



# **Discretionary Housing Payment Policy 2020/2021**

## **South Holland District Council**

Reviewed February 2020  
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## **Introduction**

The purpose of this policy is to set out how South Holland District Council will operate its Discretionary Housing payment scheme (DHP) and to indicate some of the factors that will be considered when deciding if a DHP can be awarded. Each case will be treated strictly on its own merits and all customers will receive equal and fair treatment. The Council is committed to working with the local voluntary sector, social landlords and other interested parties in the district to maximise entitlement to all available state benefits and this will be reflected in the administration of the DHP scheme.

This policy will be administered by the Housing Benefit team for South Holland District Council.

## **Scope – 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 DHP's. Every year the Department for Work and Pensions (DWP) provides an allocation of funding for DHP's.

DHP's are not payments of benefit and the council has discretion in how this fund is managed. DHP can only be awarded where the customer is entitled to Housing Benefit or the housing element of Universal Credit where the award does not meet the full amount of their eligible rent.

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

## **Policy Statement**

We will consider applications for a DHP from customers who meet the qualifying criteria as specified in this policy. We will treat all applications on their individual merits, and will seek through the operation of this policy to:

- Alleviate poverty;
- Encourage South Holland residents to obtain and sustain employment;
- Safeguard South Holland residents in their homes;
- Help those who are trying to help themselves;
- Keep families together;
- Support the vulnerable in the local community;
- Help customers through personal crises and difficult events.

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

## **Eligibility criteria**

It is not possible to prescribe the circumstances that will result in the award of a DHP as each case is likely to be unique and should be considered on its own merit, taking account of any relevant information provided by the customer. However before considering an award we must be satisfied that the customer is entitled to Housing Benefit or the housing element of Universal Credit and meets the following criteria:-

- Has a rent liability
- Requires further assistance with housing costs
- Has tried to negotiate a reduction in rent with their landlord

All applications for DHP will be duly considered in conjunction with this policy document, the applicant's individual circumstances and the Department for Work and Pensions guide.

## **Types of housing costs DHP can cover**

The types of housing costs that can be covered by a DHP include, but are not restricted to: -

- Lump sum costs associated with a housing need such as removal costs
- Reductions in Housing Benefit or Universal Credit where the benefit cap has been applied
- Reductions in Housing Benefit or Universal Credit for under-occupation in the social rented sector
- Reductions in Housing Benefit or Universal Credit as a result of Local Housing Allowance restrictions
- Rent officer restrictions such as local reference rent or shared room rate
- Non-dependant deductions
- Income tapers
- Rent deposits and rent in advance

Whilst the DHP scheme allows for such payments to be made, the Local Authority also has a Rent Assist Scheme administered by the Housing Section and you should seek to utilise this facility in the first instance.

## **Types of housing costs DHP cannot cover**

There are certain elements of an applicant's rent which cannot be included in housing costs for the purpose of DHP. These elements include, but are not restricted to: -

- Ineligible service charges
- Increases in rent due to outstanding rent arrears

- Housing Benefit that has been suspended
- Certain sanctions and reductions in benefit (including overpayments of Housing Benefit)

## **Applying for a DHP**

We will bring the DHP scheme to the attention of customers seeking help with their rent. All claims for DHP must be made in writing. Application forms can be downloaded from 'www.sholland.gov.uk', alternatively forms can be obtained from the Benefits Helpline on 01775 761161, or from Spalding customer access point.

When claiming a DHP the applicant must give us information we may require in reaching a decision. The applicant must also inform us of any changes in circumstance that may be relevant to the award of DHP.

## **Considerations in awarding a DHP**

In deciding whether to award a DHP, we will take into account the following: -

- The shortfall between Housing Benefit and the rental liability
- Any steps taken by the claimant to reduce their rental liability
- The financial and medical circumstances of the claimant, their partner and any dependants or 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 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.
- Any other special circumstances brought to our attention.

We will exercise discretion to require evidence of steps taken by the claimant to seek specialist support or advice, or undertake certain actions that could improve financial or personal circumstances.

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.

## **Prioritisation of awards due to welfare reform**

Welfare reform changes have greatly increased the number of customers who face a reduction of Housing Benefit. In considering a DHP award due to reforms of the benefit system priority will be given to some of the most vulnerable customer base including: -

- Social sector tenants affected by the under occupation size criteria who live in properties that have been substantially adapted to meet needs arising from severe disabilities and to aid independent life.
- Short term support for families affected by the benefit cap.

## **Awards**

We expect awards to be made in unusual or extreme circumstances where additional help will have a significant effect in alleviating hardship and reducing the risk of homelessness. Any amounts awarded could be paid as a one off payment or ongoing payments where an award lasts a period of time.

## **Notifying the decision**

We will notify the customer in writing of the outcome of their application. Where the application is unsuccessful, we will set out the reasons why the decision has been made and explain the right of review. Where the application is successful, the applicant will be advised of: -

- the weekly amount of DHP awarded
- the period of the award
- how, when and to whom the award will be paid

## **Making the DHP Payment**

Payment of the DHP award will be made at the same time as the payment of Housing Benefit. Any award given to an applicant who receives Universal credit will either be paid as a one off payment or cyclically if the award is ongoing.

Where the application is for help with a rent deposit, the award will be paid directly into the landlord's bank account.

## **Universal Credit**

When Universal Credit replaces Housing Benefit, the council will continue to have powers to make DHP's to help with housing costs and expects to continue to receive government funding for this. Payments can only be made where Universal Credit includes a housing element towards rent liability.

In order to assess any application we will need to ask the customer to provide proof of their full rental liability and a breakdown of their Universal Credit award detailing how much has been awarded for the housing element component.

## Change of circumstances

We may need to revise an award of DHP where the claimant's circumstances have materially changed.

## Overpaid DHP

If there is an overpayment of DHP, we will consider whether it is appropriate to seek recovery. An invoice will be issued for repayment rather than recovered from on-going benefit.

## Right of review

There are no formal rights of appeal against decisions relating to DHP's but if a review of a decision is requested within one calendar month original decision notification, arrangements will be made for an independent review by a different officer.

If the applicant remains dissatisfied, the decision will be reviewed by a senior member of the Benefits team.

## Implementation

ACTIVITY	PERSON RESPONSIBLE
Managing applications and correspondence	Case Management Officers, Benefits Assessor (senior) Senior Benefits Officer, PSPS
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Making decisions and awarding payments	Case Management Officers, Benefit Assessor (senior), Senior Benefits Officers PSPS
Review of decision	Benefit Assessor (Senior), PSPS
Further review of decision	Senior Benefits Officer, Team Leader and/or Operations Manager, PSPS
Operational compliance	Operations Manager, PSPS
Promotion of scheme	Operations Manager, PSPS

## Management Control and Organisation

Discretionary Housing Payments are administered by Compass Point Business Services Benefits Team on behalf of South Holland District Council.

## Monitoring

MONITORING ACTIVITY	PERSON RESPONSIBLE
Policy implementation	Housing Operational Manager & Operations Manager, PSPS
Review of policy	Operations Manager, PSPS
Performance against budget	Operations Manager, PSPS