



East Riding of Yorkshire Council
Discretionary Housing Payment Policy
March 2019

POLICY REVISIONS

Date	Officer	Details
June 2007	-	No changes made
April 2008	-	Following receipt of DWP Good Practice Guide – no changes necessary
April 2009	-	Reviewed no changes made
April 2011	JB/MB	Reviewed following new DWP Good Practice Guide
Sept 2012	DS/MB	Reviewed in light of providing lump sum payments.
Mar 2013	MB/DS	Following receipt of information regarding additional funding
May 2013	AF	Reviewed as DHPs can no longer be awarded for CTS
Oct 2013	MB/LM	Reviewed due to welfare reform
April 2015	MB/AF	Annual Review
April 2016	AF/MB	Annual Review
Feb 2017	MB/AF	Reviewed following new DWP Good Practice Guide
March 2018	MB/PW	Annual Review
March 2019	MB/PW	Annual Review

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BACKGROUND

Discretionary Housing Payments (DHP's) are not payments of benefit. They are free-standing payments to be made at the Local Authority's discretion, subject to an annual cash limit, in cases where the Local Authority considers that additional help with housing costs is needed.

A DHP can be made to anyone who is in receipt of Housing Benefit or the housing element of Universal Credit and who the Local Authority considers is in need of additional help with housing costs. There is no requirement for there to be exceptional hardship or exceptional circumstances - the Local Authority just needs to be satisfied that further financial assistance with housing costs is needed.

DHP's can be used to top up Housing Benefit (HB) or the housing element of Universal Credit (UC) to the level of eligible rent but cannot be made to meet the cost of ineligible services.

The scope of the scheme has also been expanded to allow Discretionary Housing Payments to be awarded to assist with the costs associated with moving house.

AIMS

Awarding DHP's to meet all shortfalls in HB and the housing element of UC is not an option. We have therefore considered how best to target the funding and will seek through the policy to:

- Alleviate poverty
- Support vulnerable young people in the transition to adult life
- Encourage residents to obtain and sustain employment
- Safeguard residents in their home
- Help those who are trying to help themselves
- Keep families together
- Support the vulnerable in the local community
- Help claimants through personal crises and difficult events
- Secure a tenancy for a more affordable property
- Maintain a current tenancy to prevent homelessness
- Support domestic abuse victims who are trying to move to safety
- Promote good educational outcomes for children and young people
- Support the work of foster carers
- Support disabled people to remain in adapted properties
- Support care leavers

DHP CLAIMS

The Regulations say that there must be a 'trigger' for considering a DHP and this trigger can be any communication, including a telephone call, in which a claimant asks for a DHP or informs us that they have difficulty meeting their housing costs.

On receipt of a request for a DHP, the claimant will be asked to complete an online questionnaire which asks for the information we need to consider their request.

APPLICATIONS FOR BONDS

Any application for a Bond, payable to a landlord, will be automatically passed to the Council's Housing Section in the first instance. The Housing Section will assess the customer's eligibility for a Bond.

If the Council's Housing Section refuse a Bond application, the Housing Section will refer the customer back to the DHP application process. The application for a Bond via a DHP will then be processed in the usual way.

No DHP payment for a Bond will be made unless the Council's Housing Section has first assessed the application and it has been refused by the Housing Team.

WHO CAN WE PAY?

The DHP Regulations say that we can pay any claimant who receives Housing Benefit or the housing element of Universal Credit and who is, in our view, in need of additional help with housing costs.

DHP's may be paid to someone other than the claimant if we consider it reasonable to do so.

That could be an agent, an appointee or a landlord. In the case of a person residing in Council accommodation any DHP's will be credited to the rent account where the customer is entitled to housing benefit.

One off DHP's for expenses such as rent deposit/rent in advance can only be considered for claimants who are entitled to Housing Benefit or the housing cost element of Universal Credit at the time of the award.

If a request for rent in advance is for a property outside of the East Riding the DHP can be awarded if the claimant is currently entitled to housing benefit or the housing cost element of Universal Credit in the area.

All requests will be considered on their own merits.

WHAT TYPES OF SHORTFALLS CAN DHP'S COVER?

- When the appropriate Local Housing Allowance (LHA) amount does not meet the eligible rent
- Reduction in HB entitlement following changes to LHA rates, ,
- Reduction in HB entitlement due to the under occupancy rules introduced in April 2013
- Reduction in HB entitlement due to the introduction of the benefit cap.
- Where there is entitlement to the housing element of Universal Credit and the Council considers that a DHP payment is appropriate
- Non-dependant deductions
- Income tapers
- Increases in essential work related expenditure such as increased fares to work if a claimant has moved because they could no longer afford to live near their work following a reduction in their LHA rates
- A DHP may be awarded for a rent deposit or rent in advance scheme for a property that the claimant has yet to move into if they are already entitled to HB or the housing element of UC for their present home within East Riding

OTHER LUMP SUM COSTS ASSOCIATED WITH A HOUSING NEED SUCH AS REMOVAL COSTS. THE HOUSEHOLD'S FINANCIAL CIRCUMSTANCES

There are no set rules on the income or expenses to be taken into account when considering an award of DHP, all requests will be considered on their own merits and decisions made to include or exclude income or expenditure will be based on individual claimant's circumstances.

