

PART A

Discretionary Housing Payments (DHPs)

The legislation governing DHP's is in the Discretionary Financial Assistance Regulations 2001 (S1 001/1167). A DHP award is used to 'top up' Housing Benefit (HB) or Universal Credit (UC), but the total amount cannot be more than the customer's rental liability (less ineligible services charges, that HB and UC cannot cover).

The main features of the scheme are:

- it is discretionary - a customer does not have a statutory right to a payment;
- DHP's are not HB or UC payments. However, the customer must be entitled to HB or UC Housing Element in the benefit week of the DHP award.

1. What a DHP can be used for

The scheme provides discretionary help where the customer has (but not limited to):

- a shortfall between their HB or UC and the rent they must pay;
- reductions in HB or UC where the benefit cap has been applied;
- reductions in HB or UC due to the maximum rent (social sector) size criteria;
- reductions in HB or UC as a result of Local Housing Allowance (LHA) restrictions;
- rent shortfalls to prevent a household becoming homeless
- associated housing costs to help the homeless secure permanent accommodation

A DHP may be awarded for one-off cost such as a rent deposit, rent in advance or removal costs. When reviewing an award the Council must be satisfied with the following:

- the property is affordable;
- the tenant has a valid reason to move;
- the deposit or rent in advance is reasonable

A DHP will be considered for deposits where the need is explicitly linked to homelessness, typically supporting a move from temporary accommodation to a private tenancy and therefore will only be considered if the request is received from partners of the Council who support vulnerable claimants with an immediate housing

need. Housing Associations already have the option to waiver deposits and therefore the Council would refer such applications back and advise the claimant to request this from the relevant Housing Association.

2. What a DHP cannot be used for

(a) Certain elements of the rent:

- ineligible service charges (as specified in Schedule 1 of the Housing Benefit Regulations);
- water, sewerage and environmental services (as defined and calculated under Housing Benefit provisions);
- Increases in rent due to outstanding rent arrears.

(b) Suspensions

- where a person's HB- or any other benefit has been suspended, it is not appropriate to pay a DHP. The aim of the suspension provision is to act as a lever to ensure the customer provides necessary information or evidence – paying a DHP could reduce the effectiveness of this lever.

(c) Sanctions and overpayment recovery

- where a reduction has been applied to Income Support or income-based Jobseeker's Allowance due to a Reduced Benefit Direction for failing to comply with the Child Support Agency, the claim for a DHP should assume such a sanction has not been applied;
- where a reduction has been applied because of absence at a work-focussed interview, the claim for a DHP should assume such a sanction has not been applied;
- where a reduction has been applied to recover an overpayment of Housing Benefit or Universal Credit

(d) Universal Credit

- as a general supplement to the level of Universal Credit paid, only where the Universal Credit Housing Element is restricted below a claimants actual rent can a DHP be considered

(e) Non Dependent Deductions (NDD)

- where a reduction from Housing Benefit is made for a NDD and it would be reasonable for that NDD to be met by the non- dependent member of the household.

3. What is taken into account when deciding to award a DHP

We will treat each case strictly on its merits and all customers will receive equal and fair treatment. Through this policy we will seek to:

- relieve poverty;
- support vulnerable young people in the transition to adult life;
- encourage Trafford residents to get into employment;
- safeguard Trafford residents in their homes;
- help those who are trying to help themselves;
- keep families together;
- support the vulnerable in the local community;
- help customers through personal crises and difficult events;
- support disabled residents within Trafford to live independently within their own home;
- to support Care Leavers and their providers such as adult placements

In deciding whether to award a DHP, Exchequer Services will consider:

- the shortfall between Housing Benefit and the rental liability;
- The cumulative impact of welfare reform changes;
- any steps taken by the customer to reduce their rental liability, such as the engagement of services to support budgeting and debt advice
- the financial and medical circumstances (including ill health and disabilities) of the customer, their partner and any dependants and any other occupants of the customer's home;
- Adaptions made to a disabled person's property;
- the income and expenses of the customer, their partner and any dependants or other occupants of the customer's home;
- any savings or capital that might be held by the customer or their family;
- the indebtedness of the customer and their family;
- the exceptional nature of the customer and his/ her family's circumstances;

- any other special circumstances brought to the attention of the Exchequer Services.

