

Discretionary Housing Payments

Policy Document

Please read this document carefully and retain it for future reference

Introduction

The Child Support, Pensions and Social Security Act 2000 provides arrangements which allow local authorities to make Discretionary Housing Payments to customers in receipt of Housing Benefit and/or Council Tax Benefit. The regulations covering DHP's are the Financial Assistance Regulations which have been updated to cover the introduction of Universal Credit and abolition of Council Tax Benefit from April 2013.

The Discretionary Housing Payment Scheme provides limited funding to support customers through anomalies and hardship in situations where the normal housing benefit award does not cover specified housing costs.

The overall purpose of the scheme is to reduce the risk of homelessness and support the stability of families and communities in line with the Council's goal to build sustainable communities and protect the most vulnerable in society. It aims to enable people to secure or retain and pay for appropriate and sustainable accommodation through temporary difficulties or unusual circumstances that are not supported by the benefit system.

Background

Wiltshire Council began operating a discretionary housing payment (DHP) scheme in April 2009; prior to this the scheme was managed by the former district councils. Since its inception, the council has used the funding to make short term awards which allow customers time to seek resolution to any particular difficulties they are facing in relation to meeting their housing costs.

This policy document still supports the original objectives of the scheme but has been updated to reflect amendments to regulations due to welfare reform. Further revision has also been made to the policy to manage the impact of the Housing Benefit reforms.

To help sustain the financial impact of the Housing Benefit reforms the Department for Work and Pensions is providing substantial extra funding from April 2013. The funding is primarily to ease the introduction of the household benefit cap and under occupation regulations.

Basic 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 merit, taking into account any relevant information provided by the customer. However before considering an award the Council must be satisfied that the customer is entitled to Housing Benefit or Universal credit and meets the following criteria:-

- has a rent liability
- requires assistance with housing costs

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: -

<http://www.dwp.gov.uk/docs/discretionary-housing-payments-guide-draft.pdf>

Exemptions from DHP

There are certain elements of an applicant's rent that cannot be included in housing costs for the purposes of DHP. These are:

- Ineligible service charges
- Increases in rent due to outstanding rent arrears
- Housing Benefit has been suspended
- Certain sanctions and reductions in benefits

For further information about exemptions see the DWP guide:-

<http://www.dwp.gov.uk/docs/discretionary-housing-payments-guide-draft.pdf>

Applying for a DHP

Wiltshire council will bring to the attention of every customer seeking to apply for help with their rent the DHP scheme. All claims for DHP must be made in writing using the prescribed applications form contained as an appendix to this document.

Considerations in awarding a DHP

In deciding whether to award a DHP, the Council will take into account:

- The shortfall between housing benefit and the liability
- Any steps taken by the applicant to reduce their rental liability
- The financial and medical circumstances of the claimant, their partner and any dependants and any 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. – **Income from Disability Living Allowance/Personal Independent Payment (PIP) will be disregarded in full when considering the household income**
- 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 nature of the claimant and their family's circumstances
- 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, eg. the pressure on priority homeless accommodation
- Any other special circumstances brought to the attention of the Council.

Awards

Discretionary Housing Payment should not undermine the purpose and nature of the Housing Benefit or Universal Credit Scheme nor should it support irresponsible behaviour. The Council expects 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.

In general, the Council will also give higher priority to assisting people, particularly families with children of school age (to ensure stability in children's education) to retain an established home. Low priority will be given to assisting people who take on housing costs which because of the nature, location or price of the property are unaffordable and unsustainable from the start.

Prioritisation of awards due to welfare reform

Welfare reform changes will greatly increase 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. It may be perverse and uneconomic to expect people to move in these particular circumstances given it would generate greater cost of re-adaptations to an alternative home.

- Foster carers affected by the under occupation size criteria, including those who need to keep an extra room free when they are in between fostering. Not to do so would go against the council's efforts to encourage families to foster children. This in itself could lead to higher costs of placing children in care homes, possibly outside of the county.
- Short term support for families affected by the Benefit Cap that is due to be introduced in the summer of 2013. Failure to do so could lead to the council finding emergency and costly temporary accommodation for families far in excess of the savings reaped by central government.

Universal Credit

When Universal Credit replaces Housing Benefit, progressively from late 2013, 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 towards housing costs but it is not clear whether the amount of housing costs within the Universal Credit award will be identified. It is likely further guidance will be issued by the Department for Work and Pension on how to manage DHPs under the Universal Credit scheme.

Period of Award

Awards in most instances are for a fixed period, typically 26 weeks and exceptionally up to 52 weeks depending on the individual circumstances. The Council recognises 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 continual disability.

Making Payments

The Discretionary Housing Payment will be added to the Housing Benefit payment:- (alternative arrangement will need to be made for Universal Credit cases).

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

Notification of award

The benefit service will inform the customer in writing of the outcome of their application. Where the application is unsuccessful, the benefit service will set out the reasons why the decision has been made and explain the right of review. Where the application is successful , the Benefit service will advise:

- The weekly amount of DHP awarded
- The period of the award
- How, when and to whom the award will be made

Change of circumstances

The Council may need to revise an award of a DHP where the claimant's circumstances have materially changed

Overpayments

If there is an overpayment of DHP the authority will consider whether it's appropriate to seek recovery.

