

**Discretionary Housing Payments Policy**

**July 2022**

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1. Introduction
   1. Discretionary Housing Payments (DHPs) may be awarded by a local authority (LA) to Housing Benefit (HB) or Universal Credit (UC) claimants where it is considered that they require further financial assistance towards their housing costs.
   2. The regulations covering DHPs are the Discretionary Financial Assistance Regulations 2001[[1]](#footnote-1). The regulations give the council a very broad discretion, however decisions must be made in accordance with ordinary principles about good decision making and in particular local authorities have a duty to act fairly, reasonably and consistently. Each case will be considered on its own merits.
   3. The Department for Work and Pensions published a Discretionary Housing Payments Guidance Manual, including a Local Authority Good Practice Guide which is updated regularly and has been followed in developing and reviewing this policy.
   4. Each LA has an overall cash limit restricting the award of DHPs and it is supported by a government contribution.
2. Purpose of policy

2.1 The purpose of this policy is to provide temporary assistance with housing costs with the aims of:

* Alleviating poverty
* Preventing homelessness and assisting people to maintain tenancies
* Encouraging and sustaining people in employment
* Safeguarding residents in their own homes
* Helping those who are trying to help themselves
* Keeping families together
* Supporting domestic violence victims who are trying to move to a place of safety
* Supporting disabled people to remain in adapted properties
* Supporting the vulnerable or the elderly in the local community
* Helping applicants through personal and difficult events
* Supporting young people in the transition to adult life
* Promoting good educational outcomes for children and young people
* Supporting the work of foster carers
* Supporting care leavers

1. Scope of policy

3.1 Anyone in rented accommodation who needs further financial assistance with their housing costs and is claiming:

* Housing Benefit or
* Universal Credit that includes a housing element

Will be eligible to apply for a DHP.

3.2 Further financial assistance is defined as additional financial help that is needed where an applicant is unable to meet their housing costs from their available household income, for example because they have a shortfall as a result of welfare reforms or need help with rent arrears.

3.3 Housing costs generally means rent but can be interpreted more widely to include rent in advance, rent deposits, storage/removal costs or other lump sums associated with a housing need.

3.4 DHP can only be awarded to someone who is in receipt of housing benefit, or universal credit that includes a housing cost element, **but** cannot help with:

* Ineligible service charges[[2]](#footnote-2)
* Increases in rent payments due to outstanding rent arrears
* Sanctions, reductions and suspensions in benefit. For example, a reduction in another primary benefit or shortfalls caused by HB/ UC overpayment recovery or a restriction in benefit due to a breach of a Community Service Order
* Rent arrears where housing benefit or housing costs (in UC) have been paid for the period that the rent arrears are for.

1. How it relates to our strategic ambitions

The policy underpins our priority of being a clean, green and welcoming place to live, by supporting people who want to make their home in our district, stay in their homes.

1. Policy details

5.1 Each case will be considered on its own merits and in accordance with the purpose and scope of this policy.

5.2 Where a one off payment is required, for example a deposit or rent in advance, the applicant must demonstrate that they do not have any capital or immediate access to monies that they could put towards the payment.

5.3 To qualify for help with rent in advance, it must be conditional as part of the tenancy agreement for a payment to be made to secure the tenancy.

5.4 Where the DHP is a ‘top up’ of the existing housing benefit or housing costs within UC the council will take into account the applicant’s ability to contribute towards their rent.

5.5 No award will be made to an applicant who had taken a tenancy for a property which at the outset they were unable to afford unless they can demonstrate that they have a realistic plan in place that will result in a reduction of DHP required in the future.

5.6 An assessment may be made of the income and expenditure of the applicant. All income, with the exception of disability living allowance, attendance allowance and personal independence payments, and capital will be taken into account. Evidence may be requested of any income and expenditure if deemed necessary.

5.7 When considering income and expenditure, priority debts will be taken into account first. Other debts may be taken into account of a case by case basis. Priority debts are;

* Court fines
* Rent
* Utilities (gas, electricity, council tax)
* Maintenance/child support
* Income tax/VAT
* TV licence

5.8 Standard figures may be used for utilities, TV licence and food; if the actual expenditure is higher than the standard figures, the applicant may be required to provide evidence of their actual expenditure. The standard figures are at Appendix 1.

