

DISCRETIONARY HOUSING PAYMENTS P O L I C Y

Introduction and Statement of Aims

On 2nd July 2001, the Government introduced **Discretionary Housing Payments** (DHPs) granting powers to Local Authorities to make payments to customers who are in receipt of Housing or Council Tax Benefit (HB/CTB), but who are also in need of additional help with their housing costs i.e. their rent or their council tax.

The amount payable is cash limited and the funding for the current financial year, 1 April 2008 to 1 March 2009 is £14,883.

The legislation governing the scheme can be found in The Discretionary Financial Assistance Regulations 2001 (Statutory Instrument 1167 of 2001).

The main features of the scheme are that :

- it is purely discretionary, claimants do not have a statutory right to a payment.
- the amount that can be paid out by a Local Authority in any financial year is cash limited by the Secretary of State.
- the administration of the scheme is by the Benefits Service.
- at least the minimum amount of HB/CTB must be in payment in any benefit week that a DHP is awarded for.
- DHPs cannot cover any elements not eligible for HB/CTB.
- DHPs are not a payment of benefit.

DHPs cannot be paid in the following circumstances :

- for service charges ineligible for benefit
- to cover deductions in HB/CTB as a result of Jobseekers' Allowance sanctions
- in situations where HB/CTB is withheld or suspended
- in respect of rent liability where only CTB is paid or council tax liability where only HB is paid
- to top up second adult rebate
- in respect of arrears.

Purpose and Objectives

The purpose of this Policy is to state how the Benefits Service will operate the scheme and to indicate some of the factors that will be considered when deciding whether a DHP can be made. Each case will be treated strictly on its merits and all customers will be treated fairly and equally when the scheme is administered. The Benefits Service is committed to working with the local voluntary sector, social Landlords and other interested parties in the area to work towards alleviating poverty, preventing homelessness, helping people into work and enhancing consumer choice and this will be reflected in the administration of the DHP scheme.

The Benefits Service will consider making DHPs to all customers who make a claim. The criteria to be taken into account as detailed in this Policy are guidelines and not all cases meeting the criteria may be paid, while cases not fully meeting the criteria will still be considered. All claims will be considered on their own individual merits, subject to the overall policy. The Benefits Service will seek, through the operation of this Policy, to help claimants through personal crises and difficult events rather than considering the DHP scheme as a long term response to any current or future entitlement restrictions set out within the Housing and Council Tax Benefit legislation.

A sample of the application form for DHPs is attached as Appendix A.

How to Claim

A claim for a DHP must be made in writing on the appropriate claim form and signed by the the benefit claimant. However, claims made in writing and signed by the claimant not on the appropriate claim form will be considered provided that all necessary information has been provided. Claim forms can be obtained from the Benefits Service at the above address. They should be sent to the Benefits Service at the above address for consideration.

The Benefits Service may request any reasonable evidence in support of an application for DHPs. The claimant will be asked to provide the evidence within one month of such a request, although this will be extended in appropriate circumstances. If the claimant is unable or does not provide the required evidence, the Benefits Service will still consider the application and will in any event take into account any other available evidence including that held on the HB/CTB file. The Benefits Service reserves the right to verify any information or evidence provided by the claimant in appropriate circumstances.

The Benefits Service will decide the length of time for which a DHP will be awarded on the basis of the evidence supplied and facts known and subject to availability of funds.

The start date of an award will normally be either a) the Monday after the written claim for a DHP is received by the Benefits Service or b) the date on which entitlement to HB/CTB commenced (provided the application for DHP is received within one calendar month of the claim for HB/CTB being decided), whichever is the earliest or most appropriate. DHPs cannot be awarded for any period outside an existing HB/CTB benefit period granted under the HB/CTB statutory scheme.

The minimum period for which a DHP will be awarded is one week. The Benefits Service will usually award a DHP for not less than 13 weeks and not more than 52 weeks.

Any reasonable request for backdating an award of DHPs will be considered but such consideration will usually be limited to the current financial year.

Any application for DHPs should be considered within 14 days of its receipt.

