



Discretionary Housing Payment Policy

Purpose of the Discretionary Housing Payment (DHP) Scheme

A DHP may be awarded when the authority considers that a claimant requires further financial assistance with housing costs. The customer must be entitled to either Housing Benefit (HB) or housing costs in Universal Credit (UC). The help is not available for home owners.

DHP awards are not payments of benefit, and do not count towards a claimant's income when claiming other benefits. DHP awards are made to help claimants when they most need it. This may be a short-term payment, for example, to help whilst a member of the family is poorly or in hospital. Alternatively, it can be a one-off payment to clear rent arrears, or pay a rent bond to secure a tenancy.

Those most likely to require assistance under the DHP scheme include:

- Families at risk of losing their home
- Young people leaving care
- People with alcohol or drug issues
- People with learning difficulties
- People with mental health issues
- People fleeing domestic abuse
- People affected by the Benefit Cap
- People affected by the size criteria in the social rented sector

What a DHP can cover

- Rent in advance
- Bonds
- Deposits
- Other lump sum costs associated with a housing need such as removal costs
- The shortfall between the contractual rent and the HB/UC award, but any award cannot exceed the weekly eligible rent

What a DHP cannot cover

- Ineligible service charges – specified in Schedule 1 to the Housing Benefit Regulations 2006. As well as any charges for water, sewerage and environmental services

- Increases in rent due to outstanding rent arrears
- Certain sanctions and reductions in benefit because to do so would undermine the effectiveness of the sanctions or reduction in benefit
- Council Tax even where a claimant is receiving Local Council Tax Support

Applying for a DHP

To be considered for a DHP applicants must be entitled to:

- Housing Benefit, or
- Universal Credit (housing costs)

and require further financial assistance with housing costs.

Applications for a DHP must be made by completing a Wyre Council DHPclaim form. These can be obtained:

- Online at www.wyre.gov.uk/dhp
- You can make an appointment to complete a form over the phone with an advisor by telephoning 01253891000

Application for a DHP can be made in advance if the applicant is aware of impending changes that will affect their financial position. The applicant will however be required to provide evidence of their situation at the time the expected change occurs.

The Council may require further evidence and information in support of the application. Any requests for further information will be made in writing and allow the applicant a time limit of one calendar month in which to provide it. The Council can, on request, extend this time limit if it considers it appropriate to do so. Failure to provide the evidence and information requested within the time limit will mean a decision is made based on the limited information the council already holds.

Factors taken into account when determining whether or not to award a DHP

Any decision to pay a DHP is based on the information and evidence the claimant provides. Each case is dealt with individually, and a decision will be made based on the circumstances of the applicant.

In deciding whether or not to award a DHP the council will take into account the following:

- The shortfall between the amount of HB/UC in payment and the eligible rent payable

- Any non-dependant deductions which DHP's can cover
- Any steps taken by the customer to reduce their rental liability, for example whether the customer has tried to seek cheaper accommodation
- Where affected by the social sector size criteria rules, whether the customer has approached their landlord requesting accommodation with less bedrooms, thought about taking in a boarder or lodger to help with the housing costs, or considered renting more suitable cheaper accommodation in the private sector.
- Whether the customer enquired about their Local Housing Allowance before moving into the property, and if so, what arrangements they put in place to make up the shortfall?
- The financial and medical circumstances (including ill-health and disabilities) of the customer, their partners and any other members of their household including dependants and any other occupants of the customer's home. The income and expenditure of the customer, their partner and any dependants or other occupants of the claimant's home. If the expenditure of the household is considered above the basic living requirements it can affect the amount of the DHP award. A payment of DHP is not intended to enhance an applicant's lifestyle.
- Whether the customer has applied for all available sources of income to them
- Access to any savings or capital held by the customer or their family
- The level of debt of the customer and their family. Has the customer tried to renegotiate loans to reduce expenditure, are they paying debts off at the moment causing their available income to decrease? Has the customer sought advice from a debt adviser to try to alleviate their situation?
- The exceptional nature of the customer and their family's circumstances bearing in mind there is no need to show that the circumstances are exceptional before awarding a DHP
- Any special reasons which make it necessary for the claimant to continue to rent that particular property
- Any special circumstances the customer has declared

The Council will decide which income and expenditure is to be taken into account when deciding if it is appropriate to award a DHP.