Other points that will be considered include:

- Does the claimant have other debts to pay?
- Have they sought advice on how to clear their debts?
- Can the claimant re-negotiate non priority debts?
- Is the claimant entitled to welfare benefits and not claiming them?
- Does the claimant have a disabled child (in receipt of DLA care or not) who is unable to share a bedroom with a sibling and could therefore claim HB or UC for an additional bedroom?
- Is the claimant a foster carer who could be entitled to HB or UC for an additional bedroom?
- Does the claimant have a non-dependant who is in the armed forces but is away on operations so could be entitled to an additional bedroom?
- Do they have any capital or disregarded income that they could use to make up the shortfall (bearing in mind its intended purpose)?
- Is there anyone else willing to make up the shortfall?
- Can the claimant change their spending pattern on non-essential items?
- Is the claimant taking long term action to help their problems in meeting their housing costs?
- Could the claimant afford their rent when they moved in?
- Can the claimant increase their hours of employment or do any overtime?
- Is the claimant in work but with high travel costs, because of split shifts for example?

- Is the claimant a carer and this limits the number of hours they can work?
- Does anyone in the household, other than the claimant or partner, need overnight care?
- Has the claimant been approved as an adoptive parent but a child has not yet been placed with them or does the adoptive child need their own room?

Has the claimant received an emergency or advanced payment of UC and would be entitled to the housing element of UC when the UC is completed and has not been sanctioned in accordance with regulations 100 to 114 of the UC Regulations 2013.

Where we have identified that the claimant could reduce their non-priority debts, they will be referred to our Welfare Visiting Team, who will offer debt and budgeting advice to maximise a person's income.

REASONS FOR REFUSING A DHP REQUEST OR LIMITING AN AWARD

- The claimant appears to have sufficient income to be able to afford their housing costs.
- The claimant has a high level of non-essential expenditure which could be reduced to enable them to meet their housing costs.
- The claimant has not given sufficient priority to housing costs and has taken on unnecessary financial commitments whilst being aware of their difficulty meeting housing costs.
- The claimant is living in a property which is too large for their needs and there is no justification for the extra space.
- The claimant has taken on a property with an unreasonably high rent charge in comparison to other available property in the area.
- The claimant is under occupying a council or housing association property but has not applied to be re-housed in a smaller property.
- The claimant has previously received a DHP and during this time they have misrepresented or failed to disclose a material fact. In this situation, we would consider whether it is appropriate to exclude the claimant from applying for a DHP during a specified period of time.
- They have previously received a DHP for a bond and another request has been made.
- Where a claimant cannot meet their rent obligations because their Universal Credit is reduced due to the application of sanctions of UC as specified under regulations 100 to 114 of the UC Regulations 2013.
- A DHP can be refused on any other grounds that may be considered appropriate, notwithstanding any statutory and judicial obligations.

Note: An award may be limited by restricting the amount of the shortfall we consider or by limiting the length of the award to a period considered reasonable for the claimant to find alternative accommodation or improve their circumstances.

Other points that will be considered:

- Is the claimant fleeing domestic violence so they do not have time to shop around for a reasonably priced property?
- Does the household have to live in a particular area because their community gives them support or helps them contribute to the district?
- Is the claimant expecting a child and her HB or UC is restricted to that of smaller accommodation until the child is born?
- Is the claimant a single person who is expecting a child and who would thus no longer be subject to the single room rent or shared accommodation rate once the child is born?
- Does the claimant have two children of opposite sex and one will shortly turn 10?
- Does the claimant have two children of the same sex and one will shortly turn 16?
- Is the claimant a single person living in an area where there is a shortage of shared accommodation?
- Is the claimant due to turn 35 soon so will no longer be limited to the shared LHA rate?
- Is the claimant a care leaver who has a reduction in their LHA rate after becoming 22 years old?
- Is there a particular reason why the claimant needs to live in this accommodation?
- Is there suitable alternative accommodation available to meet the needs of the household?
- Is the property the cheapest available in the area for the household's needs?
- Does living in the area mean a better chance of employment?
- Would it be helpful to pay a DHP when a training scheme is almost, but not yet complete?
- Would it be helpful to pay a DHP where the household contains children at a critical point in their education?
- Is someone in the household undertaking care duties for relatives in the neighborhood?
- Is the claimant going through the foster carer approval process, needs an additional room to be approved and will then be eligible for HB or UC for this room?

