

POLICY TITLE

Discretionary Housing Payments

REVISION DATE

New

REPLACES POLICY

New

POLICY NUMBER

POLICY AIM

The Council aims to relieve financial hardship associated with housing costs, and prevent homelessness through use of Discretionary Housing Payments.

EXECUTIVE SUMMARY

This policy outlines the Council's approach to awarding Discretionary Housing Payments and supports the Council's Homelessness Strategy.

Every year, the Department for Work and Pensions (DWP) provides an allocation of funding for us to use for Discretionary Housing Payments. We must return any unspent funds and they can change the amount of our future year allocations. The maximum amount that we can award in Discretionary Housing Payments is two and a half times the Government contribution for that year.

Discretionary Housing Payments are not payments of benefit, and we have discretion in how we manage this funding. We can only award Discretionary Housing Payments to people receiving Housing Benefit and / or Council Tax Benefit which does not meet the full amount of their eligible rent and / or council tax (housing costs).

We will use this funding to make Discretionary Housing Payments to eligible applicants for the purposes of relieving hardship associated with housing costs, and preventing homelessness.

The main points in the policy include the following:

- Information about Discretionary Housing Payments
- How South Holland will use the funding
- Changes of circumstance and overpayments
- How complaints and disputes will be dealt with
- Implementation and monitoring
- Responsibilities

POLICY STATEMENT

Information about Discretionary Housing Payments

Discretionary Housing Payments are not payments of benefit but they are intended to help towards eligible rent and council tax liabilities (also referred to as housing costs). However, some Housing Benefit and / or Council Tax Benefit has to be in payment in the benefit week that we award a Discretionary Housing Payment for. Discretionary Housing Payments provide further financial assistance when the Housing Benefit and / or Council Tax Benefit does not meet the full amount of eligible rent and / or council tax. We have to use our discretion and decide when it would be appropriate to award this extra help towards a person's housing costs.

Payments are purely discretionary; no-one has a statutory right to receive a Discretionary Housing Payment.

We have broad discretion around when to pay Discretionary Housing Payments. However, our decisions must be made in accordance with ordinary principles of good decision making and so they must be fair, reasonable and consistent.

The Department for Work and Pensions provides us with a specified Discretionary Housing Payments allocation which can vary each year as it is partly based upon our previous Discretionary Housing Payments spending. We must return any unspent funding to the Department for Work and Pensions. During the year in question, we can only award Discretionary Housing Payments up to a cash limit of two and a half times this annual allocation. Any spending we make above the allocation and up to the legal limit has to be funded by us from our budget (and so in turn from our council tax payers).

Responsibility for Discretionary Housing Payments within the Council

Discretionary Housing Payments are not payments of benefit and so they can be managed and administered by any team within the Council. However, given that Discretionary Housing Payments are conditional upon Housing Benefit and / or Council Tax Benefit being in payment, we decided that our Benefits and Revenues Team would have this responsibility when Discretionary Housing Payments were first introduced in July 2001. Budget responsibility rests with our Benefits and Revenues Manager. Decisions are usually made on individual applications by our Benefits Specialist who will work on them collaboratively with Housing Services staff and take into account comments made by other relevant staff and agencies where appropriate.

How South Holland use the funding

We will use this funding to make Discretionary Housing Payments to eligible applicants for the purposes of relieving hardship associated with housing costs, and preventing homelessness. Discretionary Housing Payments may be used in the following circumstances:

- where, for the period in question, there is a shortfall between eligible rent and / or council tax liability and the amount of Housing Benefit and / or Council Tax Benefit in payment
- where rent deposit and rent in advance payments need to be made for a property that a person is yet to move into, as long as they are in receipt of

Housing Benefit for their current home (the Discretionary Housing Payments will be limited by the Housing Benefit award in respect of their current home)

- where there is a shortfall in Housing Benefit due to Rent Officer restrictions (excluding shortfalls due to ineligible services being included in the rent charges)
- where Local Housing Allowance does not meet the rent liability (after excluding ineligible services that may be included in the rent charged)
- where good practice guidance indicates that Discretionary Housing Payments may be appropriate.

We will use Discretionary Housing Payments primarily as a short term emergency fund. It should not be used as a 'way round' any relevant entitlement restrictions within housing or council tax benefit legislation.

Dealing with Discretionary Housing Payments applications

A person, or their representative, who is seeking a Discretionary Housing Payment from us must demonstrate that this extra financial assistance is needed to meet housing costs – these are defined as eligible rent and / or council tax. We cannot award Discretionary Housing Payments in respect of increases in on-going rent which have been made in order to recover previous rent arrears.

