

1. What is the Discretionary Housing Payments (DHP) scheme?

1.1 This scheme helps people who require further financial assistance towards their housing costs who are facing financial crisis.

2. What are the main features of the scheme?

2.1 Discretionary Housing payments may be made for a fixed period or an indefinite period dependent upon the personal circumstances of the applicant. Payment is made where the claimant's income is insufficient to meet their living costs, the security of tenure maybe under threat and they are responsible to pay their housing costs. Applicable housing costs in respect of Housing Benefit and Universal Credit claimants are rent and deposits for new tenancies.

2.2 Payment will be considered in any of the following circumstances where a shortfall in rent exist; and is subject to certain exclusions (see paragraph 3.4 below); the City Council has a wide discretion as to the type of financial assistance it can provide. It may, for instance:

- Top up a payment of rent where the accommodation was caused by urgent need, significant health problems or disability. Payments of this nature maybe deemed to be of a long nature than others. Such as where the accommodation has been physically adapted to meet the needs of the claimant or household resident;
- Pay a rent deposit – this will only be applied when the customer does not meet the rent deposit scheme criteria in operation by Leicester City Council;
- Top up payment to allow the household to remain in the tenancy because of social, economic and cultural reasons;
- Top up a payment of rent to maintain a tenancy for a limited period while the household seek cheaper alternative, affordable more suitable accommodation.

3. What type of help is available?

3.2 DHP's provide people with further financial assistance when a council considers that help with housing costs is needed. The legislation provides a very broad discretion; decisions are made in accordance with ordinary principles about good decision making; these include administrative law, in particular to act equally fairly, reasonably and consistently. The policy principles are detailed in appendix A.

4. Am I eligible for support?

4.1 The various types of shortfalls that a DHP can cover include:

- reductions in HB or UC where the benefit cap has been applied;
- reductions in HB or UC for under-occupation in the social rented sector;
- reductions in HB or UC as a result of local housing allowance restrictions;
- rent shortfall to prevent a household becoming homeless whilst the housing authority explores alternative options or to secure a tenancy under the authorities duty to house;
- rent officer restrictions such as local reference rent or shared room accommodation rate; non-dependant deductions;
- income tapers.

4.2 DHPs cannot be paid in respect of certain elements of rent. These are fully set out in Appendix B:

- Ineligible service charges;
- Increases in rent due to outstanding rent arrears;
- Certain compliance / sanctions and reductions in benefit.

5. Are my personal circumstances taken into account?

5.1 In order to qualify for a DHP, a claimant must:

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- be in receipt of housing benefit; and/or
- Universal Credit (UC) Housing costs; and
- has a rental liability; and
- and demonstrate you are experiencing financial crisis thus requiring require further financial assistance with housing costs.

6. How do I apply?

6.1 Applications to the City Council for a DHP may be made in one of the following ways:

- By visiting our website: www.leicester.gov.uk/housingbenefits
- By telephoning (0116) 454 1006;

6.2 Applications may be made by a claimant or someone else on the claimant's behalf.

7. We will offer you help ask you to help improve your financial position

7.1 Leicester City Council will ask you to seek help to tackle your financial crisis. We will offer you free budgeting and financial advice to fully assess your personal and financial circumstances with Citizens Advice LeicesterShire.

7.2 You can choose to seek advice from another accredited financial advisor to fully assess your personal and financial circumstances. – Known organisations in the city who offer this free advice are listed here. <https://www.leicester.gov.uk/your-community/benefits-and-support/advice-and-guidance/>

7.3 If you seek further financial assistance from discretionary funding and have received any help you may not receive further financial assistance.

8. How will I be paid?

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8.1 The City Council may make single or periodic payments of DHPs.

8.2 There is no limit on the length of time for which periodic payments may be made but, where it is considered appropriate to make conditional awards, this will usually be for no more than thirteen weeks on the first award.

8.3 Periodic payments are normally paid in accordance with the applicants' current HB/UC benefit payment cycle, which can be weekly, four weekly, monthly, or as one payment.

8.4 Payments may be made to:

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

8.5 DHP will usually be paid using the following methods:

- By electronic transfer (eg BACs)
- By crediting the customer rent account

9. How will I be notified of the decision?

9.1 The City Council aims to notify the claimant of its decision within four weeks of receiving all the information necessary for it to process the application for the DHP. Claimants are notified of decisions in writing.

9.2 They will detail the

- weekly amount of DHP,
- the period of the DHP award,
- the reason for the award

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- how, when and to whom the payments will be made,
- the requirement to report changes in circumstance; and
- the claimants right for a review.

9.3 Where the decision is against the claimant's interests, the City Council will provide reasons for it and inform the claimant of his/her right to request a review of the decision, the period within which that request must be made and to whom the review request must be made.

