



TORRIDGE DISTRICT COUNCIL

DISCRETIONARY HOUSING

PAYMENT POLICY

Discretionary Housing Payment Policy

This policy reflects Torridge District Council's role in assisting our customers to sustain their tenancies if they have been affected by a key welfare reform issue, changes in their household or financial circumstances or both. Torridge District Council understands the significance of the welfare reform changes and the related impact in ability to pay rent payments in full.

This policy has been updated to also take account of good practice as advised by the Department for Works and Pensions – April 2013 version.

What are Discretionary Housing Payments?

Discretionary Housing Payments are available to people who already get housing benefit or Universal Credit but who need extra money to help pay their housing costs. A Discretionary Housing Payment can only be awarded if customers already receive either housing benefit or Universal Credit and need further financial support to pay their rent. A Discretionary Housing Payment is not a payment of housing benefit or Universal Credit.

By "housing costs" we mean your rent. It does not include service charges, fuel charges, water rates, meal charges or council tax.

Housing costs can be interpreted more widely to include rent in advance, deposits or other lump sum costs associated with a housing need such as removal costs.

The Discretionary Housing Payment policy will be wholly administered by the Council but in conjunction with information supplied by the DWP in their Guidance Manual and Good Practice guide, as updated from time to time.

In addition to this scheme there is also an Exceptional Hardship fund which could cover the shortfall between council tax liability and any Council Tax Support received.

Discretionary Housing Payment can be paid if, in the Council's opinion, the customer would experience hardship without additional funds being paid. The decision to award a Discretionary Housing Payment will be considered fairly, reasonably and consistently with objectivity and in line with the criteria set out in this policy.

Consideration will also be given to the legislation changes introduced, where it is considered that in the Council's opinion, any changes that result in a reduction of benefit, could not have reasonably been foreseen and planned for by the customer.

The Regulations covering Discretionary Housing Payments are the Discretionary Financial Assistance Regulations 2001.

Purpose of this Policy

To set out how Torridge District Council will operate the Discretionary Housing Payment Scheme and manage expectations, as regrettably, a large proportion of those affected by the welfare reform cuts will not qualify for a payment from the Discretionary Housing Payment fund.

Statement of Objectives

Each application will be considered on an individual basis and consideration will be given which will seek to:

1. Primarily allow for a short period of time to enable someone to adjust to unforeseen “short-term” circumstances and to enable them to “bridge the gap” during this time
2. Allow an award for a longer or indefinite period of time, subject to the circumstances of the case
3. Allow for a “one off” payment
4. Help those who are trying to help themselves
5. Alleviate poverty
6. Sustain tenancies and prevent homelessness
7. Encourage and support people in employment
8. Support the vulnerable or the elderly in the local community
9. Safeguard residents in their own homes
10. Keep families together
11. Support domestic violence victims who are trying to move to a place of safety
12. Help claimants through personal and difficult events
13. Support young people in the transition to adult life
14. Promote good educational outcomes for children and young people
15. Support the work for foster carers
16. Support disabled people to remain in adapted properties

Qualifying Criteria

Consideration will be given to the following criteria – the list is not exhaustive:

1. The customer must be entitled to :
 - Housing benefit; or
 - Universal Credit that includes a housing element towards rental liability; and

- Require further financial assistance with housing costs due to the fact that there remains a shortfall between housing benefit or Universal Credit and the actual housing costs
2. The difficulty experienced by the customer, which prohibits them from being able to meet their housing costs should primarily be of a short term nature, although there may be exceptions which would allow for a longer or indefinite period of award
 3. The difficulty lends towards the need for a “one off” payment
 4. The customer will need to be able to demonstrate that they have tried to negotiate a lower rent with their landlord
 5. The customer’s “reasonable” expenditure must exceed their income
 6. Personal circumstances, health, disability and age related matters might be taken into account with the above
 7. Matters in relation to employment being sustained and/or secured will be considered
 8. If applicable, the customer will be asked to demonstrate that they have/are seeking debt/budgeting advice from a relevant agency
 9. Consideration will be given where circumstances demonstrate that a disabled person is living in a property which has been significantly adapted to accommodate their specific needs
 10. Whether a non-dependant living in the household could be in a position to assist financially
 11. “Exceptional circumstances” will be considered in conjunction with the above.

