

Appendix A

Discretionary Housing Payments Policy

Revenues & Benefits Service

1. Introduction

This policy sets out how Maidstone Borough Council will operate its Discretionary Housing Payment (DHP) scheme.

From April 2013 DHP awards have played an important part in helping people to adjust to changes in the welfare system. However, the level of funding to make DHP's is much lower than the reduction to be made in other benefits through the welfare reform changes, and will therefore, in most cases, only be made in the form of short term support whilst any underlying issues are addressed. Such issues may include taking employment, moving to affordable or suitably sized accommodation, or seeking help to address money and debt issues.

In administering the scheme and considering any application, the Council will expect those that are able to help themselves to do so. DHP should not be seen as an alternative to welfare reform.

From 1 April 2013 the Borough has seen a reduction of £1.3 million in the amount of housing benefit it awards. By way of contrast, we have received £247,458 towards DHP expenditure, to consider claims to cover the on-going reductions in Local Housing Allowance rates and from April 2013 reductions in Housing Benefit for the spare room subsidy and the benefit cap. If the grant provided by the DWP does not cover the claims that we consider need help, we are also allowed to spend using our own funds up to a limit of £618,645, though we are not currently proposing to do so.

Funding during 2013/14 was increased; this extra funding is to help claimants who are affected by the Spare Room Subsidy (700 households) and the Benefit Cap (57 households). A similar level of funding is to be maintained during 2014/15, with £257,380 available.

2. Objectives of the Scheme

The Council will consider making a Discretionary Housing Payment (DHP) to households that meet the criteria outlined in this Policy. Due to the changes in welfare provision and the reductions in benefit awarded there has been an increase in local residents presenting as homeless. By using the DHP budget to help claimants to meet the shortfall between Housing Benefit and their rent or to move to a more affordable home, we can alleviate some of the pressure on the homelessness budget.

We will treat all claims on their individual merits, and seek through the operation of this and associated policies to:

- Provide support at a time of crisis
- Encourage employment;
- Prevent homelessness;
- Support vulnerable households; and
- Help alleviate poverty.

Discretionary Housing payments can only be made to help with housing costs and cannot not be paid to cover other costs such as service charges or Council Tax.

3. The DHP scheme

The DHP scheme is intended to be flexible and can cover a range of different housing costs or scenarios. These include;

Meeting the shortfall between rent and housing benefit where:

- A property has been especially adapted to meet the needs of a disability and it would be impractical to move;
- the householder has planned to move to more affordable accommodation and needs some short term assistance until they actually make the move into their new home;
- the property is currently classed as too big for the household but the circumstances are expected to change e.g. expecting a baby, a significant birthday or awaiting placement of a foster child or taking in a lodger;
- Where the householder is struggling to pay their rent because of other debts but can demonstrate that they are seeking help or have arranged their finances to enable them to pay the shortfall in the future; or
- Where short term support to help with the move back into work

Help to move to an affordable property where:

- the customer needs help with the cost of removals;
- the customer wants to move to a more affordable property outside of the area and needs some help to pay the rent in advance and/or deposit; or
- the customer has to pay rent on two properties for a short period and it cannot be met by housing benefit.

DHP's are made at the discretion of the Council and are not governed by the same rules as housing benefit, however, to qualify the person making a claim must also be receiving housing benefit.

The starting point of any application will also be to consider whether there is a need for a DHP or if the amount can be met through the other income and savings within the household. The Council will also look where appropriate to see what action the person is taking to help themselves.

4. Claiming a DHP

A claim for a DHP will generally be expected to be made in writing using the form provided by the Council. The form asks for details of all income and expenses, as well as details of wider circumstances which the Council needs to be aware of to make an informed decision.

Where the customer would rather discuss their circumstances in person, a private interview will be arranged or, where the customer cannot attend the office a home visit made.

In considering an application the Council may request evidence to support the application or take steps to verify the information provided to ensure that they are accurate.

5. Period of Award

The period of award will be dependent on the individual circumstances and whether the award is to help to meet a one off cost, temporary shortfall or longer term need.

At the point of making a decision the Council will set the period of award which will be notified along with the decision. Decisions will normally start from the Monday after receipt of the claim; however, awards may be backdated if there is a good reason why the claim could not have been made sooner and the circumstances continued throughout that period.

6. Changes of Circumstances

In receiving a DHP the applicant provides an undertaking to notify the Council of any change in the circumstances declared within their application. The Council may revise and recover any overpayment where the claimant's circumstances have materially changed.

7. Payment

The Council will decide the most appropriate person to pay based upon the circumstances of each case. This could include paying:

- the claimant;
- their partner;
- an appointee;
- their landlord (or an agent of the landlord); or
- any third party to whom it might be most appropriate to make payment.

Payments will be made by BACS and at the same frequency as any housing benefit, subject to any special requirements.

8. Notification

The Council will aim to advise claimants of the outcome of their claim within 14 days of receipt of their claim and any evidence requested. The notification will include;

- the weekly amount of DHP awarded;
- the income and expenditure used in the calculation;
- the period of award;
- whom it will be paid to; and
- the requirement to report a change of circumstances.

9. Review of Decisions

The Council will operate the following policy, in dealing with a request for a decision to be reviewed about a refusal to award a DHP, the amount or period of award.

- a request for a review should be in writing within one month of the decision, stating why the decision is believed to be wrong and providing any additional evidence;
- the decision, along with any new evidence will be reviewed by the council's nominated Appeals Officer, who will aim to either make a new decision or confirm the earlier decision within 14 days;
- the claimant will be notified of the outcome in writing and invited to escalate their appeal to the Head of Revenues and Benefits if they remain unhappy with the decision made; and
- the Head of Revenues and Benefits will review the decision and write to confirm the outcome within 14 days. That decision will be final with no further right of appeal.

10. Publicity

The Council will promote the availability of DHPs when notifying individuals of their housing benefit entitlement, when communicating any change or restriction in housing benefit awards and through the information made available online and at customer access points.

11. Information Sharing

The Council will use the information provided within the application and any supporting evidence for the purpose of verifying benefit entitlement and making a decision on the claim. In addition it may share information with other departments within the Council and partner organisations for the purpose of planning and delivery of services or fraud prevention.