

City of Edinburgh Council

Discretionary Housing Payment Policy

1.0 – Introduction

Discretionary Housing Payments (DHP) were introduced as a result of the Discretionary Financial Assistance Regulations 2001. DHPs are administered by the Local Authority (the Council) and funded by allocated amounts received from Department of Works and Pensions (DWP) and Scottish Government.

The Discretionary Housing Payments (Limit on Total Expenditure) Revocation (Scotland) Order 2014 revokes the limit of DHP spend in Scotland and its effect is that there is no limit imposed on the expenditure of DHPs in Scotland from the financial year commencing 1 April 2014.

The Scottish Government's contribution will ensure that tenants in Edinburgh who have been affected by the Social Sector Size Criteria (under occupancy), will have their reduction in Housing Benefit mitigated by a DHP award on application.

DHPs are not payments of benefit but payments to be made at the discretion of the City of Edinburgh Council for those that are having difficulty in meeting their housing costs. However DHPs cannot meet expenditure which is not eligible for benefit.

This policy document provides a framework for outlining circumstances under which DHPs may be awarded. All applications will be considered on a case by case basis and awards will be made at the discretion of the Council, with the exception of those which are made to mitigate the Social Sector Size Criteria. The examples given are not exhaustive and other circumstances will be considered.

2.0 – Policy Aims and Objectives

To distribute equitably the DHP funding to benefit claimants that meet the qualifying criteria, and to promote the following Council objectives:

- Prevention of homelessness;
- Alleviating poverty;
- Sustaining tenancies and safeguarding residents in their homes;
- Preventing hardship;
- Supporting vulnerable young people in the transition to adult life;
- Supporting young people to achieve good educational outcomes;
- Encouraging residents to seek and sustain employment;
- Keeping families together;

- Supporting domestic abuse victims who are trying to move to a place of safety;
- Supporting the work of foster and kinship carers; and
- Support disabled people remain in adapted properties

The City of Edinburgh Council will ensure that as far as possible all customers are made aware of the availability of DHP and that all agencies supporting customers are made aware of the funding available and how it can be utilised to support their client group.

The DHP policy will be published on the Councils website.

3.0 – Eligibility

In order to be considered for a DHP the claimant must:

- 3.1 - Be in receipt of Housing Benefit or Universal Credit (with Housing Element) and have a rental liability; and
- 3.2 - Have a shortfall between the amount of benefit being received and the amount of rent that is due to be paid; and
- 3.3 - Be having difficulty in meeting the shortfall in their rental liability; or
- 3.4 - Be having difficulty in meeting rent deposit or rent in advance.

4.0 – When DHP may be Paid:

The following examples outline circumstances where DHP applications will be considered but not guaranteed. The list is not exhaustive and all applications will be considered on a case by case basis:

- 4.1 - Where a claimant is chronically sick or disabled;
- 4.2 - Where a claimant is experiencing hardship;
- 4.3 - To cover the reasonable costs of renting a particular type of accommodation to suit a particular need;
- 4.4 - Where a member of the household moves out of the property and this reduces the household's bedroom entitlement;
- 4.5 – Where a household is affected by the benefits cap;
- 4.6 - To facilitate a move to a different area where support is available from family members or friends and it is clear the support is essential to the household;
- 4.7 - To cover the rent shortfall of accommodation which is either too big or too expensive, where the tenancy started at a time when the claimant could easily afford the rent without help from Housing Benefit;
- 4.8 - To facilitate a move to a smaller or more affordable home that would allow the household to cover their housing costs.

5.0 – When DHP will not be Paid

DHP will not be paid to a claimant under the following circumstances:

- 5.1 - Where a tenancy was not affordable when taken on (except in exceptional circumstances where no other reasonable alternative was available);
- 5.2 - Where benefit fraud has been committed;
- 5.3 - To reduce water and wastewater charges;
- 5.4 - Where a benefit is in payment is subject to a reduction direction, sanction or suspension;
- 5.5 - To cover a reduction in Housing Benefit resulting from a Housing Benefit overpayment which is being recovered from ongoing entitlement;
- 5.6 - To cover service charges which are ineligible for Housing Benefit;
- 5.7 - Where an increase in rent has been made by the landlord to cover rent arrears;
- 5.8 - Where non dependant deductions that are not being paid by the non dependant (except in exceptional circumstances);
- 5.9 - DHPs will not be awarded simply because a claimant is in debt. However a view will be taken on the type, reason and level of debt and the actions that the claimant has taken to repay the amounts outstanding. Claimants will be expected to take a reasonable attitude towards debt and only borrow what they can reasonably repay. Claimants must be seen to be making regular payments before help from the DHP fund would be considered appropriate and should take Money Advice;
- 5.10 -Where the tenant is entitled to another benefit that they are not already claiming.