Award Criteria

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

- a) the shortfall between HB/CTB and the rent/council tax liability,
- b) any steps taken by the claimant to reduce their rental or council tax liability,
- c) the financial circumstances of the claimant and partner, their dependants and any other occupants of the claimant's home, including their income, expenditure and any savings or capital held by them,
- d) the level of indebtedness of the claimant and their family and any steps taken to reduce this,
- e) any medical, disability or other exceptional circumstances affecting the claimant's household,
- f) the suitability of the accommodation to the needs of the claimant and household,
- g) the amount available in the DHP budget at the time of the application,
- h) any other special circumstances brought to the attention of the Benefits Service.
- i) if there are no special circumstances an application may still be considered if a claimant's residual (after payment of housing benefit) housing costs exceed 25% of their income.

The Benefits Service will decide how much to award based on all the circumstances. This may be an amount below the difference between the liability and the level of HB/CTB. An award of DHP does not guarantee that a further award will be made at a later date even if the claimant's circumstances have not changed.

Changes of Circumstances

An award of DHP may need to be revised where the claimant's circumstances have changed. Any change in circumstances including: changes in income or expenditure, changes in any medical, disability or other exceptional circumstances, changes in the number of people residing in the household, changes in address or any other change of circumstance should be reported to the Benefits Service immediately.

Method of Payment

The Benefits Service will decide on the most appropriate person to pay based on the circumstances of each case. This could include paying the claimant, their partner, an appointee, their landlord or landlord's agent. The payment will be made by the most appropriate means in each case. This will be by cheque, BACS or direct credit to the claimant's council tax account. Payment will normally be made in arrears and at the same frequency as HB/CTB.

Notifications

The Benefits Service will inform the claimant of the outcome of their application within 14 days of receipt of all the necessary information, or as soon as practicable thereafter. Where an application is unsuccessful, the reasons for the decision will be given in the notification and the right to a review will be explained. Where the application is successful, the claimant 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 and the requirement to report any change in circumstances.

Review and Dispute Process

DHPs are not payments of HB/CTB and are therefore not subject to the statutory appeals mechanism. However, the Benefits Service will operate the following Policy for dealing with appeals about a refusal to award a DHP, a decision to award a reduced amount of DHP, a decision not to backdate a DHP or a decision that there has been an overpayment of a DHP: a claimant who disagrees with a DHP decision may dispute the decision by requesting a review of the decision. Any request for such a review should be made in writing, giving reasons, to the Benefits Service within one calendar month of the date of the written notification about the DHP being issued to the claimant. Where appropriate, an Officer from the Benefits Service will explain the DHP decision to the Claimant by telephone, at interview or in writing and will seek to resolve the matter.

Where agreement cannot be reached, a Senior Benefits Officer will consider the case. This Officer will review all the evidence held and will make a decision within 14 days of referral or as soon as practicable thereafter. Where the Senior Benefits Officer does not revise the original decision, he/she will notify the Claimant of the decision in writing, setting out the reasons for the decision.

This 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 exceptional circumstances only, the above time periods for review may be extended by a Senior Benefits Officer or the Revenues and Benefits Manager as appropriate.

Overpayments

The Benefits Service will seek to recover any DHP found to be overpaid. This will normally involve issuing an invoice to the claimant or the person to whom the award was paid. It is most unlikely that recovery of any overpayment caused by a Benefits Services "official error" will be sought. Recovery of an overpaid DHP will not be made from any amounts of HB/CTB due to the Claimant, unless the Claimant requests this method of recovery. A letter notifying that there has been overpayment will also set out the right of review.

Fraud

The Benefits Service is committed to the fight against fraud in all its forms. A claimant who tries to claim a DHP fraudulently by falsely declaring their circumstances or providing a false statement or evidence in support of their application, may have committed an offence under the Theft Act 1968. Where the Benefits Service suspects that such a fraud may have occurred, the matter will be investigated as appropriate and this may lead to criminal proceedings being instigated.

Publicity

The Benefits Service 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. Information about the amount spent will not normally be made available except at the end of the financial year.