

TORFAEN COUNTY BOROUGH COUNCIL

Discretionary Housing Payment Policy

1.0 Background - What is a Discretionary Housing Payment?

1.1 Under powers contained within the Discretionary Financial Assistance Regulations 2001 (as amended) Torfaen County Borough Council has the ability to authorise Discretionary Housing payments (DHP) to those who may “require some further financial assistance...in order to meet housing costs”. This payment is in addition to any Housing Benefit (HB) or Universal Credit (UC) award. The payments are cash limited. It is unlawful to exceed the cash limit and any unspent amount must be returned to the Department for Work and Pensions.

1.2 For the purposes of DHPs housing costs include any genuine rental liability for which Housing Benefit could be awarded including a contractual rent, rent in advance, rent deposits and any other lump sum costs associated with a housing need (e.g. removal costs).

1.3 To be considered for a DHP the customer must be entitled to HB or receive assistance with housing costs in UC, have a rental liability and be assessed as requiring further financial assistance with housing costs.

1.4 A DHP may be granted to meet the shortfall between rent and HB and may include the following

1. Reductions in HB (or UC) where the benefit cap has been applied;
2. Reductions in HB (or UC) for under occupation in the social rented sector the so-called 'bedroom tax';
3. Reductions in HB (or UC) as a result of local housing allowance / private sector rent restrictions;
4. Rent shortfall to prevent a household becoming homeless whilst Housing Options Team explores housing alternatives;
5. Rent Officer restrictions in local reference rent or single room rent;
6. Non dependant deductions;
7. The effect of income tapers, where the customer receives less than full benefit owing to the means test;
8. Rent in advance;
9. Rent deposits;
10. Any other lump sum costs associated with a housing need (e.g. removal costs).

Please note this list is not exhaustive

1.5 A DHP cannot cover the following

1. Help with Council Tax support;
2. Benefit suspensions;
3. Housing Benefit overpayment recovery;
4. Job Seekers Allowance or Universal Credit sanctions;
5. Ineligible Service charges;
6. Increases in rent due to outstanding rent arrears

2.0 Purpose of this Policy

2.1 The purpose of this policy is to specify how the Benefits Service will operate the DHP scheme and to indicate some of the factors that will be considered when deciding if a DHP can be awarded. Each case will be treated strictly on its merits and all customers will receive equal and fair treatment. The Council is committed to working with the local voluntary sector, social landlords and other interested parties in the Borough to maximise entitlement to all available state benefits and this will be reflected in the administration of the DHP scheme.

3.0 Statement of objectives

3.1 The Benefits Service will consider making a payment of a DHP to all customers who meet the qualifying criteria. The Benefits Service will treat all applications on their individual merits, and will seek through the operation of this policy to:

- Alleviate poverty;
- Support vulnerable young people in the transition to adult life;
- Encourage Torfaen residents to obtain and sustain employment;
- Safeguard Torfaen 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.

3.2 The Council considers that the DHP scheme should be primarily seen as a short term emergency fund. It is not and should not be considered as a way around any current or future entitlement restrictions set out within Housing Benefit and Universal Credit legislation.

4.0. Awareness, publicity and take up

4.1 We will proactively promote the DHP scheme by working in partnership with Community, Voluntary and Statutory organisations to advertise the availability and take up of DHPs. In doing so, the Council will make claim forms and literature on DHPs available to the wider community via its website.

5.0 The application and decision making process

5.1 The Council will only consider applications for a DHP made in writing and signed by the customer. The Benefits Section may request any reasonable evidence in support of an application for a DHP. The customer must also demonstrate that he/she is suffering from financial hardship as a direct result of his / her housing costs. The Council will take into all relevant circumstances when making the award including

- Is there any genuine risk of eviction if help with housing costs is not provided?
- What other outgoings does the customer have which make it harder for them to meet their housing costs?
- What assets does the customer have which might be used to help with their housing costs?
- Does the customer have capital or disregarded income that might be used?

- Is it possible for the customer to negotiate a rent reduction with the landlord?
- Could the customer relocate to alternative accommodation that would incur lower housing costs?
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- Has the customer applied for all available sources of income to them?
- The level of indebtedness of the customer and their family. Has the customer tried to renegotiate loans to reduce their expenditure or are they paying off debts, which are making their expenditure temporarily higher. Has the customer sought advice from a debt advisor to try to alleviate their situation?
- Does the customer or a family member suffer from health problems that make it essential for them to remain in their current accommodation, and would it be detrimental to their condition if they were to move to other accommodation?
- Is the hardship having particular effects on individuals within the family, for instance young children?
- Are non-dependants living in the household contributing financially?
- Is there a risk of the customer being declared statutorily homeless if a payment is not made?

This is not an exhaustive list and is covered in more detail in the Council's Discretionary Housing Payment Procedure.

6.0 The award

6.1 In all cases, the Council will make its decision on the known facts and the evidence supplied. The period and level of the award will be on the basis of need, with a minimum period of award of one week and a maximum period of fifty two weeks. An award will usually be made for between three to six months.

6.2 Any reasonable request for backdating an award of a DHP will be considered in line with good cause criteria as laid out in the 2006 Housing Benefit Regulations as to why there was a delay in making a claim. A DHP cannot be awarded for any period outside an existing HB/CTB benefit period granted under the HB/CTB statutory scheme.

6.3 In all cases, we will inform the customer that the scheme is cash limited and that future payments cannot be relied upon. Awards will be reviewed if the customer's circumstances change e.g. starting employment.

7.0. Housing Options / Debt Advice

7.1 In all cases customers will be provided with details of the Council's Housing Options service with direct contact arrangements.

7.2 Customers requiring specialist debt advice and support will be referred to the Citizen's Advice Bureau.

8.0 Notification

8.1 The Council will strive to inform the customer in writing of the outcome of their application within one calendar month of receipt. Where the application is unsuccessful, the Benefits Service will set out the reasons why this decision was made and explain the right of review. Where the application is successful, the Benefits Service will advise:

- The weekly amount of DHP awarded;
- The period of the award;

- How, when and to whom the award will be paid;
- The requirement to report a change in circumstances.

9.0 Review procedure

9.1 DHPs are not payments of HB and are therefore not subject to the statutory appeals procedure. The Council is committed to providing an appropriate review procedure. A customer (or their appointee or agent) who disagrees with a DHP decision may dispute the decision. A request for a review shall be delivered in writing to a designated office within one calendar month of the written DHP decision being issued to the customer. The Head of Revenues and Benefits will then consider the request and review the decision made and respond to the customer within fourteen days.

9.2 Final review

If the customer is still unhappy with the decision a further review may be undertaken by an independent panel including a Chief Officer independent of the service. This is the final stage of the review process and may only be challenged further via the judicial review process.

10.0 Fraud

10.1 Torfaen County Borough Council is committed to the fight against fraud in all its forms. 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 an offence under the Fraud Act 2006. Where it is alleged, or the authority suspects that such a fraud may have been committed, the matter will be investigated and if fraud is found to have occurred, action will be taken including the recovery of overpaid monies and, if appropriate, criminal proceedings.