



DARLINGTON
Borough Council

Discretionary Housing Payment Policy

2024 to 2029

DRAFT

Introduction

Discretionary Housing Payments (DHP) is a scheme, which aims to provide customers with further financial assistance with their housing costs.

For the purpose of the scheme, housing costs means rental liability not met in full by Housing Benefit (HB) or Universal Credit (UC) entitlement.

DHPs cannot be made towards Council Tax liability.

The main features of the scheme are that:

- It is completely separate from the HB/UC schemes
- To qualify for a DHP the customer must:
 - be entitled to HB; or
 - be entitled to UC; and
 - have a rental liability; and
 - have a shortfall in their eligible rent
- The amount of a DHP cannot exceed the maximum eligible rent that would normally be met by HB/UC
- DHPs cannot be made in respect of housing costs that are otherwise not eligible for HB/UC, for example fuel charges
- The operation of the scheme is at the Council's discretion
- Customers do not have a statutory right to a DHP
- Customers do not have the same appeal rights for a DHP decision, as they do with HB/UC decisions
- The total amount of DHPs that the Council can pay out in any financial year is cash limited by the Secretary of State.

The types of shortfalls that can be covered by a DHP include:

- Reductions in HB/UC as a result of Local Housing Allowance (LHA) restrictions
- Reductions in HB/UC where the benefit cap has been applied
- Reductions in HB/UC as a result of under occupation in social rented sector tenancies (the 'bedroom tax')
- Reductions in HB/UC as a result of Rent Officer restrictions
- Reductions in HB/UC due to non-dependant deductions
- Other shortfalls in HB/UC
- Rent in advance payments.

Where the amount of UC covering housing costs is not separately identified in a UC payment, the Council will decide the shortfall in rental liability (and therefore the maximum DHP award), based on the information available.

Aims of the scheme

The Council has the discretion to award DHPs to customers whose circumstances meet the criteria outlined in this policy. However, **all applications will be assessed on their own individual merits.**

The Council will operate this policy to:

- Alleviate poverty
- Encourage and sustain people in employment
- Sustain people's tenancies and prevent homelessness
- Safeguard people in their own homes
- Keep families together
- Support elderly or vulnerable people in the local community
- Help people through personal and difficult times
- Support young people in the transition to adult life
- Promote good educational outcomes for children and young people
- Alleviate any negative impacts of Welfare Reforms
- Ensure DHPs are awarded to those most in need.

Nothing contained within this policy is intended to conflict with any other Council policy.

Although applications will be considered on their own individual merits, priority will be given to the following groups (this list is not in order of priority):

- People in need of treatment, care or support who would otherwise have to move away from health care provision, social care provision or support networks as a result of a shortfall in their HB/UC
- People with dependant children who would otherwise have to move away from schools or child care provision as a result of a shortfall in their HB/UC
- Older people who would otherwise have to move away from health care provision, social care provision or support networks as a result of a shortfall in their HB
- Pregnant women affected by LHA restrictions or reductions in their HB/UC as a result of under occupation in the social rented sector
- People who are affected by LHA restrictions or reductions in their HB/UC as a result of under occupation in the social rented sector, who have been placed in accommodation, or advised to stay in accommodation by the Council, to alleviate or prevent homelessness
- People who have moved due to domestic abuse, anti-social behaviour, or hate crime and are affected by LHA restrictions or reductions in their HB/UC as a result of under occupation in the social rented sector
- People in employment who would otherwise have to move away from their work place as a result of a shortfall in their HB/UC
- People starting employment who require assistance to move nearer to their work place
- Disabled people in significantly adapted properties affected by LHA restrictions or reductions in their HB/UC as a result of under occupation in the social rented sector, who would otherwise have to move as a result of a shortfall in their HB/UC
- Couples who are unable to share a bedroom, due to a disability or long-term limiting illness, affected by LHA restrictions or reductions in their HB/UC as a result of under occupation in the social rented sector
- Households with a disabled person or disabled child, where one or more bedrooms are being used to store disability related equipment or are required for additional needs relating to the disability, affected by LHA restrictions or reductions in their HB/UC as a result of under occupation in the social rented sector
- Households needing to move to cheaper or more suitable alternative accommodation
- Care leavers who experience difficulties in meeting their housing costs

- Ex-armed forces personnel who experience difficulties in meeting their housing costs.

