

EASTBOURNE COUNCIL BENEFITS SERVICE

Discretionary Housing Payments (DHP) Policy

1. Background

- 1.1 This scheme began on 2nd July 2001. It replaced the Exceptional Hardship and Exceptional Circumstance regulations.
- 1.2 There are no set criteria for granting DHP. It is at the council's discretion. There is no need for the tenants circumstances to be exceptional, nor does there have to be hardship.
- 1.3 The purpose of DHP is to give additional help with rent or Council Tax where there is a shortfall between benefit entitlement and liability. However, it is not a payment of HB or CTB and the appeals procedure does not apply.
- 1.4 To claim it there must be an entitlement to Housing or Council Tax benefit. Someone who only gets Council Tax benefit cannot get DHP for rent, and vice versa.
- 1.5 It can not be paid to cover ineligible charges.
- 1.6 Each year the Department for Works and Pensions sets an overall limit that Local Authorities can spend on DHPs. This amount is made up of a government contribution (40%), plus an additional sum that the authority may spend out of its own funds.
- 1.7 For 2010/11 the total budget is £165,038 (including £66,015 from the DWP).
- 1.8 It is important that the government contribution is used only for DHP payments. Local Authorities will not be able to keep any balance remaining if their DHP expenditure for a year comes to less than the government contribution. The council will actively aim to maximise the use of this budget.

2. Policy

- 2.1 The council will promote the DHP scheme.
- 2.2 It will liase with Housing Needs, BHT Eastbourne Advice, local Citizen Advice Bureaux (CAB), and other voluntary organisations to promote the scheme by providing them with information.
- 2.3 Details of where to seek advice will be provided with all decision letters.
- 2.4 The council will promote this scheme with local private landlord associations by providing information leaflets.

- 2.5 There is no policy on the numbers of people who will be able to claim.
- 2.6 The budget will be monitored by the Benefits Manager.
- 2.7 Where we have information we will take the initiative to provide help. Staff will insert a DHP application in with notifications to claimants who may be able to claim.
- 2.8 We will use the DHP scheme to prevent homelessness where we can.
- 2.9 We will have an information leaflet for DHP on display at our public enquiry counter.
- 2.10 All Benefit and front line staff, including Housing and Council Tax, will be aware of scheme and able to give appropriate advice.
- 2.11 In order that claims are considered on an equal basis claimants requesting a DHP will be asked to complete a claim form. Help in completing the claim form can be given by BHT Eastbourne Advice, CAB and other voluntary organisations.
- 2.12 We will determine if the applicant has any special circumstances – e.g. single parent, disabled unable to climb stairs, under threat of violence, children at local school etc.
- 2.13 We will determine whether the applicant has tried to negotiate any lower rent with a landlord where applicable.
- 2.14 We will compare expenditure costs with similar properties and family size if possible.
- 2.15 If the shortfall is so high that only an unreasonable level of payment would alleviate the financial hardship – we will consider other avenues such as referring to advice agencies as well as making a limited award.
- 2.16 The amounts will be paid for set periods – maximum 26 weeks.
- 2.17 Awards will be set at a weekly amount.
- 2.18 For additional rent payments this will usually (but not always) be given to allow the claimant time to find other accommodation.
- 2.19 When an award period comes to an end the claimant will be required to reapply for a DHP and their circumstances will be reviewed.
- 2.20 If an award of DHP is made due to a Valuation Office Agency restriction or Local Housing Allowance restriction the decision letter will advise that the award has been made to provide them time to find more affordable accommodation. We will encourage claimants to consider if an appeal against the Valuation Office Agency decision is appropriate.

2.21 All decisions will be taken within 28 days of receiving a request.

2.22 In order for an applicant to qualify for a payment:

- the HB must have been calculated under the maximum rent rules
- there must be a shortfall between the benefit payable and rent/council tax charged
- there must be some HB/CTB payable

2.23 Factors that we will take into account could be:

- The extent of the shortfall, including whether the claimant has any capital or disregarded income which can be used to meet it, or whether anyone else is able and willing to help to meet it
- Is there a real risk of eviction because of the shortfall or will the landlord accept a reduced payment?
- Has the claimant recently taken up the tenancy, did they obtain a pre-tenancy determination?
- Is there a guarantor for the rent?
- What steps has the claimant taken to alleviate the problem?
- Is there cheaper accommodation available in the locality to which the claimant can move?
- Does the claimant or anyone in the household suffer from a health problem illness or disability which means that the choice of housing is restricted either temporarily or permanently?
- Does the claimant have other debts to pay, which make meeting the shortfall more difficult? (If these debts include loans, should the claimant have taken in to account that repaying them could affect their ability to pay their rent?)
- Does the claimant or anyone in the household have any unusual or unusually large expenses which make it harder than normal for the claimant to meet the shortfall (e.g. frequent travel to hospital)?
- Has there been a change in circumstances, which makes it more difficult to meet the shortfall?
- Could the claimant reduce other outgoings and thus relieve the hardship himself?
- Would children's schooling be affected if the family had to move.

- It is reasonable to look at the claimants spending. We would ask BHT Eastbourne Advice or CAB to do this independently. (We would not expect claimants to reduce expenditure in these areas unless expenditure was unreasonably high)
- It may be reasonable to expect expenditure to be reduced on non-essential items (e.g. mobile phones, cable television other than main terrestrial channels, running a car, entertainment).
- The mobility allowance of Disability Living Allowance will be disregarded when considering the income of the claimant or a member of the household.

3. Administration of Claims

- 3.1 Claims for a DHP must include a completed application form and financial statement.
- 3.2 These are routed to Team Leaders, who may seek further information or proof. This should be provided within 28 days or a period that has been agreed with the claimant (as there is no statutory limit).
- 3.3 If the claimant fails to provide the information requested they will be written to advising that unless they contact us within 14days the application will be treated as withdrawn.
- 3.4 When a claim is approved the claimant will be informed of the period and the amount. Details of the advice services will be provided.
- 3.5 Details of the amount and period must be entered on the DHP budget monitoring spreadsheet.
- 3.6 When a claim is not approved the claimant will be informed and given the opportunity to ask us to reconsider. Details of the advice services will be provided.

4. Reconsidering Decisions

- 4.1 When we are asked to reconsider a decision the case is passed to the Senior Benefits Officer.
- 4.2 The Senior Benefits Officer will review the reasons for the original decision and take in to account any new information supplied. The claimant will then be informed of the new decision within 10 days, and details of the advice services will be provided.

5. Repeat Claims

- 5.1 When a claim is granted, the claimant can re-apply at the end of the set period. There is no automatic extension of payments.

- 5.2 Consideration must be given to what the claimant has done to help themselves e.g. seeking cheaper accommodation, negotiating a cheaper rent, seeking advice on money management.
- 5.3 Where the claimant could have taken action, but has failed to do so, then it is less likely that there will be a positive decision to pay a repeat period of DHP.
- 5.4 An option could be to grant it at a lower rate, and in the notification include a clear message that they are expected to take action themselves to reduce expenditure before the new payment period runs out.
- 5.5 In cases where the claimant is unable to reduce expenditure, and circumstances remain the same (or worse), generally the decision would be to continue making payments as long as the budget was available.

6. Application Form

- 6.1 The council will continue to use its current DHP application form.