The DHP scheme should be seen in the majority of cases as a short-term emergency fund. It is not and cannot be considered as a way around any current or future restrictions in HB or UC legislation.

The Council is committed to working with the local voluntary sector, social landlords and other interested parties in the Borough to maximise claims for all available state benefits and will reflect this in running the DHP scheme. Where the evidence provided shows the customer is not claiming another state benefit they may be entitled to, we will advise them to make such a claim and provide details of other agencies in the Borough who may be able to help.

4. The application process

A claim for a DHP must be made on line at www.trafford.gov.uk/DHP full support will be provided to customers who are unable to make a claim online.

- On request the customer must supply any relevant supporting evidence within one month, although we can extend this in appropriate circumstances
- If the customer fails to provide additional evidence requested, we will refuse the customers application. A letter will be sent to the customer informing them of the decision along with reasons why the application has been refused.
- The Council reserves the right to verify any information or evidence provided by the customer in appropriate circumstances.

The Council will decide the length of time to award a DHP from the evidence supplied and the facts known. Awards are expected to last for a fixed period, of between one week and typically 26 weeks. Cases will be reviewed on a case by case basis and in exceptional circumstances a DHP can be awarded up to 52 weeks depending on the individual circumstances.

The start date of an award will normally be:

- the Monday after we receive the claim for a DHP; or
- the date HB/UC starts (providing we get the application for the DHP within one month of the decision on the claim for HB/CTB) whichever is the earlier, or the most appropriate.

The Council will decide the most suitable person to pay based on the circumstances of each case. This could include paying:

- the customer;
- their partner;

- their appointee;
- their landlord (or an agent of the landlord); or
- any third party to whom it might be most suitable to pay.

Payment will be made by electronic transfer (BACS) in accordance with the Council's HB payment schedule.

Subsequent awards of DHP, irrespective of any break and/or in different financial years, will require engagement with advisory agencies such as budgeting and debt support **before** an application will be considered.

Residents who have adapted their property to meet the needs of a disability may qualify for a long term DHP award. However, in line with the DHP policy we will treat each case strictly on its merits and all customers will receive equal and fair treatment.

It is the customer's responsibility to immediately inform the Council and DWP (UC) of any changes in their circumstances. The Council may need to revise an award of a DHP where the customer's circumstances have changed. Any revision to the award will take effect from the Monday following the date of the change.

The Council will recover any overpaid DHP from either an on-going or further DHP award or an invoice if entitlement has ceased. It is most unlikely that the Council will seek recovery of any overpayment caused by an "official error". However, where it is reasonable to expect the claimant of a DHP to have realised an overpayment was occurring, we may seek recovery. Under no circumstances will we make recovery from Housing Benefit or Universal Credit (unless the customer seeks this specifically in writing). The overpayment decision letter will set out the right of review.

5. Reviews and Appeals

DHP's are not payments of HB or UC and are therefore not subject to the statutory appeals mechanism. A customer (or their appointee or agent) who disagrees with a DHP decision may dispute the decision. The Council must receive a request for a review within one month of the issue of the written decision about the DHP to the customer. An Officer of the Council will review the decision; this will not be the Officer who made the original decision.

Where the customer is still not satisfied, they will be entitled to a final review which must be made in writing within one month of the date on the review outcome letter. An Exchequer Services Team Leader will conduct this final review and the decision made will be reported in writing to the customer. This decision is binding and may only be challenged through judicial review or by complaint to the Local Government Ombudsman.

The Council is committed to the fight against fraud in all its forms and has a zero tolerance fraud policy. 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 a criminal offence. Where fraud is suspected, the Council will investigate and this may lead to criminal proceedings.