Legislation protects certain groups from LHA restrictions and reductions in HB/UC as a result of under occupation in the social rented sector. DHPs would therefore not usually be required in these circumstances. These include:

- Disabled children who are unable to share a bedroom
- Approved foster carers who have an additional bedroom for foster children
- Households who require an extra bedroom for a non-dependant in the armed forces who is away on operations.

Claiming a DHP

A claim for a DHP can be made in the following ways:

- By completing an online DHP claim form on the DBC website
- By letter
- By e-mail
- By telephone call
- By an appointment in the Customer Contact Centre at the Town Hall
- During a visit by Council staff to a customer's home.

If the claim is received by letter, e-mail or telephone call, the customer may be asked to complete an online DHP claim form, or provide the Council with further information to make a decision. In addition, the Council may request additional evidence to support the DHP claim that it considers reasonable.

The DHP claim should be made by the person claiming HB/UC. However, the claim can also be made by a third party, such as an appointee, support worker, social worker or housing officer. The Council may contact third parties in relation to the DHP claim, where the customer has consented to this. The Council may also refer or signpost the customer to specialist advice agencies, where appropriate.

Decision making and appeals

Once a decision on the DHP claim has been made, the customer will be notified of the outcome in writing. The notification letter will include the following:

- Where a DHP is awarded, the amount and period of the award
- Where a DHP does not cover the full shortfall of rental liability, or the amount claimed, the reasons will be explained to the customer
- Where a DHP is not awarded, the reasons will be explained to the customer
- Their appeal rights
- Information on who to contact if they need further help or advice
- The duty to notify the Council of any changes in their circumstances, which may affect their DHP award.

Because DHPs are not payments of HB or UC, they are not subject to the statutory appeals

procedures that govern those benefits. The Council will deal with appeals about DHP decisions in the following ways:

- The person who claimed the DHP can ask the Council to explain its decision at any time. The Council will contact the customer to explain its decision within one month of receiving the request
- An appeal about a DHP decision should be made within one calendar month of the notification of the decision being made, or such longer time as the Council considers reasonable
- The appeal can be made by completing an online Enquiry form on the DBC website, in writing, verbally or by e-mail
- Where an appeal is made, the Council will conduct a review of the decision. This will be done by an officer different to the one who made the initial decision and the outcome will be notified in writing
- The Council may review a DHP decision at any time if the decision was made in error or in ignorance of a material fact.

Period of a DHP award

Both the level and duration of the DHP award will be at the Council's discretion, but will relate to:

- The date on which the Council received the DHP claim
- The date on which the HB/UC commenced
- The period of the tenancy
- The amount of the housing cost shortfall, not met by normal benefit entitlement
- Other relevant factors, depending on the merits of each individual case

In the majority of cases, a DHP will be awarded to alleviate hardship in the short-term. However, in some cases (for example where the award relates to a disability related need) DHP awards could be made for longer periods.

Long-term DHP awards are those likely to last more than 12 months and these will be reviewed on at least an annual basis. There are no circumstances in which a DHP will be awarded 'indefinitely'.

Factors used to decide the amount of a DHP

When deciding the length and amount of the DHP award, the Council may take into account the following factors (this list is not exhaustive):

- The amount of any shortfall in housing costs
- Whether the customer could afford the rent before the HB/UC claim
- What advice, if any, the customer sought before taking up a tenancy
- The circumstances surrounding the customer's move, if applicable
- Details of previous accommodation and rent charged, if applicable
- Whether there is a particular reason the customer chose to live in that accommodation
- The financial, medical and social circumstances of the customer and their household, if these are relevant to the DHP claim
- Whether the customer is adversely or disproportionately affected by welfare reforms

