

Gloucester City Council

Discretionary Housing Payments (DHP's) Policy

Background

Since July of 2001, local authorities have been able to make Discretionary Housing Payments (DHP's) to provide additional financial assistance to claimants entitled to receive Housing Benefit, (or the Housing Element of Universal Credit) where the local authority considers that additional help with housing costs is justified.

The Council has formulated this policy having regard to the Discretionary Housing Payments Guidance Manual (including Local Authority Good Practice Guide) published by the Department for Work and Pensions in March 2018 – a copy of which is attached to this policy at appendix A.

DHP's are not benefit payments; they are made at the discretion of the council, having regard to this policy and government guidance.

The Department for Work and Pensions decide how much each Local Authority can spend annually on DHP awards. Once we have spent the DHP budget, we will not award any more DHP's in that financial year.

Purpose

Gloucester City Council intends that its DHP scheme is

- **Accessible** – the service will be equally accessible to all users who qualify to make an application
- **Transparent** – the reasoning behind each decision will be clear
- **Consistent** – decision making will be consistent and in line with this policy framework
- **Targeted** – assistance will be directed at those considered to be most in need

It has been operating a procedure for the payment of DHP's for a number of years and is now updating the procedure to take into account changes in guidance – which can be found at appendix A

Statement of Objectives

Gloucester City Council's objectives include:

- Alleviating poverty
- Encouraging and sustaining people in employment
- Tenancy sustainment
- Homelessness prevention
- Helping people remain in properties which have been adapted for their specific needs
- Supporting those who are trying to source alternative accommodation
- Keeping families together
- Supporting domestic violence victims who are trying to move to a place of safety
- Supporting the vulnerable or the elderly in the community
- Helping customers through personal and difficult events
- Supporting young people in the transition to adult life
- Promoting good education outcomes for children and young people

What DHP's can cover:

A Discretionary Housing Payment can be made for:

- Reductions in Housing Benefit or Universal Credit (Housing Element) where the benefit cap has been applied
- Reductions in Housing Benefit or Universal Credit (Housing Element) for under-occupation in the social rented sector
- Reductions in Housing Benefit or Universal Credit (Housing Element) as a result of local housing allowance restrictions
- Rent shortfall to prevent a household becoming homeless whilst alternative options are explored
- Rent arrears accrued due to welfare reforms which are preventing a household moving to a property more suited to their needs
- Non-dependant deductions
- Moving costs
- Rent in advance and Rent deposits where the customer is already entitled to Housing Benefit or Universal Credit (Housing Element) in their present home
- Two homes where someone is treated as being temporarily absent from their main home
- This list is by no means exhaustive and other associated housing costs will be considered as the very nature of the award is 'discretionary'

What DHP's cannot cover:

- Ineligible service charges included in rent
- Increases made in a rental charge due to outstanding rent arrears
- Certain sanctions and reductions in benefit

Application process

An application for a DHP must be made to Gloucester City Council on its designated DHP application form which can be downloaded from www.gloucester.gov.uk or obtained by telephoning 01452 396396. Should you have any difficulty in completing the form please contact us.

Any evidence to support the application must be supplied.

The application will be reviewed by the City Council's contractors (Civica) who will make a recommendation based on the application, the evidence supplied in support of the application and the background of the case.

The recommendation will be made to the City Council who will review the application and either approve or decline the recommendation having regard to all of the circumstances.

Backdating

Requests to backdate DHP's will be considered, but the customer will need to demonstrate that there were exceptional reasons for delaying making a claim to DHP. Examples of exceptional circumstances could be a period of illness (including mental health), a bereavement or personal trauma, hospitalisation or some fact which has left an applicant unable to deal with their personal affairs. Further evidence to support a backdate request, for example, from a medical professional may be required. All requests to backdate an award of DHP will be considered on their own merits.

Period of Award

A DHP will normally be awarded for a period of 13 weeks. This is to allow the recipient time to improve their circumstances, perhaps by seeking alternative accommodation or finding a more affordable way of remaining in their property. Repeat awards will only, therefore, be considered in exceptional circumstances

Awards can be made for a longer period if applicable and again this is at the discretion of the Council, having regard to the recipient's situation.

Method of Payment

Payments of DHP will normally be made to the customer, however, if an award is for rent arrears, rent deposit, rent in advance or where it considers it to be in the best interests of a customer, the Council may exercise its discretion and make payments directly to a third party (such as the landlord or Housing Association).

Notification

Customers will be advised in writing of the outcome of their application for a DHP within 14 working days of the Council receiving all of the necessary information to make a decision on the DHP application. Each application will be considered entirely on its own merits.

If their application is successful it will advise them of the value of any award, how long the award will be for and who the DHP will be paid to. It will also tell them what recourse they have to a review if they are unhappy with a decision.

If their application is unsuccessful the customer will be advised of the reasons why their application has been unsuccessful and again what recourse they have to a review if they are unhappy with the decision.

Dispute/Review of Decision

As DHP's are not payments of Housing Benefit they are not subject to a statutory appeals procedure, however the Council does have a review process.