Other points that will be considered (Rent deposit/rent in advance requests):

- Why is the claimant moving?
- Are they due to have a deposit or rent in advance in respect of their existing tenancy returned to them?
- If yes, can the returned deposit or rent in advance be used for the new tenancy?
- Have they received or made enquiries about receiving assistance from the Local Authority through a rent deposit guarantee scheme or similar?
- Do they have any available capital/savings?
- Is the deposit/rent in advance negotiable?
- Does the landlord normally require a deposit/rent in advance?
- Is the property they are moving from affordable?
- Is the property they are moving to affordable?

Other points that will be considered (Under occupancy):

- Has the property been significantly adapted to meet the disabled needs of a household member?

- Do they have a medical need for a spare bedroom?
- Is the claimant a foster carer and requires one or more additional bedrooms?
- Has a disabled child been awarded an additional bedroom?
- Are there any reasons why the claimant cannot move to alternative smaller/cheaper accommodation?
- Is a member of the household due to reach a significant birthday?
- Have they applied to the Local Authority to move to alternative accommodation in relation to the size of their needs?

LIKELY DURATION OF THE AWARD

When considering the length of time over which an award of DHP can be paid it is important to take the following into account

- Is any need likely to be short term?
- Is the claimant likely to require assistance in meeting their housing costs for as long as they remain in the property?
- We will consider paying DHP's until the earliest opportunity that cheaper accommodation could reasonably be sought
- We could also consider paying DHP's until a particular milestone, such as the end of training, a significant birthday or the first possible break clause in a tenancy.

START DATES

If a DHP request is made within 4 weeks of notification of an award of HB or UC or notification of a significant change in the claimant's HB or UC, the DHP will be awarded from the start date of the award or the date the change became effective.

In other cases, a DHP will be awarded from the Monday after the claimant first asked for help.

Requests for backdating will be considered but we will not backdate earlier than the start of the current financial year.

END DATES

DHP's will be awarded for a period appropriate to a claimant's personal circumstances.

In certain circumstances long term DHP's will be considered. Examples of cases which may attract a long term DHP are foster carers affected by the under occupancy rules and cases where properties have been substantially adapted to meet the needs of a disabled resident. All long term awards will be reviewed on an annual basis to ensure they are still appropriate.

If there is a predictable change of circumstances which will allow the claimant to meet their housing costs, the award will end on that date.

If, taking into account the aims of this policy, it is considered that the claimant could move to cheaper or more suitable accommodation and this accommodation is available, the DHP award will end two or three months from the date the award decision is made or, if the claimant cannot terminate the tenancy until the end of the term, on the date that the claimant's current tenancy ends, whichever is soonest.

In this situation, the claimant will be advised that the award is being made to help them whilst they try to find cheaper or more suitable property and that a further DHP is unlikely to be awarded if they choose to remain in their current accommodation.

AMOUNT OF AWARD

In determining the amount of a DHP award, the claimant's income and expenditure will be compared to establish how much help, if any, is needed with housing costs.

The maximum amount of an award for help with rent will be:

- the total amount of the shortfall between the claimant's rent and their housing benefit entitlement, excluding any ineligible charges, less any surplus income which the claimant could use to help meet the shortfall.
- the total amount of the housing element included in their universal credit award.

An award of DHPs for a bond and rent in advance will be limited to a maximum of £1000, unless there are exceptional circumstances.

METHOD OF PAYMENT

Where a DHP is awarded in respect of a non-council rented property any DHP will be paid to the housing benefit or Universal Credit payee.

Where a DHP is awarded in respect of council rental liability any DHP will be credited to the relevant housing rent account if the claimant is in receipt of housing benefit, if they are in receipt of UC this will be paid to the claimant.

Where a DHP is awarded as a lump sum payment for rent in advance or a deposit, payment will usually be made directly to a Landlord by BACS or sent by crossed cheque to the claimant but payable to the landlord.

STOPPING DHP'S

A DHP can be stopped if there has been a relevant change of circumstances, if a DHP has been or is being paid because someone has misrepresented or failed to disclose a relevant fact, or if it has been paid as a result of an error.

OVERPAYMENTS

An overpayment of DHP can be recovered if it occurred as a result of misrepresentation or failure to disclose a relevant fact (whether fraudulently or otherwise), or if it occurred as a result of an error. If the overpayment was caused by 'official error' and it is not reasonable for the claimant to have known that they were being overpaid, recovery of the overpayment will not be sought.

Rent in advance/ deposits once used for that purpose do not have to be refunded.

APPEALS

If a claimant disagrees with a DHP decision, there is no right of appeal to an independent tribunal, but the claimant can ask for the decision to be reconsidered by a senior officer.

A reconsideration request must be made in writing within one month of the date of the decision.

A senior officer will consider the request and review the decision made. The claimant, their appointee or agent will be normally be notified of the decision within one month.

If a claimant still disagrees they can make representation to Judicial Review.