10. What if I have a change in my circumstances?

10.1 Any changes must be reported to the City Council as soon as possible and may be reported by letter, telephone or email (see paragraph 4.1). In respect of Universal Credit claimants, all changes must be reported to both the Department for Work and Pensions and the City Council.

You must report a change in;

- Address;
- Income and capital;
- Employment status and earnings;
- Outgoings;
- Availability of other financial assistance ;
- Household composition (baby born , child left household);
- A change in yours or a family members significant health which was the reason for the applicant;

11. What can I do if I want the decision to be reviewed?

11.1 A claimant who is refused a DHP or awarded less than the amount applied for has a right to request the City Council to review the decision provided the request is made in writing within one month of being notified of the decision.

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11.2 The review will be conducted by an officer, who was not involved in the original decision, and who is of an appropriate grade.

12. How does Leicester City Council prevent fraudulent claims for the DHP scheme?

12.1 If you falsely declare your circumstances, provide a false statement or provide false evidence in support of your application, you may have committed an offence under the Fraud Act 2006.

12.2 Leicester City Council will investigate allegations of fraud and retains the right to prosecute such cases under section 222 of the Local Government Act 1972.

13. Are the application form and this document accessible in other formats?

13.1 If you would like a hard copy or large print version of this policy please contact Leicester City Council on 0116 454 1006 or via email at SDIO@leicester.gov.uk or by post at the following free post address: Freepost RTRE-HTRJ-CSSJ, Service Improvement Team, Leicester City Council, Revenues & Benefits Department, York House, 91 Granby Street, LEICESTER, LE1 6FB.

Appendix A: Background and Legislative Framework

1. Background

1.1 Discretionary Housing Payments (DHP) were introduced on 2nd July 2001 provide further financial assistance for people who need help with their housing costs. This appendix sets out the policy, practice and procedure applying to awards of DHPs by the Council.

1.2 Detailed provision for the payment of DHPs is contained in The Discretionary Financial Assistance Regulations 2001 (SI 2001/1167) as amended. When deciding whether to award DHPs, the Council will take into account guidance issued by central government; the current guidance is The Discretionary Housing Payment Good Practice Guide Draft for 2016 issued by the Department for Work and Pensions in December 2016. This was issued because of the changes due to welfare reforms, in particular:

- The introduction of benefit cap
- The introduction of size criteria in social rented sector; and
- Reductions in local housing allowance
- The introduction of Universal Credit.

2. Finance and Monitoring

2.1 The Council is awarded an annual government contribution to make payments in addition to benefit entitlement. This is subject to an overall cash limit; any payments above the contribution have to be financed by the council. Any part of the contribution that remains unspent has to be returned to the DWP. The high volume of welfare reforms taking place has led to a significant increase in the amount of monies available for DHP applications by the government. The allocation for Leicester over the past three years is as follows:

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- 2015/16 £681,863
- 2016/17 £780,900
- 2017/18 £1,186,024

2.2 The Revenues & Benefits Service will undertake monitoring of the number, amount and period of DHP awards in relation to the available DHP budget. The purpose is to ensure the DHP budget has sufficient funds to meet demands on the DHP budget throughout the financial year.

2.3 The Revenues & Benefits Service will also monitor cases where a DHP request has been refused to ensure decisions are being made fairly and consistently. The Council is subject to the general equality duty.

2.4 This means that steps will be taken to monitor implementation of this policy to ensure no one is subject to disproportionate adverse treatment because they had a protected characteristic. The general equality duty requires that the Council has due regard to the need to:

- Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic
- Take steps to meet the needs of persons who share relevant protected characteristic that are different from the needs of persons who do not share it
- Foster good relations.

2.5 The policy will be reviewed on a rolling three year programme or at such time or occurrence where a review is appropriate.

3. Legislative framework & equality monitoring arrangements

3.1 The Council has taken all relevant legislation into account when devising the Community Support Grant policy, including but not limited to:

- i) The Welfare Reform Act 2012
- ii) The Localism Act 2011

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- iii) The Equality Act 2010
- iv) The Local Government Finance Act 2012 and 1992
- v) The Local Government Act 2003
- vi) The Leicester City Council Tax Reduction Scheme 2015/16
- vii) The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 Default Scheme
- viii) The Social Security Act 1992
- ix) The Universal Credit Regulations 2012 and accompanying legislation
- x) The Local Government Act 1972 section 222
- xi) The Fraud Act 2006, section 2
- xii) The Data Protection Act 1998
- xiii) The Housing Act 1996
- xiv) The Social Security Act 1986
- xv) The National Assistance Act 1948
- xvi) The Child Poverty Act 2010
- xvii) The Chronically Sick & Disabled Persons Act 1970
- xviii) The Disabled Persons (Services, consultation and representation) Act 1986
- xix) The Mental Health Act 1983
- xx) The Children Act 1989
- xxi) The Localism Act 2011
- xxii) The Care Act 2014
- xxiii) Statement of changes to the Immigration Rules: HC877, 11 March 2016

3.2 In addition to the above requirements, the Council also takes account of current guidance and advice which has been published by the DW P and local policy. The Council has engaged extensively with stakeholder groups on this policy and is supported by a comprehensive Impact Assessment.

