

Discretionary Housing Payments

DHP Policy

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Background

Discretionary Housing Payments (DHPs) are allocated by local authorities to help those in receipt of Housing Benefit (HB), or the housing costs element of Universal Credit (UCHC), who require further financial assistance to meet their housing costs.

The legislation governing DHPs can be found in s69 of the Child Support, Pensions and Social Security Act 2000 and in the Discretionary Financial Assistance Regulations 2001 (SI 2001 No. 1167).

The DWP set a maximum amount each year that Exeter City Council can award through DHP.

DHPs play an important role in helping tenants retain their tenancies, prevent homelessness, and enable tenants to move to more affordable accommodation. The payments can cover all or part of a shortfall in a tenant's rent, or cover rent in advance, deposits, and other costs that a tenant may incur to secure a new affordable tenancy.

Due to the limited nature of the fund, DHPs are normally only awarded to provide short term help and not on an ongoing basis. This will allow applicants time to consider their housing options, to take reasonable steps to improve or resolve their situation, and come to a long term sustainable solution. Supporting people in the short term to help them to improve their own situation is a key aim of the DHP policy.

The main features of the scheme are that:

- DHPs are discretionary
- Applicants do not have a statutory right to a payment
- It is a cash limited fund
- The Benefits and Welfare Service administers the scheme
- DHPs are not a payment of Housing Benefit or Universal Credit
- Housing Benefit or Universal Credit with a Housing Costs element must be in payment in the benefit week that a DHP is awarded for.

Purpose of the Policy

The purpose of this policy is to specify how Exeter City Council's Benefits and Welfare Service will operate the scheme and to indicate some of the factors that will be considered when deciding if a DHP award can be made.

- Each case will be treated strictly on its merits.
- All applicants will be treated equally and fairly when the scheme is administered.

Statement of objectives

The Benefits and Welfare Service will seek through the operation of this policy to:

- help those who are trying to help themselves
- alleviate poverty
- safeguard Exeter residents in their homes
- encourage Exeter residents to obtain and sustain employment
- support vulnerable young people in the transition to adult life
- keep families together
- support vulnerable people in the local community
- help applicants through personal crises and difficult life events

DHP awards will not be used to undermine the ambition of welfare reform to encourage people currently out of work to take their first steps into employment, nor support irresponsible behaviour, nor assist in situations that are so prevalent that a consistent approach to making such payments would involve expenditure above the maximum allowed.

When administering DHP the Council will take a broad view, considering the whole circumstances of an applicant; all the options available to them; how the Council can use DHP to help the applicant overcome any barriers; and where necessary refer applicants to appropriate employment, welfare, budgeting and housing advice. Where it is apparent that an applicant is not claiming another state benefit they may be entitled to, they will be advised to make a claim in order to maximise their income.

Claiming a DHP

- DHPs can be requested from the Benefits and Welfare Service through any channel (telephone, face to face, email, in writing etc.) by anyone (claimant, family member, landlord, support worker etc.)

- Following the initial request a DHP application form may be issued to gather full details, unless the claim can be determined without a form.
- The applicant will be required to return the form to the Benefits and Welfare Service within one month of its issue with any relevant supporting evidence.
- The Benefits and Welfare Service may request evidence in support of an application.
- The Benefits and Welfare Service reserves the right to verify any information or evidence provided as part of or in support of an application.

Awarding a DHP

The Benefits and Welfare Service will retain full discretion when deciding whether or not to award a DHP, the amount and duration of any award. Decisions will be made in compliance with the relevant legislation and case law. When considering applications, regard will be had to this policy, guidance and good practice from the DWP.

The current DWP guidance can be found on gov.uk or using the following link in the electronic version of this document. [Current DWP DHP guide](#)

When making their decision the Benefits and Welfare Service will consider:

- the shortfall between Housing Benefit / Universal Credit and the rent liability
- the steps taken by the applicant to reduce their rent liability
- the medical circumstances (including ill health and disabilities) of the applicant, their partner and any dependants and any other occupants of the applicant's home
- the income and expenditure of the applicant, their partner and any dependants or other occupants of the applicant's home
- any savings or capital held by the applicant or their family
- the level of indebtedness of the applicant and their family
- the exceptional nature of the applicant and their family's circumstances
- the length of time they have lived in the property
- the possible impact on the Council and other public authorities of not making such an award, e.g. the pressure on priority homeless accommodation
- previous awards
- such other circumstances and information that the officer considers relevant in a particular case

The decision maker may consider it appropriate to meet with the applicant to help achieve full understanding of their circumstances. This could be at the applicant's home or council offices. Applicants may be asked to provide details of their income and outgoings to assess the extent of their financial hardship.

An award of a DHP does not guarantee that a further award will be made at a later date even if the applicant's circumstances have not changed. The DHP awarded may be less than the difference between the rent liability and the amount of Housing Benefit / Universal Credit paid.

Period of award

The Benefits and Welfare Service will decide the length of time for which a DHP will be awarded on the basis of the evidence supplied and the facts known.