- The income and essential expenditure of the customer and their household
- The purpose of any disability related benefits in payment, and whether the money from those benefits has been committed to other liabilities associated with disability
- Any savings and investments held by the customer and their household, which could be used to help their financial situation
- Whether other family members external to the household could help in any way towards the customer's financial expenditure
- Whether the customer and their household could reduce expenditure on non-essential items
- Whether the customer and their household are entitled to other welfare benefits but are not claiming them
- The level of indebtedness of the customer and their household
- Whether the customer and their household are taking long-term action to help their problems in meeting their housing costs
- Whether a DHP would prevent homelessness
- Whether a DHP would help the customer be able to access or maintain employment, education or training
- Whether a DHP would prevent a move that would have detrimental effects on the customer and their household, for example children's schooling, health, support networks or employment
- Any steps taken by the customer to help themselves, for example:
 - Negotiating with their landlord for a reduction in their rent
 - Looking for alternative suitable or cheaper accommodation
 - Financial advice they have sought to alleviate their situation, such as from Citizens Advice Bureau or Welfare Rights
 - Housing advice they have sought, such as from First Stop Darlington or the Council's Housing Options Team
- Whether their ethnicity or disability is having, or has had, an adverse effect on their housing options or financial circumstances
- The impact of not awarding a DHP or restricting payment of a DHP may have on the customer and their household.

The Council will also consider:

- The amount of DHP budget available for the remainder of the financial year
- Other DHP claims and awards being made and the overall impact on the remaining DHP budget available.

An award of DHP does not necessarily make the customer eligible to receive an award again once the initial DHP award runs out, as each DHP claim is decided on the individual merits at that time. This applies even if the customer's circumstances remain the same.

Changes of Circumstances

Customers in receipt of a DHP are required to notify the Council of any changes in their circumstances which may be relevant to them receiving DHPs. This could be a change in their circumstances that does not affect their HB/UC entitlement.

Ending a DHP award

The Council may decide to end an award of DHP before the notified period end date. This could be where:

- The customer's entitlement to HB/UC changes or ends
- The customer's liability to pay rent ends
- The customer's LHA rate changes
- The customer has a change in their circumstances relevant to their DHP award
- The customer has misrepresented or failed to disclose a material fact, fraudulently or otherwise
- A DHP has been awarded in error
- The Council has reached its DHP limit before the end of the financial year.

Overpaid DHPs

The Council may decide to recover any overpaid awards of DHP, depending on the circumstances of each case, for example:

- Whether the overpayment is as a result of a misrepresentation or failure to disclose a material fact, fraudulently or otherwise
- Whether the customer has failed to report a change in their circumstances
- Whether the customer's entitlement to HB/UC has changed or ended
- Whether the overpayment was a result of an official error.

The Council will use its discretion to recover any amount of overpaid DHP that it considers is recoverable.

Monitoring arrangements and managing the DHP fund

The Council will undertake monitoring of the number, amount and period of DHP awards in relation to the available DHP budget. This will include awards made in a previous financial year that continue into the current financial year. The purpose is to ensure the Council has sufficient funds to meet demands on the DHP budget throughout the financial year.

The Council will also monitor cases where a DHP claim has been refused, to ensure decisions are being made fairly and consistently, in accordance with the Council's Equal Opportunities Policy.

Publicising DHPs

The Council will publicise the availability of DHPs through its own publications, notifications, social media, website and over the telephone, and by working in partnership with voluntary and statutory organisations.

To raise awareness of DHPs, the Council will publicise the availability of the scheme as follows:

- On HB decision notices where there is a shortfall in rent due to the LHA rate used in the

calculation, the benefit cap or a size restriction due to under occupation in a social rented sector tenancy

- When customers come into the Council for appointments to discuss their HB claim
- When customers telephone the Council to discuss their HB claim
- When visits are made to the customer's home
- On the Council's website
- By raising awareness with internal and external partners, such as Customer Services, Housing, Social Services, Welfare Rights, Citizens Advice Bureau and other advice agencies, Registered Housing Providers, private landlords and support providers.

The Council will ensure that frequent training is provided for its front-line staff to ensure their knowledge of the scheme is both relevant and up to date.

What DHPs cannot cover

The following elements of a customer's rent or Council Tax will not be met by DHPs:

- Service charges contained within a customer's housing costs that are ineligible for HB/UC
- Increases in rent due to outstanding rent arrears
- Any sanctions or reductions in benefit due to:
 - A Reduced Benefit Direction for failure to comply with the Child Support Agency in arranging maintenance
 - Non-attendance at a work-focussed interview
 - A Jobseekers Allowance or UC employment sanction, if they have contributed towards their unemployed status
 - A Jobseekers Allowance or UC sanction for 16/17 year olds
 - A loss of benefit sanction
 - A breach of a community service order
- Where HB/UC has been suspended
- Shortfalls caused by HB/UC overpayment recovery
- Rent deposits (as help with securing a tenancy can be obtained via the Darlington Bond scheme).