4. Principal objectives

4.1 The following outlines the principal objectives behind the Policy:

- alleviating poverty

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- encouraging and sustaining people in employment and education
- sustaining tenancies and preventing homelessness
- to avoid disability or other unlawful discrimination;
 - supporting vulnerable people
 - support for those subject to size criteria under the Welfare Reform Act
 - support those subject to other welfare reform changes including income capping
 - safeguarding residents in their own homes
 - helping those who are trying to help themselves
 - keeping families together
 - supporting domestic violence victims who are trying to move to a place of safety
- supporting the vulnerable or the elderly in the local community
- helping customers through personal and difficult events
- supporting young people in the transition to adult life, or
- promoting good educational outcomes for children and young people

Appendix B: Financial and Personal Circumstances

1.1 The City Council has a very broad discretion as to whether to make a DHP but will make its decisions in accordance with principles of good decision-making; in particular, it will act fairly and reasonably and each claim for a DHP will be decided on its own merits. The City Council will have regard to all the relevant circumstances.

1.2 A number of groups have been defined as being potentially financially vulnerable. The main groups are listed in the table below (this list is neither exhaustive nor prescriptive):

- Households who are considered to be vulnerable and need to remain in their current properties for reason of disability, particularly those with property adaptations;

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- Households placed in their homes under the Council's statutory homelessness obligation;
- Households receiving assistance through the Early Help Family Programme;
- Households containing a care leaver under the age of 25.

1.3 Where the claimant is not living in social housing, the City Council will seek the advice of its Housing Options Service as to whether his/her accommodation is affordable and sustainable.

1.4 Where the claimant is living in social housing and is subject to the Social Rented Sector Size Reduction the claimant will be expected to have found suitable alternative, cheaper accommodation, within a reasonable timeframe unless exceptional circumstances apply.

1.5 Where the claimant is subject to a high level of award such as but exclusively the Benefit Income Cap, DHP awards will typically be made for up to 26 weeks only, then a taper will apply gradually reducing the award over the following weeks, reducing to 10% in the final week of the award.

1.6 Reconsiderations and extensions of the award will typically only be made where the claimant can prove they have engaged with Citizens Advice LeicesterShire or another accredited social welfare advice provider to fully assess their personal and financial circumstances.

1.7 Where the claimant has been allocated a property in the private sector in order to meet the Authority's statutory obligations relating to homelessness, Housing Options may make a one off payment to cover a rent deposit and or a month rent in advance direct to a landlord to secure accommodation to meet its duty to house.

1.8 The rent deposit will be paid into the Rent Deposit Guarantee Scheme on behalf of the tenant.

1.9 If the City Council decides to award a DHP, it has discretion as to the amount of the award provided that the claimant's need for financial assistance arises in respect

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of a liability to pay his/her rent (or similar payments), the amount cannot be more than the claimant's weekly eligible rent.

1.10 The City Council may backdate an award of a DHP but only in respect of a period during which the claimant was entitled to housing benefit or universal credit for a period not usually exceeding 6 months from the date of the DHP claim or the date of claim if this is less than 6 months. In exceptional circumstances backdate may be considered for a longer period. Backdates cannot be awarded prior to the introduction of DHP on 2nd July 2001.

2. Ceasing payment

2.1 The City Council may cease making, or reduce the amount of, a DHP where:

- the decision to make the award was based in whole or in part on a misrepresentation;
- the claimant failed to disclose a material fact;
- the award was made as a result of an error; and/or
- the claimant failed to inform the City Council of a relevant change of circumstances.

2.2 If the City Council decides to cease making, or reduce the amount of, a DHP award, it will notify the claimant of this in writing, provide reasons for the decision and inform him/her of his/her right to request a review of the decision, the period within which that request must be made and to whom the review request must be made.

2.3 The claimant may request a review of such a decision in accordance with paragraphs 8.1 to 8.2 above.

3. Recovery of overpayments

3.1 The City Council has a right to recover all or part of a DHP made in any of the circumstances set out in paragraph 10.1.

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3.2 If the City Council decides to recover a DHP overpayment, it will notify the claimant of this in writing, provide reasons for the decision and inform him/her of his/her right to request a review of the decision, the period within which that request must be made and to whom the review request must be made. The customer/payee will receive an invoice against which to make a payment.

3.3 The claimant may request a review of such a decision in accordance with paragraphs 8.1 to 8.2 above.