

# Mansfield District Council

## Discretionary Housing Payment Policy

### Introduction

Discretionary Housing Payments (DHP's) were introduced in 2001 to allow those local authorities who have responsibility for the administration of Housing and Council Tax Benefit to award limited financial support to claimants in financial hardship in relation to their housing costs.

The legal powers are contained in the Discretionary Financial Assistance Regulations 2001 (Statutory Instrument 2001/1167).

Each year the local authority is awarded a sum of money by the Department for Work and Pensions (DWP) specifically for DHP awards.

Housing costs usually means rental liability but can include rent in advance, deposits and other lump sum costs associated with a housing need such as removal costs.

Council Tax Benefit is abolished on 31 March 2013; DHP's can no longer be awarded towards Council Tax liability as the replacement, Council Tax Reduction Discount is no longer a benefit.

Whilst the scheme allows the Council very broad discretion, Mansfield District Council is committed in its administration of the fund to act fairly, reasonably and consistently in accordance with the principles of good decision making.

### **The main principles of the scheme as administered by the Council are:**

- The yearly funding is cash limited based on a ring fenced Central Government grant.
- The scheme is discretionary.
- There is no statutory right to a payment.
- Applications will be considered individually on their own merit.
- The level of payment will be decided by the Council, fairly, reasonably and consistently.
- There is no statutory right of appeal although the Council operates a review process.
- The DHP scheme in most cases should be seen as a short-term emergency fund.
- The Council has the right to suspend, amend or cancel DHP's as appropriate.

## **Who can claim?**

Claims can be considered if the customer is entitled to:

- Housing Benefit (HB) or Universal Credit (UC), and
- they have a liability to pay rent, and
- they require further financial assistance with housing costs.

Applicants receiving a Council Tax Reduction Discount only are not eligible to receive a DHP.

## **Making a Claim**

In most cases, the person who claims a DHP will be the person entitled to HB or UC.

The Council may also accept claims from appointees or another person acting on the customer's behalf such as a relative or social worker. The applicant should countersign the claim whenever this is reasonably possible.

The claim must be made in writing to Mansfield District Council by means of a DHP claim form which is available from the Council via collection from the Civic Centre, by post or printing from the Council's website. It must contain sufficient evidence and information to enable the Council to obtain a balanced view of the customer's circumstances.

## **Advance Claims**

A DHP can only be considered for a period where entitlement to HB or UC exists. Advance claims can be considered where changes in the level of HB/UC are anticipated.

## **What types of financial support can DHP cover?**

Examples of types of shortfalls that a DHP can be used to cover are:

- Shortfall caused by welfare reforms such as the benefit cap, under occupancy in the social rented sector, (sometimes called the bedroom tax) especially relating to the effect on foster carers, although foster carers are expected to be exempt from the under occupancy provisions following a change in policy by the DWP, and those with significant disabled adaptations to the home they rent.
- Shortfall caused by Local Housing Allowance reductions and Rent Service restrictions
- Shortfall due to the application of non-dependant deductions
- Shortfall where the customer does not qualify for full HB due to the income tapers but is unable to afford to pay the shortfall

DHP's will also be considered in exceptional cases for rent deposits and rent in advance

This list is not exhaustive and the Council will consider all of the individual circumstances of each applicant, including any special circumstances that may apply, to ensure that the funds are targeted to prevent homelessness and hardship.

### **Authorised Decision Makers**

The following post holders are authorised, by this policy, to make decisions and review decisions in respect of DHP's

- Revenues and Customer Services Manager
- Benefits Manager
- Training and Performance Officer
- Benefits and Council Tax Team Leader

### **The level of DHP**

Where the DHP is awarded to meet a shortfall, the level of the award must not exceed the amount of the eligible rent.

The level of award will range from NIL to the full amount of the weekly shortfall depending on the circumstances of the case and available funding remaining.

### **Start of Awards**

The start date of the DHP will normally be from the Monday after the application has been received by the Council but this may be earlier if a linked claim to HB/UC has been made, in which case the DHP award would be matched to the start of the HB/UC award.

### **Length of award**

The Council will decide the duration of all DHP awards and in any case the maximum period of time for which an award can be made under this policy is 52 weeks

DHP awards in most cases should be seen as a short-term emergency solution. Applicants must consider this and seek advice with regard to their housing needs and ways to manage financially in the long term.

Customers will be advised of the temporary nature of the award upon application and signposted wherever possible to sources of further assistance.

## **Backdating**

A DHP payment can be backdated if the Council considers that the applicant has a good reason for the delay in making the DHP claim based upon the circumstances of the case. DHP's can be backdated for periods where HB/UC is payable and is subject to a maximum period of 3 months.

## **Notification details**

Mansfield District Council will notify the customer and affected parties of the decision in writing including details of how the decision was made. The notification will include the details and terms and conditions of the award and the right to request a review.

## **Method of Payment**

Discretionary Housing Payments are paid to the person receiving the HB payment. Applicants and affected parties will be notified of the payment method to be applied when an award is made.

Payment will be by direct credit to a bank account or by cheque; this will be determined by how the main HB is paid. Mansfield District Council tenants will receive payment of their DHP by credit to their rent account.

## **Change in circumstances**

Applicants who are awarded DHP's are obliged to report to the Council in writing any change in circumstance that might affect the amount of DHP they receive.

Examples of these changes include:

- Changes of address (or room) even if temporarily
- Changes in their income and expenditure
- Changes to their household

Changes arising during the period of an award may lead to the Council changing the level of the remaining payments due under the award or ending the award. The Council may suspend or end a DHP award where it suspects that the facts that led to the award have been misrepresented to the Council, fraudulently or otherwise or that payments have been made by the Council in error.

## **Overpayments**

The Council will seek recovery of all amounts of overpaid DHP. However discretion will be used by the Council where the overpayment has been caused by an official error as defined in the HB regulations or the Council

considers that recovery of the overpayments would cause the customer to suffer serious hardship

Overpayments of DHP can be recovered from future awards or by invoice; recovery cannot be made from HB or UC.

### **Disputes and Appeals**

There is no statutory right of appeal against DHP decisions made by the Council. However applicants can request a review of the decision if they feel it is incorrect. Requests for review must be made in writing within one month of the date on the disputed decision notification letter issued to the applicant. Late requests for reviews will be considered at the Council's discretion but only where good cause has been shown for the delay.

If a review is requested, the disputed decision will be reviewed by a different Decision Maker. When the review has been completed, the Decision Maker will write to the customer informing them of the outcome.

The applicant has no further right of review against the decision other than the right to seek a Judicial Review of the Council's decision.

### **Discretionary Housing Payment Policy and Equalities**

In devising the DHP policy the Council recognises its obligations under the Equality Act 2010.

The policy has been designed to ensure that a level of protection and support is available to those applicants most in need.

Whilst 'Exceptional Hardship' is not defined by this policy, it is accepted that changes to the level of support generally will cause financial hardship and any payment made will be at the total discretion of the Council. Exceptional Hardship should be considered as 'hardship beyond that which would normally be suffered'.

### **Publicity**

The Council will make a copy of this policy available for inspection and it will be published on the Council's website.

### **Policy Review**

This policy will be reviewed prior to the commencement of each new financial year and updated as appropriate to ensure that it remains fit for purpose.

However, a review may take place sooner should there be any significant changes in legislation which impact on the policy.

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