Types of shortfalls DHP may cover

- Reductions in housing benefit or Universal Credit where the benefit cap has been applied
- Reductions in housing benefit or Universal Credit for under-occupation in the social rented sector
- Reductions in housing benefit or Universal Credit as a result of local housing allowance restrictions
- Rent shortfall to prevent a household becoming homeless whilst the housing authority explores alternative options
- Rent officer restrictions such as a local reference rent or shared room rate

- Non dependant deductions in housing benefit, or housing cost contributions in Universal Credit
- Reductions due to an additional room which may be needed to store equipment which is specifically needed to meet the needs of a disabled person in the household
- Reductions due to an additional room which may be needed for foster carers/adoptive parents, because of a bedroom used by, or kept free for foster children/adopted children
- Reductions due to disabled people living in significantly adapted accommodation, including adaptations made for disabled children.
- Reductions in benefit, but additional costs would be incurred as the property has been specifically adapted to meet the need of a disabled person in the household. This could be evidenced by the fact that the council tax banding has been reduced
- Reductions due to income tapers
- Increases in essential work related expenditure such as increased fares to work if a customer has had to move because they could not afford to live in proximity to their work following a reduction in their LHA rates
- Lump sum costs associated with a housing need such as removal costs.

Rent deposits and rent in advance

Whilst the Discretionary Housing Payment scheme allows for such payments to be made, the Council also has a Deposit Guarantee Scheme administered by the housing options team and would seek to utilise this facility in the first instance, with the DHP Scheme complimenting this scheme as an alternative option.

What DHP cannot cover

Excluded elements are:

- Ineligible service charges
- Increases in rent due to outstanding rent arrears
- Shortfalls in council tax support
- Certain sanctions and reductions in benefits
- Benefit suspensions in housing benefit or Universal Credit
- Rent, when the person is getting council tax support but not housing benefit or help with housing costs in Universal Credit
- Shortfalls caused by housing benefit or Universal Credit overpayment recovery

Awards of Discretionary Housing Payment

Claims

A customer must make a claim for a Discretionary Housing Payment, submitting the application to Torridge District Council. The application form can be obtained from one of the Council offices and/or on the Internet. Customers can get help filling in this form from either the benefits team, the housing team or Citizen's Advice Bureau. The application must be fully completed and supporting information/evidence provided as reasonably requested by the Local Authority.

In most cases the person who claims a Discretionary Housing Payment will be the person entitled to housing benefit or Universal Credit. However, a claim can be accepted from someone acting on another's behalf, such as an appointee, if it is considered reasonable.

Discretionary Housing Payments may be paid to someone other than the customer if the Council considers it reasonable to do so.

Amount and Duration

Both the amount and the duration of an award are determined at the discretion of the Council and will be done so in accordance with the qualifying criteria set out in this policy.

Duties of Customers

A person claiming a Discretionary Housing Payment is required to;

- Give the Council such information as it may require to make a decision;
- Tell the Council of any changes in circumstances that may be relevant to their continuing to get Discretionary Housing Payments as soon as is practically possible, but preferably within a calendar month of the change if not sooner;
- Give the Council such other information as it may require in connection with their claim.

Payment of Discretionary Housing Payment

Payment of an award of Discretionary Housing Payment will be made at the same time as a payment of housing benefit, but will be identified separately.

Overpaid Discretionary Housing Payment

Overpaid Discretionary Housing Payment will generally be recovered and the debtor invoiced accordingly.

Notification of an award

The Council will notify the outcome of each application for a Discretionary Housing Payment, in writing, within 21 days or as reasonably practical. The notification will include the reason for the decision and advise the customer of their dispute rights.

Disputing a decision

If the customer is not satisfied with a decision in respect of an application for a Discretionary Housing Payment, Torridge District Council will look at the decision again. A senior officer, other than the original decision maker, will consider the appeal. The original application and any additional information and/or representation made will be taken into account.

Any request for an appeal must be made within one month of the date of the notification letter confirming the original decision.

The outcome of the appeal will be relayed, in writing, setting out the reasons for change/refusal within 21 days, or as reasonably practical.

Fraud

The Revenues and Benefits Service is committed to protect public funds and ensure funds are awarded to the people who are rightfully eligible to them.

A customer who tries to fraudulently claim a Discretionary Housing Payment by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under The Fraud Act 2006.

Where the Revenues and Benefits Service suspects that such a fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.

Complaints

The Council's 'Compliments and Complaints Procedure' (available on the Councils website) will be applied in the event of any complaint received about this policy.

Policy review

This policy will be reviewed periodically and updated as appropriate to ensure it remains fit for purpose. However, the review may take place sooner should there be any significant changes in legislation.