has too many bedrooms, or there is a Benefit Cap.

- 6.2 Rent deposits, rent in advance, unavoidable over-lap of rent on two homes and lump sum costs associated with a housing need, such as removal costs, providing you receive Housing Benefit from Central Bedfordshire Council for your present home, or a rent housing element of Universal Credit at a property within Central Bedfordshire: The rent deposit etc does not need to be in respect of a property within Central Bedfordshire Council, however there should be a valid reason for moving and the new tenancy affordable. We will normally make rent deposits and rent in advance payments to the new landlord.

7. **What DHPs cannot cover**

- 7.1 Ineligible service charges.
- 7.2 Increases in rent due to outstanding rent arrears.
- 7.3 Reductions in Housing Benefit or Universal Credit due to sanctions or overpayments.
- 7.4 Claims where Housing Benefit or Universal Credit has been suspended.

8. **Awarding a DHP**

- 8.1 The Customer Accounts Department (Revenues & Benefits) will decide whether or not to award a DHP and how much any award might be.

8.2 When making this decision the Customer Accounts Department will take into account:

- The shortfall between Housing Benefit or maximum housing element of Universal Credit and the contractual rent;
- Any steps taken by the customer to reduce a rental liability or move to a smaller home;
- The financial and medical circumstances (including ill health) of the customer, their partner and any other members of their household including dependants and any other occupants of the customer's home;
- If the customer, their partner and any other members of their household, including dependants and any other occupants of the customer's home, is disabled. (By disabled we mean under the Equality Act 2010 – if you have a physical or mental impairment that has a “substantial” and “long-term” negative affect on your ability to do normal daily activities.)
- Any income disregarded in the Housing Benefit or Universal Credit calculation, which is not committed for the provision of care etc. (Disability Living Allowance, Personal Independence Payment, Armed Forces Independent Payment, Attendance Allowance and Mobility Allowances are for the provision of care or extra costs for the disability and therefore will be ignored as income);
- Any savings or capital that might be held by the customer or their family;
- Unavoidable high costs such as fares to work or for therapeutic costs;
- The level of indebtedness of the customer and their family (loans and finance agreements, credit and store card repayments, bank charges, financial commitments etc);
- The nature of the customer and their family's circumstances, bearing in mind there is no need to show that the circumstances are exceptional before awarding a DHP;
- The possible impact on the Council of not making such an award, e.g. the pressure on priority homeless accommodation;
- Where there are special circumstances which prevent the customer moving to cheaper or smaller accommodation;
- The amount available in the DHP budget at the time of the application.

This list is not exhaustive and any other relevant factors or special circumstances will be taken into account.

8.3 To help us prioritise who we can make payments to, we have two Priority Groups. Those in Priority Group 1 will have priority over

those in Priority Group 2.

8.4 Claimants are in Priority Group 1 where:

- They or a member of their household is disabled, they have more bedrooms than the Housing Benefit/ Universal Credit rules allow and
 - a) Their home has been adapted for their disablement needs or
 - b) Due to the nature of their disability they cannot share a bedroom with their partner or
 - c) There is an issue related to their disability which makes it difficult to move to a smaller or cheaper property;

(By disabled we mean under the Equality Act 2010 – if you have a physical or mental impairment that has a “substantial” and “long-term” negative affect on your ability to do normal daily activities.)

- They or their partner is a foster carer, they have more bedrooms than the Housing Benefit rules allow and they need a bedroom for each foster child. (This includes the need for bedrooms for up to 52 weeks in-between placements and up to 52 weeks for newly approved foster carers awaiting their first placements);
- They are fleeing domestic violence.

8.5 All other claimants are in Priority 2. Those we want to assist are:

- Families with children at a critical point in their education;
- Young people leaving local authority care;
- Staying Put Carers with children in care and care leavers respectively;
- Families with kinship care arrangements;
- Families with a child in temporary care who is expected to return home;
- Families with a social service intervention or are part of a Supporting Families Programme;
- Where some one in the household is expecting a baby/to adopt a child and this future change will increase the level of bedrooms Housing Benefit or Universal Credit allows;
- Ex-homeless people being supported to settle in the community;
- People threatened with homelessness;
- People with health or medical problems, particularly where they need to access medical services or support not available elsewhere;

- People with medical conditions who receive informal care which would not be available in a new area;
- Single people under 35 who cannot live in shared accommodation due to an illness or other issue such as HIV;
- Elderly and frail people who have lived in their home for a long time and would find it difficult to establish support networks in a new area;
- People who live near their jobs because they work unsocial hours/split shifts/inadequate public transport;
- People who as a consequence of a move have additional travel to work costs;
- People who need to move to cheaper/smaller accommodation and need help with a rent deposit/ rent in advance for their new home or lump sum costs associated with the move i.e. removals;
- People who are affected by reductions in Housing Benefit entitlement following changes to Local Housing Allowance rates from April 2011 and need additional time to find cheaper accommodation;
- People who are affected by reductions in Housing Benefit following the April 2013 under-occupancy rules in social housing properties and are actively working with their housing provider to find a smaller home or need additional time to adjust to the change;
- People affected by the Benefit Cap that cannot immediately move into work because of complex challenges such as child protection etc;
- People, who are not in the aforementioned, however have special circumstances that are such that warrants DHP.

