

DISCRETIONARY HOUSING PAYMENTS POLICY

1 OBJECTIVE

1.1 The objective of the Discretionary Housing Payment Policy is:

To ensure that money paid by the Comhairle to assist benefit claimants with their housing costs is distributed fairly, reasonably and consistently.

1.2 The aims of the Policy are to:

- sustain tenancies and prevent homelessness;
- support vulnerable claimants living in the local community;
- help claimants who are trying to help themselves;
- help claimants through periods of financial hardship.; and
- prioritise the funding available to those in greatest need.

2 SCOPE

2.1 This policy covers all payments made from the Discretionary Housing Payment fund to assist with housing costs, namely:

- Rent
- Rent which must be paid in advance
- Deposits

3 CONTEXT

3.1 Discretionary Housing Payments provide claimants with further financial assistance, in addition to any welfare benefits to which they are entitled for housing costs, when the Comhairle considers that further help with housing costs is required.

3.2 The Comhairle has a legal duty under the Discretionary Financial Assistance Regulations 2001 to provide assistance under the provisions contained within these regulations.

3.3 Central government provides a set amount of ring-fenced funding each year to fund Discretionary Housing Payments and the Comhairle must allocate one and a half times this amount as the local contribution.

3.4 Although Discretionary Housing Payments are partly funded by central government, they are not benefit payments and are cash limited by the Secretary of State., It would be unlawful for the Comhairle to exceed the total funding allocation (central government *plus* local contribution) and this policy must seek to manage demand within the funding allocation.

3.5 Payments under the scheme are discretionary and there is no statutory right to a payment.

3.6 Any unspent central government contribution must be returned at the end of the financial year.

3.7 A guidance manual and good practice guide have been provided by the Department for Work and Pensions giving advice on how to manage and administer the scheme.

4 GENERAL

4.1 All applications will be treated fairly and on their own merit.

4.2 All awards are at the discretion of the decision maker and will be made based on the policy.

4.3 To be eligible to apply, the applicant must be a current claimant in receipt of Housing Benefit.

4.4 Following any award payment period, a new application must be made if further financial assistance is required.

4.5 No further awards will be made once the total funding allocation has been exhausted.

5 APPLYING

- 9.1 All applications must be made on a standard Comhairle application form signed by the applicant or their legal representative.
- 9.2 The form will ask whether the applicant is currently receiving or has recently sought money advice.
- 9.3 The form will contain questions relating to income, expenses, tenancy, actions taken to change the situation and any extenuating circumstances.
- 9.4 Evidence may be requested to establish facts relating to the application and must be provided within the timescale specified at the time of the request.
- 9.5 Evidence requested will be reasonable and not excessive to establish relevant facts.

6 TOP UP RENT PAYMENTS

- 6.1 Short term awards will be made for a maximum of 13 weeks at a time unless the claimant is affected by the Social Sector Size Criteria.
- 6.2 Awards will not exceed the difference between Housing Benefit entitlement and eligible rent.
- 6.3 Awards will not be made to mitigate the effects of a non-dependant deduction.
- 6.4 Awards will not be made to mitigate the effects of a deduction made for the repayment of an Housing Benefit overpayment.
- 6.5 An award may be backdated where the decision maker is satisfied that the applicant could not have applied earlier or was unaware of the shortfall previously.
- 6.6 All income belonging to the applicant or partner is included in the calculation of income regardless of whether it is disregarded for Housing Benefit purposes.
- 6.7 If a sanction has been applied to a social security benefit, the applicant will be treated as being in receipt of that income despite the sanction applied.
- 6.8 All reasonable expenses of the household will be taken into account in the calculation of an award as described in the Department for Work and Pensions guidance.
- 6.9 The calculation of an award will be as follows:

Rent shortfall =	Eligible rent <i>minus</i>	Weekly Housing Benefit entitlement
Disposable income =	Income <i>minus</i>	Reasonable expenses
DHP Award =	Rent shortfall <i>minus</i>	Disposable income (not exceeding rent shortfall)

7 PRIVATE TENANTS

- 7.1 Awards will only be made where applicants have shown that they are taking reasonable steps to find other suitable properties which are more affordable unless section 7.2 applies.
- 7.2 Consideration will be made where an applicant is unable to move to a more affordable or suitable property due to illness or disability.
- 7.3 The maximum time period for consecutive short term Discretionary Housing Payments at the full rent shortfall rate will be 26 weeks. Thereafter any subsequent awards will be reduced to an amount that the decision maker deems is appropriate taking the following factors into account:
 - Availability of suitable properties within the applicants area; and
 - Whether a move to another area/property would affect the health and/or wellbeing of the person or any person within their household

8 SOCIAL SECTOR SIZE CRITERIA

- 8.1 Full mitigation of the effects of the reduction in benefit due to the number of bedrooms in social sector housing will be available to all claimants who apply.

9 ONE OFF PAYMENTS

- 9.1 One off lump sum payments that may be awarded will be for rent deposits and/or rent in advance only.
- 9.2 Discretionary Housing Payments to cover rent deposits and/or rent in advance can be awarded where:
- The applicant is at risk of being made homeless, and
 - The new tenancy is affordable as demonstrated by reference to the current Local Housing Allowance rate for that type of household, and
 - The applicant can demonstrate that he/she is not due a repayment of a previous deposit or rent in advance.
- 9.3 Applications for a lump sum payment where the person is in homeless accommodation will not be given an award. The Comhairle has a duty to find such applicants permanent social sector housing while he/she is designated as priority homeless unless there are extenuating circumstances.
- 9.4 No award will be considered where the applicant has access to other available funding such as the Comhairle's rent deposit scheme.

10 AWARD NOTIFICATION AND PAYMENT

- 10.1 Applicants will receive notification of any award or refusal of award.
- 10.2 Award letters will include the following information:
- The reasons for an award decision
 - The start and end date of the award
 - Details of their right to challenge the decision
 - Details of agencies that the applicant can contact relating to budgeting or other money management issues
- 10.3 Payments of top up awards will be made using the same payment mechanism as is used for Housing Benefit payments.
- 10.4 Lump sum payments will be made directly to the landlord in all cases unless the applicant can provide a valid reason why they should receive the payment.

11 DISPUTES

- 11.1 There is no right of appeal against an award or refusal to award decision under social security legislation.
- 11.2 Requests for reconsideration will be required to be in writing, outlining why they disagree with the decision and signed by the applicant or their legal representative.
- 11.3 Requests for reconsideration will be determined by the Revenues and Benefits Manager or in her absence the Head of Exchequer Services.
- 11.4 All requests for reconsideration will be assessed with reference to how this policy has been applied by the awarding officer.
- 11.5 A reconsideration decision notification will be issued explaining how the decision was made.
- 11.6 All requests for reconsideration will be decided on within 10 working days of the request.

12 MONITORING THE POLICY

- 12.1 The implementation of this policy will be monitored using the following indicators:
- Expenditure compared to total funding allocation
 - Number of Discretionary Housing Payments awarded as a percentage of the total applications received
 - Number of requests for redetermination received about the application of the Discretionary Housing Payment Policy
 - Number of redetermination requests upheld as a percentage of the total number of redetermination requests received