Recoverable overpayments will be recovered by raising an invoice rather than recovered from ongoing benefit.

Right of review

There are no formal rights of appeal against decisions in relation to DHPs but where a review of the decision is requested, arrangements will be made for considerations to be heard by a panel of senior officers. This will ensure consistent decision making across the service.

Application for a Discretionary Housing Payment

Please read the attached guidance notes before filling in this form.

Please answer the following questions and provide any relevant documentation that may help your application.

Please return the completed form to the Benefits Service, Wiltshire Council, Monkton Park, Chippenham, Wiltshire, SN15 1ER

Local offices are also situated in Trowbridge, Salisbury and Devizes.

Name	
Benefit Reference	
Address	
Phone number	
Mobile number	
Benefit reference	

1.	Please detail the period for which you are applying for a Discretionary Housing Payment: Benefit Cap, Under occupation, Other (please explain):
2.	Please explain the reasons why you need further help with your rent:
3.	Could you afford your rent when you first moved in?

4.	Were you aware of the amount of Housing Benefit that could be paid before you moved in?
5.	What will happen if you are not awarded a Discretionary Housing Payment?
6.	Does anyone in your family have any health problems or disabilities? (Please enclose any supporting evidence with this form)
7.	Do you or your partner require and receive overnight care from a non-resident carer? (Please enclose full details and any supporting documents including details of last 6 month's care needs).
8.	Are any of your children disabled and need their own bedroom? (Please provide full details including the nature of the disability and why they need their own room).
9.	Has your home been adapted for any of the household members' disability needs? (Please give full details).
10.	When does your tenancy expire and how much notice must you give to end the agreement?
11.	Have you taken any steps to find alternative accommodation? (Please give full details).
12.	Have you taken any steps to deal with the shortfall in your rent? E.g. increase employment, take in a lodger, renegotiated rent, etc?
13.	Is there anything else you would like us to know?

Financial Assessment Form – Income and Expenditure – Please detail all income and expenditure for you and your partner (if applicable)

Income	Weekly amount		Expenditure	Weekly amount
	You	Partner		
Wages/Salary			Rent/Mortgage	
Income support			Gas	
Jobseekers Allowance			Electricity	
Employment & Support Allowance			Water & Sewage Rate	
Incapacity Benefit			Other Fuel	
Working Tax Credit			Telephone	
Child Tax Credit			Mobile Phone	
Child Benefit			Food	
Retirement Pension			Household & Toiletries	
Private Pension			Council Tax Payments	
DLA (care rate)			Internet/Broadband	
DLA (Mobility)			TV Rental	
Widows Pension			TV Licence	
Pension Credits			Sky, TV or Cable	
Maintenance			Insurance	
Carers Allowance			Car Expenses	
Savings			Petrol	
Other Income, please list below:			Other travel expenses	
			Loans	
			Fines	
			School Meals	
			Clothing	
			Catalogue	
			Social Fund Loan	
			Other expenditure, please list below:	
Total	£		Total	£

I declare that all of the information I have given is correct and complete

Signed	
Dated	

I have completed the above form on behalf of the person claiming and confirm that the information I have written is correct

Signed	
Dated	

Discretionary Housing Payment Application

What is it? - *The Discretionary Housing Payment scheme is a limited amount of money that the government allows the council to spend on additional payments of rent and council tax to customers with special circumstances.*

What is it for?- *It is intended to help customers who are receiving housing benefit, local housing allowance and/or council tax benefit but the amount they are receiving does not cover the full rent and/or council tax they are charged.*

Who cannot apply? – *There are strict rules governing the administration of the Discretionary Housing Payment scheme. You cannot be considered for the payment if:*

- *You have not qualified for any housing benefit, local housing allowance and/or council tax benefit at all.*
- *If you qualify for one but not the others, you can only be considered for additional help in respect of the benefit that you are receiving.*
- *The shortfall is due to additional amounts being charged for arrears and/or court costs.*
- *Your award of benefit already covers your full rent or council tax liability, Discretionary Housing Payment cannot be awarded to cover some parts of your rent, for instance meals, heating, lighting, hot water and water rates*

How can I claim it? – *You should complete the enclosed application form giving as much detail as you can.*

You will need to write down the reasons why you think you should be awarded a Discretionary Housing Payment and answer all the questions we ask. You will need to tell us which housing cost you require help with.

You will also need to complete the form showing the income you receive and your outgoings, and provide any appropriate evidence to support your application.

What happens next? – *When you have fully completed the form and returned it to the council, we will contact you to notify you of our decision.*

Who pays the Discretionary Housing Payment? – *Discretionary Housing Payment payments are administered by Wiltshire Council, and although not part of the benefit scheme, additional help with your rent will be paid in the same way as your housing benefit or local housing allowance. If you received Discretionary Housing Payment towards your council tax liability the amount will be credited to your council tax account.*

To qualify you must satisfy the council as to your special needs and there must be sufficient funds available. All awards will be for limited periods.

You will need to inform the council if your circumstances change, especially any changes in income or outgoings, or if anyone leaves or joins your household.