6.0 – Level and Period of Award

- 6.3 – For category 4 above, the level and period of award will be based on the individual circumstances of the applicant;
- 6.4 - In the case of a shortfall the amount of DHP will not exceed the weekly eligible rent;
- 6.5 - In the case of lump sum payments, no period will apply but due regard will be given to the DHP funding available, for example a rent deposit;
- 6.6 - Payment may be made to the applicant, agent, appointee, and landlord or directly into the rent account;
- 6.7 - Payment of DHP will stop if an applicant fails to disclose a material fact or obtained the funds under false pretences or the payment was made in error;
- 6.8 - Claimants are required to notify the Benefits Service of any change in their circumstances. The level and period of award of DHP will be reviewed if there is a change in the circumstances of the claimant and payments will be reduced or stopped if no longer required.

7.0 – Assessment of DHP

The Council will consider a wide variety of circumstances when deciding if DHP will be paid. The Council will assess a claimants income and expenditure against the key

aims of the policy, which are, preventing hardship and protecting families and vulnerable people by sustaining tenancies to prevent homelessness.

- 7.1 - The Benefits Service will consider increasing the claimants declared expenditure, when appropriate, prior to assessing the claim;
- 7.2 - The City of Edinburgh Council reserves the right to advise the claimant to reduce expenditure if it is unreasonably high. It may also be reasonable to expect the claimant to reduce expenditure on non-essential items, such as mobile phones, cable/satellite television, cigarettes, alcohol and entertainment. However the personal circumstances of the claimant will be considered when determining if this expenditure is non-essential. Advice will also be provided on the appropriate agencies/contacts to assist claimants with managing their money;
- 7.3 – When carrying out the assessment of financial need, the Council will exclude any income already disregarded for Housing Benefit purposes which are paid to disabled persons i.e. Disability Living Allowance and Personal Independence Payments. In doing so the decision maker will also disregard any expenditure attributed to these incomes

8.0 - Backdating an Award

- 8.1 - Each backdated claim will be reviewed on its own merits and the claimant should explain the reason for the delay in making the DHP claim;
- 8.2 - DHP can only be considered for a period when the claimant was in receipt of Housing Benefit or Universal Credit (with Housing Element).

9.0 – Recovery of Overpaid DHP

- 9.1 - The City of Edinburgh Council will recover all overpaid DHP unless the award was due to Local Authority error.

10.0 - How to Apply for DHP

- 10.1 - Requests must be made on an application form. The form can be obtained online at www.edinburgh.gov.uk , by emailing dhp@edinburgh.gov.uk, by telephoning 0131 469 5000 or collected at the local office situated at 249 High Street, Edinburgh, EH1 1YJ;
- 10.2 - The claimant will be notified in writing of their award.

11.0 – The Right of Review

- 11.1 - There is no statutory right of appeal against a DHP decision. The applicant (or their appointee or agent) who disagrees with a DHP decision may request a review of that decision from the Benefits Service;
- 11.2 - A request for a review must be made in writing within one calendar month of the written decision about the DHP being issued to the benefit claimant;
- 11.3 - An officer from the Benefits Service who was not involved in the original decision will consider the request for the review;

- 11.4 - The reviewing officer will notify the customer of their decision in writing;
- 11.5 - If on receipt of the decision the claimant continues to feel aggrieved, then they can make a complaint under the Councils Corporate Complaints Procedure;
- 11.6 - A claimant may also have recourse to a judicial review.

12.0 – Monitoring Arrangements

The Benefits Assessor when making a decision to award DHP will record the following information about the award:

- 12.1 - Has the claimant been affected by one of the key welfare reforms, namely: the benefit cap, social sector size criteria, Local Housing Allowance reforms or a combination of the reforms;
- 12.2 - The total amount paid to the claimant;
- 12.3 - The intended outcome of the award, for example, to help with short term rental costs until the claimant secures alternative accommodation or to help with ongoing rental costs for a disabled person in adapted accommodation;
- 12.4 - A monthly report detailing the level of DHP applications received, the decisions made and the level of DHP committed for the financial year will be forwarded to the Benefits Manager for monitoring purposes, and to ensure that the statutory limit is not exceeded;
- 12.5 - The level of spend will form part of the Councils monthly budget monitoring of Housing Benefit and will also be included in the bi monthly report on Welfare Reform to the Corporate Policy and Strategy Committee.

13.0 – Policy Review

- 13.1 - The City of Edinburgh Councils DHP policy will be reviewed annually or sooner if appropriate by the Benefits Manager and the Councils Corporate Policy and Strategy Committee will be asked to approve any material changes.