Notifying a decision

The council aims to make a decision on all requests for a DHP within 5 working days following the receipt of all required information and evidence.

Once a decision is made the applicant will be sent a Decision Notice advising them of the decision.

Decision Notices include the following:

- Reason(s) for payment or non-payment
- Start date for payment of any award
- Amount of award
- Period of award
- A requirement to notify the council about changes in circumstances

Payment of a DHP

A DHP can be paid to someone other than the applicant if the council considers it reasonable to do so. This can include:

- The applicants partner
- An appointee
- A landlord or agent
- A third party whom it may be more appropriate to make payments to

Payments will be made via electronic Bank transfer. Regular payments will be made 4 weekly in line with HB payments or at the end of the month for Universal Credit payments. One-off payments such as bonds will also be made by electronic Bank transfer and normally paid directly to the new landlord(s).

Period of a DHP award

DHP awards are not intended to support a claimant indefinitely, but instead provide “short-term” financial support to allow the claimant to resolve the cause of their financial problems. In deciding the period over which the DHP will be paid the council will take account of the reason(s) for the claimant’s financial problems, and the time needed to resolve them.

The start date of an award will usually be the Monday following the receipt of the application for a DHP. Awards can be backdated if it is considered appropriate to do so. Any backdated awards will be restricted to the current financial year and will only be backdated provided the applicant has been entitled to HB/UC throughout the period the backdated award covers.

Change of Circumstance

It is a condition of any DHP award that an applicant must notify the council if, during the period of the award, the claimant has a change in their circumstances that may affect their continued entitlement to a DHP. It is the applicant's duty to inform the council of the change at the time it occurs. A failure to do so may result in the council taking further action against the applicant. This action can include prosecution.

Overpayments

The recovery of any overpayment of DHP is at the council's discretion. The council will consider the reasons for the overpayment, and whether or not it is appropriate to recover it. The council can choose to recover in full, in part, or not at all.

Any overpayment of DHP caused by the applicant's failure to report a change in circumstance affecting their entitlement to the DHP will normally result in the applicant being required to repay the overpaid amount.

Overpayment of DHP will be notified to customers in writing detailing the reason for the overpayment, the amount, and the period it covers. In appropriate cases an overpayment invoice will be issued for the overpaid amount.

Early withdrawal of an award

The council may withdraw a DHP award if the applicant:

- Is subsequently found to have submitted a fraudulent application, or to have omitted some material fact about their circumstances that would affect the decision to award a DHP
- Has a change in circumstance that removes the basis of the award
- Has a change in circumstances that means they no longer qualify for HB/UC (any DHP award is conditional upon the applicant being in receipt of HB/housing costs in UC)

Dispute Procedure – Including prospective changes

Customers can ask the council to review their decision:

- Not to award a DHP
- The amount and time limit of the payment
- The backdating of an award
- The recovery of an overpayment of DHP

Any requests for a review must be in writing and received within one calendar month of the original written decision notice. Details of why the customer disagrees must be included. An officer who has not made the original decision will deal with the request

to look at the decision again.

Following a review of the request for a DHP the customer will be informed in writing of the outcome of their appeal. The decision is final and there is no further right of appeal.

Fraudulent Claims

The Council has a statutory duty, under section 151 of the Local Government Act 1972, to make arrangements for the proper administration of their financial affairs. These arrangements include the prevention and detection of Housing Benefit fraud.

Fraud is defined as someone knowingly obtaining benefit to which there is no entitlement by falsely declaring their circumstances. This may be providing false information and evidence when making a claim for DHP. If the council suspects this may be the case the matter will be investigated and if the council believes a fraud has occurred action will be taken including the recovery of overpaid monies and if appropriate criminal proceedings.

Funding for the scheme

Funding for the scheme is provided on an annual basis by the Government and is cash limited. The DHP fund for 2022/23 is £135,215.00. The award of a DHP is subject to available funding and the Council will not be able to make awards of DHP's when this funding has been fully allocated.

Publicity for the scheme

The council promotes the scheme using the following methods:

- Staff providing advice to claimants of the existence of the scheme, how it can help them and how to apply;
- Informing external and internal organisations that give advice (welfare rights, homelessness, housing and money advice) on the existence of DHP's;
- Making landlords aware of the scheme;
- Information on the council website;