

# **Discretionary Housing Payments Policy**

**Revenues & Benefits Service**

## **1. Introduction**

This policy sets out how Swale Borough Council will operate its Discretionary Housing Payment (DHP) scheme.

From April 2013 DHP awards will play an important part in helping people adjust to changes in the welfare system. The level of funding to make DHP's is much lower than the reduction to be made in other benefits through the welfare reform changes and will therefore in most cases only be short term support whilst any underlying issues are addressed. Such issues may include taking employment, moving to affordable or suitably sized accommodation or seeking help to address money and debt issues.

In administering the scheme and considering any application, the Borough will expect those that are able to help themselves to do so. DHP should not be seen as an alternative to welfare reform.

The DHP budget for 2013/14 from the Department for Works and Pensions (DWP) has increased significantly this year to allow for the Welfare reform changes. The budget from the DWP is £323,270 with the Borough being able to add funds to this budget up to a maximum of £808,175.

The funding compared with 2012/13 has doubled. This extra funding is to help claimants who are affected by the Spare Room Subsidy (approximately 800 claimants) and the Benefit Cap (approximately 85 claimants).

## **2. Objectives of the Scheme**

The Borough will consider making a Discretionary Housing Payment (DHP) to households who meet the criteria outlined in this policy. We will treat all claims on their individual merits, and seek through the operation of this and associated policies to:

- Help alleviate poverty
- Encourage employment
- Prevent homelessness
- Support vulnerable households
- Provide support at a time of crisis

Discretionary Housing payments can only be made to help with housing costs and cannot not be paid to cover other costs such as service charges or Council Tax.

## **3. The DHP scheme**

The DHP scheme is intended to be flexible and can cover a range of different

housing costs or scenarios. These include;

#### Meeting the shortfall between rent and housing benefit

Where a property has been especially adapted to meet the needs of a disability and it would be impractical to move

Where the householder has planned to move to more affordable accommodation and needs some short term assistance until they actually make the move into their new home

Where the property is currently classed as too big for the household but the circumstances are expected to change e.g. expecting a baby, a significant birthday or awaiting placement of a foster child or taking in a lodger.

Where the householder is struggling to pay their rent because of other debts but can demonstrate that they are seeking help or have arranged their finances to enable them to pay the shortfall in the future.

Where short term support to help with the move back into work

#### Help to move to an affordable property

Where the customer needs help with the cost of removals

Where the customer wants to move to a property which may be more suitable to their needs and is currently or in the future may lead to a cost to the Homelessness budget and needs some help to pay the rent in advance and/or deposit

Where the customer has to pay rent on two properties for a short period and it cannot be met by housing benefit.

DHP's are made at the discretion of the Borough and are not governed by the same rules as housing benefit, however, to qualify the person making a claim must also be receiving housing benefit.

The starting point of any application will also be to consider whether there is a need for a DHP or if the amount can be met through the other income and savings within the household. The Council will also look where appropriate to see what action the person is taking to help themselves.

#### **4. Claiming a DHP**

A claim for a DHP will generally be expected to be made in writing using the form provided by the Borough. The form asks for details of all income and expenses, as well as details of wider circumstances which the Council needs to be aware of to make an informed decision.

Where the customer would rather discuss their circumstances in person, a private interview can be arranged or where the customer cannot attend the office a home visit made.

In considering an application the Council may request evidence to support the application or take steps to verify the information provided to ensure that they are accurate.

#### **5. Period of Award**

The period of award will be dependent on the individual circumstances and whether the award is to help to meet a one off cost, temporary shortfall or longer term need.

At the point of making a decision the Borough will set the period of award which will be notified along with the decision. Decisions will normally start from the Monday after receipt of the claim, however, awards may be backdated if there is a good reason why the claim could not have been made sooner and the circumstances continued throughout that period.

## **7. Changes of Circumstances**

In receiving a DHP the applicant provides an undertaking to notify the Borough of any change in the circumstances declared within their application. The Borough may revise and recover any overpayment where the claimant's circumstances have materially changed.

## **8. Payment**

The Borough will decide the most appropriate person to pay based upon the circumstances of each case. This could include paying:

- the claimant;
- their partner;
- an appointee;
- their landlord (or an agent of the landlord); or
- any third party to whom it might be most appropriate to make payment.

Payments will be made by BACS and at the same frequency as any housing benefit, subject to any special requirements.

## **9. Notification**

The Borough will aim to advise claimants of the outcome of their claim within 14 days of receipt of their claim and any evidence requested. The notification will include;

- The weekly amount of DHP awarded
- the income and expenditure used in the calculation
- the period of award
- whom it will be paid to
- The requirement to report a change of circumstances.

## **10. Review of Decisions**

The Council will operate the following policy, in dealing with a request for a decision to be reviewed about a refusal to award a DHP, the amount or period of award.

- A request for a review should be in writing within one month of the decision, stating why the decision is believed to be wrong and providing any additional evidence.
- The decision, along with any new evidence from the claimant, will be reviewed by the councils nominated Appeals Officer who will aim to either make a new decision or confirm the earlier decision within 14 days.

- The claimant will be notified of the outcome in writing and invited to escalate their appeal to the Assistant Revenues and Benefits Manager if they remain unhappy with the decision made.
- The Assistant Revenues and Benefits Manager will review the decision and write to confirm the outcome within 14 days. That decision will be final with no further right of appeal.

## **12. Publicity**

The Borough will promote the availability of DHPs when notifying individuals of their housing benefit entitlement, when communicating any change or restriction in housing benefit awards and through the information made available online and at customer access points.

## **13. Information Sharing**

The Borough will use the information provided within the application and any supporting evidence for the purpose of verifying benefit entitlement and making a decision on the claim. In addition it may share information with other departments within the Council and partner organisations for the purpose of planning and delivery of services or fraud prevention.