



DISCRETIONARY HOUSING PAYMENTS SCHEME

Financial Year 2018/19

Effective date 01/04/2018

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1. INTRODUCTION

Local Authorities have discretion to make awards of Discretionary Housing Payments in accordance with the Discretionary Financial Assistance Regulations 2001 (as amended).

DHP's are paid from a limited fund set by Central Government each year which means that the local authority has a fixed amount of money each year. For this reason not all applications will receive an award and sometimes awards will be made for lower than the amount requested

This document serves as guidance for Craven District Council Officers who make DHP decisions.

2. PURPOSE, OBJECTIVES and GUIDING PRINCIPLES

Purpose: To provide DHP applicants with further financial assistance when a local authority considers that additional help with housing costs is needed because they are unable to meet housing costs from their available income.

Housing costs are not defined in the regulations but can include:

- Rental shortfall between rent charged and benefit allowed
- Rent in Advance
- Deposits
- Other lump sum costs associated with a housing need such as removal costs
- Rent Arrears accrued as a result of welfare reform

Objectives:

To award a DHP to assist the Council meet its strategic aims and objectives contained within the York, North Yorkshire & East Riding Housing Strategy and Craven Homelessness Strategy 2015-20 and deliver the actions contained within the Craven Housing & Homelessness Strategy Integrated Action plan.

Guiding Principles: Our objectives are underpinned by the following guiding principles:

- To help those who are trying to help themselves
- To help applicants through a personal and difficult event
- Each application will be considered on its own merits

3. MAKING AN APPLICATION

All applications for Discretionary Housing Payments are to be made by the person entitled to claim Housing Benefit (HB), Local Housing Allowance (LHA) or Housing Element of Universal Credit (UC) or where the applicant is vulnerable and requires support, by an appointee/advocate or person acting on their behalf using the approved application form. Applications will be verified to reduce the risk of fraudulent applications.

Applications can be made using the online application form or paper forms can be obtained from the Revenues and Benefits Department or Customer Services at Belle Vue Square, Broughton Road, Skipton.

4. CRITERIA TO BE USED IN CONSIDERING AN AWARD

1: Is the applicant eligible for assistance?

All applicants must:

- Be entitled to Housing Benefit (HB); Local Housing Allowance (LHA) **or** a Universal Credit (UC) payment that includes a housing element towards rent (where applications are made prior to taking up the tenancy – a commitment to pay an award may be made on the condition it will only be paid once entitlement to housing benefit or the housing element of Universal Credit award is established) **and**
- Requires further financial assistance with housing costs **and**
- Have a local connection to Craven (as defined by Homelessness legislation)

2: Is the application for eligible costs?

The following are excluded elements for housing costs:

- Ineligible service charges
- Increases in rent due to outstanding rent arrears
- Certain sanctions and reduction in benefit

3: Is the applicant in financial need?

Craven District Council (CDC) will decide if an award should be made (either full or partial) based on the evidence provided¹ to establish if there is a financial need. This will include taking account of: household circumstances, level of income, level of accessible capital (available within 1 month), essential and reasonable outgoings.

When assessing available income, CDC will disregard the following benefits:

- DLA mobility, DLA Care/Attendance Allowance, Personal Independent Payments

When assessing qualifying expenditure, we will disregard:

- Non priority debt such as catalogue, credit cards etc.
- Nonessential expenditure unless a contract commenced prior to the claimant being in receipt of Housing Benefit or Universal Credit.

4: Has the applicant taken all reasonable steps to alleviate their situation?

Consideration will be given to the reasons why the applicant has moved into the area or the specific property – if there are reasonable alternatives - why were these not taken? A DHP should normally be awarded where the applicant has no alternative but to either move to that property or remain in their current property because there isn't a more suitable alternative property. CDC will also consider the following guiding principle of whether the applicant has taken any action to alleviate their situation – on their own or in conjunction with Housing Options, their Landlord or any other support agency. i.e. by negotiating a lower rent with the landlord, or by reducing some other expenditure.