A request for a review of a DHP decision must be made within 28 days of the date of the letter informing the customer of the decision.

An officer not involved in the original decision will review the case within 14 days of the request and will write to the customer with the review decision, which will clearly state the reasons for the decision made. The review decision will be final and binding and may only be challenged via the judicial review process or by complaint to the Local Government Ombudsman.

Fraud and overpayments

Gloucester City Council is committed to the fight against fraud. A customer who fraudulently tries to claim a DHP by falsely declaring their circumstances, providing a false statement or by giving false evidence in support of their application may have committed an offence under the Fraud Act 2006. Where it is alleged, or we suspect that such a fraud may have been committed, the matter will be investigated, and any overpaid monies will be recovered. Further action may be taken, and if appropriate, criminal proceedings may be instigated.

Monitoring / Review of the policy

The policy will be monitored and reviewed on an annual basis.

Should there be any major changes to the guidelines issued by the DWP in the preceding time then the policy will be reviewed accordingly.

Guidance for awarding Discretionary Housing Payments (DHP's)

CALCULATING DHP's

In most cases, a discretionary housing payment award will be based on the household's financial circumstances from the declared income and expenditure on the application form. Additional evidence may be required at times to establish accuracy, however, initially the declared breakdown will be used for the calculation.

Each award is based on a fully completed application form explaining reasons for the claim.

Certain income will normally not be used in the calculation of a DHP award. Attendance Allowance, Personal Independence Payment (PIP) and Disability Living Allowance (DLA) and certain components of War Pensions (consistent with Housing Benefit) will usually be disregarded when considering the household income, as it is generally accepted that these benefits are awarded as the recipient has greater needs which can incur additional financial costs. On occasion the Council may seek evidence to corroborate any additional expenditure in these areas.

The amount of the award will be based on the need, be that a rental deposit, rent in advance, or the shortfall between rent due and housing benefit / Universal Credit (Housing Element) award. Each ongoing award will usually be made for a period of 13 weeks, however the Council will use its discretion if it believes the award should be made for a shorter or, if justified, a longer period of time.

MULTIPLE AWARDS

A claimant is able to apply for a discretionary housing payment more than once, however, other circumstantial details must also be considered alongside the household's finances in order to establish whether or not it is avoidable.

The DHP fund is for short term support whilst people and families make attempts to better their situation. For example the fund can be utilised to:

- Help secure and move to alternative accommodation (for example, rent deposit / rent in advance / moving costs)
- Help with short term rental costs until the claimant is able to secure and move to alternative accommodation
- Help with short term rental costs while the claimant seeks employment
- Help with on-going rental costs for a disabled person in adapted accommodation
- Help with on-going rental costs for a foster carer
- Help with short term rental costs for any other reason
- Prevent homelessness

These criteria must be considered alongside the financial circumstances, and whether or not the claimant has made, or intends to make attempts to improve their situation. This should help determine whether or not the claimant is eligible to receive a repeat discretionary housing payment.

If a claimant cannot demonstrate that they are taking reasonable steps to improve their circumstances (for example, actively seeking to downsize their accommodation on Homeseeker, seeking debt advice through advice agencies such as Citizens Advice Bureau, Gloucester Law Centre or Money Advice at GL Communities, or getting help to budget their finances) a refusal can be made based on these grounds – regardless of the claimants financial circumstances. The normal review procedures would apply if a claimant disputed the decision.

NON DEPENDANTS

Non dependant deductions are made from housing benefit and the housing element of Universal Credits if there is an adult living in the household who is not a partner, or who is liable for rent. These deductions are made regardless of whether or not that person does in fact contribute to the household costs. However, for the consideration of DHP's the deduction should not generally be considered as a shortfall in the rent as contributions should be made by the non dependant from their own income. This is not always the

reality, so if evidence can be provided which clearly demonstrates that contributions are not being made by the non dependant, along with the reason why such contributions are not being made, then DHP can be considered.

HOUSING BENEFIT OVERPAYMENTS

If an application is made for a DHP and previous housing benefit overpayments are reducing the maximum entitlement to housing benefit or the housing element of universal credit, it must be considered what is reasonable to allow a DHP to cover.

An example would be - an overpayment has been created due to an act of fraud, and that overpayment is being recovered from the claimant's ongoing housing benefit by instalments. The claimant makes an application for a DHP as they need to downsize to a more affordable property. The DHP application is processed in the normal way, however, the amount of benefit that is being recovered by instalments is treated as though the claimant still had that money and included in the claimant's finances.

OVERALL DISCRETION

It must be stated that discretionary housing payments are available to those who are in financial hardship and require short term extra support. Gloucester City Council accept that it is not always possible for a household to change their circumstances within a set period of time (e.g. 13 weeks) and so the funding can support those who continue to demonstrate their need for extra support.

It remains at the discretion of Gloucester City Council to award/refuse claims for DHP however, as it is working with Civica, the recommendation process enables applications to be thoroughly checked before a decision is made.

Discretionary Housing Payments are to be treated as short-term financial support and cannot be considered as part of the claimant's regular income and relied upon as an income stream.