

Redcar and Cleveland
Borough Council

**Discretionary Housing Payment
Policy**

Policy date: March 2023
Policy review: Annual

1. Purpose

The purpose of this policy is to specify how Redcar and Cleveland Borough Council (RCBC) will operate its Discretionary Housing Payment (DHP) scheme and to provide details of the factors that will be considered when deciding if a DHP can be awarded. Each case will be considered on its individual merits and all customers will receive equal and fair treatment throughout the decision making process. RCBC is committed to working with the local voluntary and community sector, social landlords and other partner organisations in administering its DHP scheme.

The Council has absolute discretion in deciding whether to award assistance. In certain circumstances the team responsible for administering DHPs may make a conditional offer of assistance to applicants, subject to the applicant being referred to a service for help, for example the credit union or Citizens Advice for financial capability training or to welfare benefit advisers for help to resolve any benefit-related issues. If a conditional offer is made, the applicant will be expected to engage with the nominated service before DHP assistance is provided.

2. Scheme Objectives

Within an annual budget allocation from the Department for Work and Pensions, DHPs will be awarded according to qualifying conditions as specified in this policy. All applications will be considered on their individual merits.

DHP payments will provide short term assistance towards Housing Benefit or Universal Credit Housing Costs shortfalls in both Private and Social Sector tenancies.

3. What DHPs can cover

The Council will consider paying a DHP to assist with a shortfall in rent if a Housing Benefit or Universal Credit Housing Costs award does not meet the full rent liability.

4. What DHPs cannot cover

- Ineligible service or support charges;
- Council Tax Support shortfalls
- Rent shortfalls if Housing Benefit or Universal Credit Housing Costs are not in payment
- Rental charges to cover rent arrears
- Shortfalls arising out of income reductions due to benefit sanctions and benefit overpayment recovery.
- Rent shortfalls due to non-dependant deductions to Housing Benefit or Universal Credit Housing Costs
- Bonds/rent paid in advance
- Moving costs
- Universal Credit benefit cap shortfalls

5. Claiming a DHP

A claim for a DHP must be made in writing using a DHP application form or via the Council's online application facility.

The claim will be treated as made from the date that it is received.

The Council may request any (reasonable) evidence in support of a claim. The customer will usually be required to provide the requested information within two weeks.

If a claimant does not provide their requested information within 28 days their claim will be closed and they will need to make a new claim

Claims may be rejected (as incomplete) if all necessary supporting information is not provided at the point of claim.

Information available from the customer's Housing Benefit records will be used wherever possible in assessing entitlement to DHPs.

6. Period and amount of Assistance

The Council will exercise discretion in deciding the length of time for which a DHP will be awarded on the basis of the known facts and the information supplied.

The start date of an assistance will normally be the Monday before the claim is received at a designated Council office.

The minimum period for a DHP assistance will be one week.

Assistance will usually be paid for minimum of 3 months unless there are circumstances where a shorter period is appropriate.

Previously awarded DHP assistance will be taken into account and a maximum entitlement period of 2 financial years will apply to all applicants to ensure that the assistance does not become a dependency and to allow as many claimants as possible access to the assistance.

The amount of assistance will be capped at £50 per week or £60 per week if a claimant is restricted to a shared accommodation rate in their Universal Credit or Housing Benefit entitlement.

DHPs will not be awarded for any period where a Housing Benefit or Universal Credit Housing Costs claim does not exist.

7. Awarding a DHP

In deciding a DHP award, the Council will take into account the full circumstances of each case.

The following matters will be considered:

- The amount of shortfall between Housing Benefit or Universal Credit Housing Costs and the rent liability;

- Whether or not the customer has taken steps to reduce their rental liability. For example, seeking cheaper accommodation;
- Whether the customer knew what their Housing Benefit or Universal Credit Housing Costs level would have been before moving into the property and they have knowingly taken on accommodation that they cannot afford;
- The financial and medical circumstances (including ill health and disabilities) of the customer, their partner and any other members of their household;
- The income and expenditure of the customer, their partner and any other members of their household;
- When considering the customers income, disregarded income for benefit purposes can be taken into account, for example child maintenance. When considering the customers expenditure, it will be taken into consideration whether or not the amounts are considered to be above the basic living requirements. Non-essential choice based expenditure will not be taken into account e.g. sky/cable TV costs, expensive mobile phone packages, cigarettes, alcohol, takeaway meals.
- The amount of savings or capital held by the customer or their family;
- The level of personal debt of the customer and their family including whether the customer has tried to renegotiate loans repayments in order to reduce expenditure;
- Whether the customer has sought any debt/financial advice;
- Any special reasons which make it necessary or especially desirable for the customer to occupy the dwelling in respect of which the liability arises e.g. in cases of severe vulnerability or where the customer is a foster carer or their property has been significantly adapted to meet needs due to disability.
- Whether Council Tax Support has been claimed if the claimant is entitled to it. DHP applications will not be awarded if a claimant deprives themselves of other assistance that they are entitled to.

The amount and period of award will be at the absolute discretion of the Council in accordance with this policy. All circumstances will be considered when deciding the level of award.

DHP decisions will be notified to the customer in writing by email where possible.

8. Method of Payment

In most cases DHPs will be paid to the Housing Benefit or Universal Credit Housing Costs recipient. However, if requested, payments can be made to:

- A partner of the claimant;
- An appointee;
- Their landlord (or an agent of the landlord); or
- Any third party to whom it might be most appropriate to make payment.

Payment will be by electronic transfer i.e. BACS

Payment frequency will normally be made in line with Housing Benefit or Universal Credit Housing Costs payments.

9. Notification

DHP decisions will be notified to the customer in writing within 7 days of their claim being decided. The notification will include the amount and period of award.

10. Changes of Circumstances

Awards of DHPs may need to be revised when a customer's circumstances have changed, or may even cease. The customer should inform the Financial Support Team of any changes in circumstances that may affect the DHP award.

11. Overpayments

The Council will reserve the right to recover overpayments of DHPs.

12. The Right to Seek a Review

DHPs are not payments of Housing Benefit or Universal Credit Housing Costs and are therefore not subject to the statutory appeals procedure. However, a customer (or their appointee) who disagrees with a decision may ask for a review. Such review requests must be made in writing to the Council within one calendar month of the written decision being issued to the customer. Where a partner organisation is supporting a customer, the review request must be written in the presence of the customer and with explicit consent.

The Council will then consider the request and review the decision made to ensure that it was reasonable. The customer (or their appointee) will normally be informed of the review outcome within 20 working days.

This decision will be final and binding and may only be challenged via a judicial review process.

The Council may extend the time periods for a review in exceptional circumstances.

13. Publicity

The Council will make customers aware of its DHP scheme by identifying the DHP scheme in its Housing Benefit notification letters. Additionally, there will be a dedicated Discretionary Housing Payment page available on the Council's website which will include details of how to make an application.

14. Fraud

RCBC is committed to countering fraud in all its forms. A customer 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 Fraud Act 2006. Where it is alleged, or the authority suspects that such a fraud may have been committed, the matter will be investigated and if fraud is found to have occurred, action will be taken which may include criminal proceedings.

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