Applications must include evidence of all actions taken. Evidence of all works carried out by registered providers in support of applications will be considered on a case by case basis.

¹ Information provided on Application Form or any other requested evidence required. Exploration of data sharing with DWP to be explored following introduction of UC

5: Is the application for a priority reason?

Whilst each case will be considered on its own merits the following reasons for approval are given as guidance when considering applications. If the application satisfies one or more of the following examples under each of the following categories an award may be made².

1. **Homelessness Prevention:** Where the applicant is at risk of homelessness and an award will prevent homelessness subject to:
 - The property is the applicant's main residence and/or
 - There is no alternative accommodation or the applicant and Housing Options Team need time to explore alternative options or
 - The rent cannot be re-negotiated with the landlord or
 - An arrangement has been agreed with the landlord to withdraw eviction procedure. (Includes payment of rent arrears)

2. **Welfare Reform/HB Regulations:** Where housing cost liability cannot be maintained due to a reduction in Housing Benefit, Local Housing Allowance or Universal Credit because of:
 - Benefit Cap being applied **and/or**
 - Under-occupation in the social rented sector restriction (aka Bedroom Tax) **or**
 - Local housing allowance restrictions **or**
 - Rent officer restrictions such as local reference rent or shared room rate **or**
 - Increase in Non-dependent deductions **or**
 - Income tapers **or**
 - Any other reduction in their level of income arising from the Welfare Benefit Reforms 2011 onwards **or**
 - The size criteria rules for social housing tenants where the applicant is on Mid to High Rate DLA and requires night time care by a non-household member for (four nights per week or more) **or**
 - The size criteria rules for social housing tenants where the applicant has a support need where evidence has been provided by a senior medical professional that moving would cause detriment the applicant and/or household member's health and wellbeing (e.g. Household containing person with a Mental Health problem or with a Learning Disability)
 - The size criteria rules for social housing tenants where the household contains a disabled child who would normally be expected to share a bedroom under size criteria rules requires a separate room and provides evidence that this is the case but does not meet the HB criterion of being in receipt of the Middle and Higher rates of DLA Care

² These are guidelines and not all cases meeting the criteria will be paid. This Authority has an overall anti-fraud strategy and awards of DHP apply equally with separate action for DHP fraud possibly being taken under the Social Security Administration Act 1992 as amended by the Social Security Fraud Act 2001.

3. Facilitate a Move:

Where an award will assist:

- The tenant to secure a property in the Craven District or in another area within North Yorkshire County Council, which is affordable **and**
- The tenant has a valid reason to move e.g. to downsize to more affordable housing, to be close to family or carers on health grounds **and**
- The deposit or rent in advance is reasonable and/or the rent is affordable.
- If there are no properties available in the Craven District or in another area within North Yorkshire County Council awards will then be considered to secure properties in other areas provided all other conditions in this section are still satisfied.

4. Other

1. An award can be made where an applicant has rent liability on two properties where they are temporarily absent from their main home due to:
 - Domestic violence
 - To be nearer close family relative receiving hospital treatment
2. An award will be considered where:
 - Parents require an additional room under child access or supported Kinship arrangements where there are no alternative housing options in the private sector, are not available;
 - Applicant is in financial need and nearing exemption or will shortly be not under-occupying.
 - Applicant is taking up or has commenced employment resulting in a reduction in benefit entitlement.
 - Other exceptional circumstances.

5. PERIOD OF AWARD

Discretionary Housing Payments will not normally be awarded for periods of more than six months at any one time and should not extend beyond the financial year within which they are awarded.