8.6 The Customer Accounts Department will decide how much to award based on all of the circumstances. This may be an amount equal to or below the difference between the contractual rent and the payment of Housing Benefit or rent element of Universal Credit.

8.7 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 have not changed.

9. **Period of award**

9.1 In all cases, the Customer Accounts Department will decide the length of time for which a DHP will be awarded on the basis of the evidence supplied, the facts known and the level of funds available.

9.2 The start date of an award will normally be the Monday after the

request for a DHP is received by the Customer Accounts Department; or the date on which entitlement to Housing Benefit or Universal Credit commenced (providing the application for DHP is received within one calendar month of the claim for Housing Benefit or Universal Credit being decided) whichever is the earlier, or the most appropriate.

- 9.3 The DHP will normally be paid for a minimum of one week.
- 9.4 The length of award may vary i.e. 4, 13, 26 or 52 weeks. The maximum length of award will usually not exceed 52 weeks; however this does not prevent a further application and award being made.
- 9.5 Disabled people awarded DHP because they meet the criteria stated in 8.4 a), b) or c) may be awarded DHP for an indefinite period. (By disabled we mean under the Equality Act 2010 – if you have a physical or mental impairment that has a “substantial” and “long-term” negative affect on your ability to do normal daily activities.)
- 9.6 Any reasonable request for backdating an award of a DHP will be considered but such consideration will usually be limited to the current financial year. A DHP cannot be awarded for any period outside an existing Housing Benefit or Universal Credit benefit period granted under the statutory schemes.

10. **Changes of circumstances**

- 10.1 The Customer Accounts Department may revise an award of a DHP where the customer’s circumstances have materially changed.
- 10.2 A claimant is required to notify the Customer Accounts Department in writing of any changes of circumstances relevant to the continuation of DHP.

11. **Claiming a DHP**

- 11.1 A claim for a DHP must be made in writing. On request or in appropriate circumstances the Customer Accounts or Customer Services Team will issue a DHP application form.
- 11.2 A claim from some one acting on behalf of the claimant, such as an appointee, will be accepted where we consider it reasonable to do so.
- 11.3 The Customer Accounts Department may request any reasonable evidence in support of an application for DHP.

11.4 If evidence is not provided or is unavailable, the Customer Accounts Department will still consider the application and will in any event take into account any other available evidence including that held on the Benefit records.

11.5 The Customer Accounts Department reserves the right to verify any information or evidence provided in appropriate circumstances.

12. **Decision making**

12.1 Decisions will be made by a Customer Accounts Team Leader or a Senior Customer Accounts Officer.

12.2 In the case of rent deposits or rent in advance payments the decision will be made in conjunction with a Housing Options Officer to ensure all options, services and advice Central Bedfordshire Council can provide are explored.

13. **Method of Payment**

13.1 The Customer Accounts Department will decide the most appropriate person to pay based upon the circumstances of each case.

13.2 This may include:

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

13.3 The Customer Accounts Department will pay an award of DHP by the most appropriate means in each case.

13.4 This could include payment:

- To a bank account
- Crediting the claimant's rent account

13.5 Payment frequency will be in line with how Housing Benefit or Universal Credit is paid.

14. **Notifying decisions on DHP**

14.1 The Customer Accounts Department will inform the claimant in writing of the outcome of their application within 14 days of receipt or as soon as possible after that.

14.2 The notification will set out the reasons for the decision and

explain how to disagree.

- 14.3 The notification will advise, where appropriate:
- The amount of DHP;
 - When it will be paid;
 - The period of award;
 - How and to whom it will be paid;
 - The requirement to report a change in circumstances;
 - Information on who to contact for further help or advice.

15. **Disputes procedure**

- 15.1 DHPs are not payments of benefit and are therefore not subject to the statutory appeals process.
- 15.2 A claimant can disagree with the DHP decision. This may be made in writing or electronically.
- 15.3 Disagreements will be dealt with by the Quality and Appeals Manager, who will give full written reasons of their decision and what they can do if they are still dissatisfied.
- 15.4 Where a claimant is still dissatisfied they can request a further review of the decision. This may be made in writing or electronically. The decision will be reviewed by the Customer Accounts Manager. Their decision will be final and binding and may only be challenged via the judicial review process or by complaint to the Local Government Ombudsman (in case of alleged maladministration).

16. **Monitoring**

- 16.1 The Customer Accounts Quality and Appeals Manager will sample check 10% of decisions to ensure they are fair and consistent.

17. **Overpayments**

- 17.1 The Customer Accounts Department will seek to recover any overpaid DHP.
- 17.2 An invoice will be sent to the claimant or person to whom the award was paid.
- 17.3 Overpayments of DHP cannot be recovered from ongoing entitlement of Housing Benefit or Universal Credit.
- 17.4 A letter will be sent to the person due to repay the invoice detailing the overpayment, why it occurred and what to do if they disagree.

18. **Fraud**

- 18.1 The Council is committed to the fight against 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 or the Fraud Act.
- 18.2 Where the Council suspects that such a fraud may have occurred, the matter will be investigated as appropriate and this may lead to criminal proceedings being instigated.

19. **Publicity**

- 19.1 The Council 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 and will be posted on the Council's web site. Information about the amount spent will not normally be made available except at the end of the financial year.