- The start date of an award will usually be the Monday after the written claim for a DHP is received by the Benefits and Welfare Service
- The maximum length of award will usually be to the end of the tenancy or a period not exceeding 12 months.

The Benefits and Welfare Service will consider any reasonable request for starting an award from an earlier date. Awards will normally be limited to starting in the current financial year.

Method of payment

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

- the applicant or 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.

The Benefits and Welfare Service will pay an award of DHP by the most appropriate means available in each case.

This could include payment:

- to a bank account
- by crediting the applicant's rent account;

Payment frequency will normally be in line with payment of Housing Benefit.

Notification of a decision

The Benefits and Welfare Service will inform the applicant in writing of the outcome of their application as soon as is reasonably practical. Where the application is unsuccessful, the Benefits and Welfare Service will set out the reasons why this decision was made and explain the right of review. Where the application is successful, the Benefits and Welfare Service will advise:

- the weekly amount of DHP awarded
- whether it is paid in advance or in arrears
- the period of the award
- how, when and to whom the award will be paid
- the requirement to report a change in circumstances

Changes of circumstances

Decisions may be reviewed where the Benefits and Welfare Service think fit. Awards of DHP, including periods already paid, may be revised where the applicant's circumstances have materially changed.

The right to seek a review

DHPs are not payments of Housing Benefit or Universal Credit and are therefore not subject to the statutory appeals process.

The Benefits and Welfare Service will operate the following principles when dealing with a review request following a refusal to award a DHP, a decision to award a reduced amount of DHP, a decision not to backdate a DHP or a decision that there has been an overpayment of a DHP.

- An applicant (or their appointee or agent) who disagrees with a DHP decision may request a review. This should be delivered in writing to the Benefits and Welfare Service within one calendar month of the written decision about the DHP.
- A different officer within the Benefits and Welfare Service will review the case. The officer will review all the evidence held and will make a decision within 14 days of referral or as soon as practicable thereafter.
- The outcome of the review will be notified to the applicant in writing, setting out the reasons for their decision.
- The decision made by the reviewing officer will be final.
- In exceptional circumstances only, any of the above time periods for review may be extended by the officer. In deciding to extend, they will take into account any delay in seeking independent advice that was outside the control of the applicant.

Overpayments

- The Benefits and Welfare Service will normally seek to recover any overpaid DHP if the applicant has misrepresented or failed to disclose a material fact in their application or an error was made at the point of making the decision.
- An invoice will be issued to the applicant or the person to whom the award was paid.
- The decision letter that notifies a decision that there is an overpayment will also set out the right of review.
- Consideration of the reasonableness of recovery action in a particular case will be in line with the Council's overpayment policy.

Vulnerability and equalities

The Benefits and Welfare Service will have regard to the Public Sector Equality Duty (PSED) when considering claims for DHP. It is recognised that DHP has a pivotal role to play in mitigating the harshest effects of welfare reforms on the most vulnerable households, particularly on individuals with protected characteristics.

Being a flexible and discretionary fund, DHP is capable of making finer distinctions than can be achieved through legislation governing statutory entitlements. By identifying those who suffer relative disadvantage because of their protected characteristics, DHP awards should aim to minimise or remove that disadvantage.

Examples of where DHP can be used to further the aims of the PSED:

- Age – Where young individuals cannot reasonably occupy shared accommodation, DHP can be used to top up rent on self-contained property.

- Disability – Where household members are unable to share rooms due to disability but do not meet the threshold in the Housing Benefit regulations for an extra bedroom, DHP can cover the Social Sector Size Restriction.
- Pregnancy and maternity – Where claimants are expecting a child which will alter their bedroom requirement, DHP can cover the shortfall in advance of the birth allowing the claimant to move and settle before the baby arrives.
- Other protected characteristics (gender reassignment, race, religion or belief, sex and sexual orientation) – In any case where a customer's accommodation is unsuitable due to their protected characteristic, for example harassment from neighbours, DHP can be used to help claimants move to more suitable accommodation. It can also be used to support claimants in more expensive accommodation that is particularly suitable to needs arising from their protected characteristic.

Performance and Risk Management

This policy will be regularly reviewed and monitored to ensure that is effective and fit for purpose. The highest risk to the scheme will be the potential to overspend the fund. Expenditure will be reviewed on a monthly basis and reported through the appropriate channels.

Publicity

The Benefits and Welfare Service will publicise the scheme and will work with all interested parties to achieve this. A copy of this policy statement will be made available for inspection and will be posted on Exeter City Council's website.

Fraud

The Benefits and Welfare Service is committed to the fight against fraud in all its forms. An applicant who tries to fraudulently claim a DHP by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under the Social Security Administration Act 1992 or the Theft Acts 1968 and 1978. Where the Benefits and Welfare Service suspects that such a fraud may have occurred, the matter will be investigated as appropriate and this may lead to criminal proceedings being instigated.