However, annual awards (1 April – 31 March only) may be awarded on a case by case basis in appropriate circumstances such as:

- Applicant in a significantly adapted property and that property has been adapted specifically for the applicant or their allocation to that property was supported by an OT Assessment **and** subject to reduction for under-occupancy (Significant adaptations are: Stair-lift, through floor Lift, installation of downstairs toilet/bathroom and wet-room/Level Access Showers) **and** the applicant utilises the adaptations. Where a household's property has any other adaptations CDC may consider making a shorter award and/or referral for Money Management advice.
- Applicant is a *new* foster carer – all changes must be reported as a condition of the award and award will be reviewed at that time.
- Applicant has a non-family member carer for a minimum of 4 nights and the need for this provision is supported by medical advice. Any other night – time care arrangements may be considered for a discretionary award up to 6 months.
- Where an award is made and the applicant's circumstances are unlikely to change, and making a short term award will cause undue stress.

- Where it is more cost effective to maintain the current home than support a move to another property.

6. PAYMENT

Payments are made using the Northgate system and will normally be made to the person to whom Housing Benefit or Universal Credit is paid. Awards will be clearly identified as DHP Awards so applicants/recipients can differentiate between HB and UC.

7. CHANGING CIRCUMSTANCES

Any changes that effect the DHP payment must be reported by the applicant as soon as reasonably practicable. All applicants will be advised of this in the Decision Notification Letter.

8. REVIEW OF DECISIONS

DHP awards may be revised based on identified changes of circumstances.

9. RECOVERY OF OVERPAYMENTS

Craven District Council must be advised of any changes of income that affect the level of the ongoing DHP application to DHP. CDC Assessment Support Officers will action any recovery of DHP overpayments.

It is the responsibility of the Assessment Support Officers to reduce the possibility of DHP over payment, however, ultimate responsibility to prevent overpayment remains with the applicant to keep Craven District Council updated with all changes of circumstances.

Recovery of DHP overpayments will be considered when caused by misrepresentation or failure to disclose information by the claimant.

10. DECISION MAKING PROCESS

All applications will be considered by the Section Leader responsible for Housing Benefits or Manager responsible for Revenues and Benefits.

In addition delegated authority to make decisions has been granted to the Strategic Manager (Financial Services) (Section 151 Officer) and the

Decisions will be made within 28 days from receipt of application and all supporting documentation required.

All evidence requested must be provided by the customer within 28 days of the request by letter. Phone or email otherwise the application will be considered void.

11. NOTIFICATION

Notification of a decision will be made in writing within 5 working days from the date of the decision.

The notification will advise all applicants to report further changes of circumstances and also explain their reconsideration rights regarding the decision.

12. RECONSIDERATION RIGHTS

All applicants have the right to request a reconsideration of the decision. This will be done by the Manager responsible for Revenues and Benefits, or the Section Leader responsible for Housing Benefits if the Revenues, Benefits and Customer Services Manager made the original decision.

There is no further right of appeal. The only route open to applicants to challenge decisions further is via Judicial Review.

13. MONITORING OF AWARDS AND THE OVERALL SPEND

Following a successful application for DHP the following information will be held on Northgate:

- a) Why the award has been made.
- b) Amount of the award.
- c) Period of the award.
- d) Payment details.

The Discretionary Housing Payment fund will be monitored on a monthly basis by the Manager and Section Leader that are responsible for Revenues and Benefit.

14. FRAUD

Craven District Council are committed to the fight against benefit fraud in all its forms and has an active anti-fraud strategy. Any applicant fraudulently applying for Discretionary Housing Payments 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 fraud is suspected the matter will be investigated where appropriate and this may lead to criminal proceedings being instigated.

15. MAXIMISATION OF SPEND PROJECT

If required there will be consultation with the Welfare Reform Task Group to maximise spend (e.g. increase advertisement and awareness of the budget and its availability). Where appropriate and subject to available budget schemes which meet the Purpose, Objectives and Guiding Principles of the DHP Guidance may be sustained or developed.

Approved by:

Signatures:



Revenues and Benefits Manager

Date 06/03/2018



Housing Options Manager

Date 06/03/2018



Housing Policy & Contracts Officer

Date 06/03/2018

Copies issued to Welfare Reform Task Group

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Date of Next Review: February 2019