5.9 If an applicant requests a further award, it may not be at the same level as any previous award. In addition, the applicant will be required to demonstrate that they have made significant efforts to improve their circumstances. This may be seeking financial advice, looking at alternative accommodation or reducing other debts.

1. Application procedure

*Application and award*

6.1 A request for a DHP must be made by the applicant. A third party may request a DHP providing they have Power of Attorney or the applicant’s consent.

6.2 Applications may be made online via the council’s website

[https://www.lichfielddc.gov.uapply-financial-help-rent-council-tax/discretionary-housing-payments](%20https://www.lichfielddc.gov.uapply-financial-help-rent-council-tax/discretionary-housing-payments)

6.3 They can also be made by telephone or in person at Lichfield District Council House, Frog Lane, Lichfield.

6.4 All applications will be dealt with by the benefits section and will be processed within 10 working days of receiving all the information needed.

6.5 The applicant will get the decision in writing and this will confirm the amount and period of the award and the review procedures.

6.6 Where the DHP is a ‘top up’ of housing benefit or housing costs (paid in UC) the award will be for a maximum period of 26 weeks within a financial year unless there are exceptional circumstances such as:

* To prevent homelessness
* To enable homeless households to take on a new tenancy where the local authority has a continuing statutory duty
* Where the applicant has had their property adapted for disablement needs and it would be unreasonable to expect them to move
* Where the applicant has demonstrated they have made significant efforts to improve their circumstances, such as seeking employment or training

6.7 The award will be calculated by looking at the income of the applicant, reduced by all reasonable expenditure (using figures as referred to in paragraph 5.7) taking into account the applicant’s ability to contribute towards their rent.

6.8 Backdated awards will be considered but will be limited to the current financial year.

*Payments*

6.9 If a one off payment of DHP is required, including a backdated award, it will be paid within 2 weeks of a successful application.

6.10 A DHP will be made directly to a landlord where it is appropriate.

*Reviews*

6.11 DHP’s are discretionary and administered outside HB and UC legislation, so they are not subject to the same rights of review or appeal process.

6.12 Any request for a review must be made in writing within one calendar month of the date of the decision letter and include the reasons why the decision is not satisfactory.

6.13 Where the request for the review is made outside of one calendar month, the time limit may be extended if the applicant can show compelling reasons for the delay.

6.14 A panel of officers independent of the benefits team will consider the review request and the applicant will be notified of the decision in writing.

*Changes in circumstances*

6.15 The applicant must inform the council of any changes in their circumstances promptly.

6.16 If a change in circumstances increases or decreases the amount of HB or UC, the DHP will be amended accordingly.

6.17 If HB or UC stops, the DHP will end from the same date.

6.18 If DHP is overpaid, the local authority will recover the overpayment from the person who received the payment.

6.19 If a landlord has received the DHP, the local authority will consider recovering it from the applicant if the landlord could not have reasonably been aware of the change.

**Appendix A**

Standard weekly figures for utilities/food

These standard figures may be used for utilities, TV licence and food. If the actual expenditure is higher than the standard figures, the applicant may be required to provide evidence of their actual expenditure.

|  |  |  |
| --- | --- | --- |
| Type of expense | Weekly cost | Monthly cost |
| Gas | £20.00 | £86.67 |
| Electricity | £20.00 | £86.67 |
| Water | £8.00 | £34.67 |
| Telephone | £10.00 | £43.33 |
| TV licence | £3.06 | £13.25 |
| Food (per person) | £40.00 | £173.33 |
| Food (per child) | £25.00 | £108.33 |

1. As amended by the Welfare Reform Act 2012 (Consequential Amendments) Regulations 2013. [↑](#footnote-ref-1)
2. As specified in Schedule 1 of the Housing Benefit Regulations 2 2006 and Schedule 1 of the Housing Benefit (Persons who have attained the qualifying age for pension credit) Regulations 200 [↑](#footnote-ref-2)