We will consider each Discretionary Housing Payment application on its own merits. We will aim to make decisions on the majority of applications within two weeks of all the necessary information being received and we will aim to decide the remainder within a further two week period. Having decided an application, we will notify the decision in writing and explain the reasons for it.

When considering any application for Discretionary Housing Payment, officers may take into account the following. This list is not exhaustive:

- the effect of awarding a Discretionary Housing Payment on the risk of eviction or homelessness
- the amounts of household income and outgoings, including savings and other capital holdings, having regard to any outgoings that may not be considered essential or of major importance
- the existence of any income disregarded for benefit purposes, having due regard to what that income is for and how it is being used
- any unavoidable outgoings which may make it hard to meet housing costs
- any benefits not being claimed
- any alternative housing options
- any foreseeable changes in circumstances
- the length of time and amount of assistance required
- any relevant health considerations
- any likely or actual debt recovery action in relation to rent and / or council tax arrears
- the amount of any priority debts
- any steps available or already taken by the person applying to help overcome their financial difficulties.
- any unintended discriminatory impact of legislation.

Generally speaking, we will award Discretionary Housing Payments for 13 weeks or less although repeat, longer or open ended awards will be made if the circumstances are considered appropriate. Unless the circumstances are very unusual or exceptional, we will not award Discretionary Housing Payments to get around normal Housing Benefit and / or Council Tax Benefit entitlement restrictions (such as non-dependant deductions, excess weekly income, Rent Officer decisions, overpayment recoveries and so on).

In addition to the above, we will consider all Discretionary Housing Payment applications in accordance with relevant legislation and we will have regard to recognised best practice guidance.

As a general rule, we will pay Discretionary Housing Payments to help with eligible rent along with Local Housing Allowance or Housing Benefit. We will make payments in line with the Housing Benefit payment cycle and pay them direct to rent accounts (in the case of council tenants) or direct to bank accounts (for other tenants). We can make payments to either the tenant or the landlord and we will decide who it is most reasonable to pay according to the circumstances of each case.

We will credit people's council tax accounts with any Discretionary Housing Payments awarded to help with those liabilities.

Changes of circumstances and overpayments

We will advise people that they are responsible for telling us about any changes to their circumstances which could affect their entitlement to Discretionary Housing Payments. This is so that we can revise the decisions if necessary and appropriate.

Where we identify an overpayment, we will seek repayment from the person we paid it to unless it would be inappropriate to do so for some reason. We cannot recover overpaid Discretionary Housing Payments from people's ongoing benefit entitlements.

How complaints and disputes will be dealt with

Discretionary Housing Payments are not payments of Housing Benefit or Council Tax Benefit and so they are not covered by the statutory benefit appeals provisions.

However, we will deal with complaints about the Discretionary Housing Payments service in accordance with our corporate Customer Feedback Procedure.

We have made specific arrangements for dealing with situations whereby our Discretionary Housing Payment decisions are disputed. People wishing to appeal against one of our decisions must ensure that we receive their appeal within one month of the date of that decision. Their appeal must be in writing and set out their grounds for appeal. Appeals will be decided within the Benefits and Revenues Team by a senior officer not involved in making the original decision. Where someone remains dissatisfied with the outcome of their appeal, they can make a further appeal. This will be heard and decided by our Discretionary Housing Payments Review Board which is made up of Councillors. The Review Board decision will be final.

Promoting the Scheme

We will promote the scheme using advice leaflets to accompany existing benefits, and housing advice leaflets and the Council's website. We will also use the Homelessness and Landlord forums to promote awareness of the scheme.

IMPLEMENTATION

ACTIVITY	PERSON RESPONSIBLE
Managing applications and correspondence	Benefits Specialist
Awarding payments	Benefits Specialist with Senior Officer Approval
Considering initial appeals on decisions	Senior Officers within the Benefits and Revenues Team
Considering further appeals	Discretionary Housing Payments Review Board
Promotion of scheme	Housing Operational Manager & Benefits and Revenues Manager

MONITORING

The policy will be monitored in the following ways:

MONITORING ACTIVITY	PERSON RESPONSIBLE
Policy implementation	Housing Operational Manager & Benefits and Revenues Manager
Review of policy	Housing Operational Manager & Benefits and Revenues Manager
Performance against budget and targets	Benefits and Revenues Manager

POLICY CONSULTATION

Consult SMT	28.07.08- 04.08.08
Consult teams and partners	04.08.08- 02.09.08
Consult landlords	04.11.08- 18.11.08

POLICY APPROVAL

SMT April 2009

RELATED POLICIES & STRATEGIES

Homelessness Strategy 2008-12
Customer Feedback Procedure