



North Tyneside Council

Discretionary Housing Payment (DHP) Policy

2024 to 2025

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Table of contents

	Page
1. Background	3
2. The policy aims	4
3. Claiming a DHP	4
4. Period of award	4
5. Awarding a DHP	5
6. Income	6
7. Capital	6
8. Expenses	6
9. Changes of circumstances	6
10. Method of payment	6
11. Notification	7
12. The right to seek a review	7
13. Overpayments	7
14. Monitoring of Claims	7
15. Promotion of Discretionary Housing Payments	8
16. Appendix A Definition of Substantially Adapted	9
17. Appendix B Appendix B – Change Control (amendments to policy)	10

1.0 Background

- 1.1 Discretionary Housing Payment's (DHP) are administered by the Benefit Service on behalf of the Department for Work and Pensions (DWP). The legislation governing DHP's can be found in the 'Discretionary Financial Assistance Regulations 2001' (SI 2001/1167 updated by SI 2013/1139) and guidance on payment provided in the DWP guide, 'Discretionary Housing Payment Guidance April 2014'.
- 1.2 Funding for Discretionary Housing Payments is provided from The Department for Work and Pensions (DWP) with the option for Local Authorities (LA) to increase this funding to a maximum set level of 2.5 times the amount provided by DWP. Any unspent DWP funding must be returned. For North Tyneside the funding provided by DWP for 2024/25 is £306,562.
- 1.3 DHP's may be awarded, in addition to certain welfare benefits, when a LA considers that a claimant requires further 'financial assistance' towards housing costs.
- 1.3 Housing costs are not defined in the regulations but in general housing costs means rental liability; however, housing costs can be interpreted more widely to include:
 - a) rent in advance
 - b) deposits
 - c) other lump sum costs associated with a housing need such as removal costs.
- 1.4 Requiring 'financial assistance' generally means the claimant will need to show that they need additional financial support to be able to meet their housing costs. In deciding whether a claimant requires financial assistance the authority will carry out a financial assessment. However, there will be some cases where a claimant meets certain criteria which will mean a full financial assessment is not required. (see paragraph 5.3 (i) and (ii) later in this document).
- 1.5 Although the scheme is discretionary there are conditions set by DWP that must be met before entitlement can be considered. These conditions are that the claimant must be:
 - in receipt of Housing Benefit (HB); *or*
 - in receipt of Universal Credit (UC); *and*
 - has a rental liability; *and*
 - requires further financial assistance with housing costs.

Where UC is in payment a housing element towards rental liability must be included in the assessment to allow a DHP to be awarded.

- 1.6 In addition there are certain housing related costs that cannot be met through a DHP these are:
 - ineligible service charges;
 - increases in rent due to outstanding rent arrears; and
 - reductions in benefit due to overpayments.

2.0 The policy aims

2.1 The Local Authority will consider each claim on its own circumstances in a fair, reasonable and consistent manner having regard to the factors outlined under **'Awarding a DHP'** later in this document. Through operation of this policy the Council aims to try to:

- alleviate poverty;
- support vulnerable young people in the transition to adult life;
- encourage residents to obtain and sustain employment;
- safeguard residents in their homes;
- help those who are trying to help themselves;
- keep families together, and support family access;
- support the vulnerable in the local community;
- help claimants through a personal crisis or a difficult period.

3.0 Claiming a DHP

3.1 A claim for a DHP can only be considered if it includes sufficient information to be able to make a decision on entitlement. Claims can be made in writing, on a form specifically to claim a DHP or by email. A claim can be made by the claimant or by the claimant's representative.

- The Benefits Service may request any (reasonable) evidence in support of a claim for a DHP, and this should be provided within one month of the request although this will be extended where appropriate.
- If the claimant is unable to or does not provide the required evidence, the Benefits Service will still consider the application on the information available.
- The Benefits Service may verify any information or evidence as appropriate provided by the claimant or that is available to them.

4.0 Period of award

4.1 Generally a DHP will be a short term payment to help a claimant through a difficult period whilst they take steps to improve their financial situation. In all cases, the Benefits Service will decide the length of time a DHP will be awarded based on the evidence supplied and the facts known.

4.2 No award of a DHP can be made where there was no entitlement to:

- Housing Benefit; or
- Universal Credit.

4.3 The minimum period for which a DHP will be awarded is one week, with awards generally being made between 3 to 6 months and not exceeding 12 months depending on the claimant's circumstances.

5.0 Awarding a DHP

- 5.1 Generally awards of a DHP will depend on whether the claimant can meet from their own income, the shortfall between their award of Housing Benefit or Universal Credit and the rental liability. Paragraph 5.3 (iii) outlines the factors that are considered when assessing eligibility for a DHP under this criteria.
- 5.2 Where it is felt that the claimant can afford the shortfall no DHP will be awarded unless they meet conditions in paragraph 5.3 (i) or (ii).
- 5.3 Certain groups of people do not need to demonstrate that they are unable to afford the shortfall as they meet the criteria to be entitled to a DHP because of personal circumstances. These groups are outlined in paragraph 5.3 (i) and (ii) below:

(i) Those requiring a significantly adapted property

Those claimants who because of their disability, which live in a property that has been significantly adapted to meet their disability needs, will not have to demonstrate that they are unable to meet from their own income the shortfall in their rent and entitlement. The shortfall in eligible rent will be met by a DHP and entitlement will be paid until the end of the appropriate financial year when the current DHP fund ends. The amount paid in a DHP under this condition will be calculated based on the total amount of shortfall.' A definition of significantly adapted is provided at Appendix A.

(ii) Claimants with legal agreement to share custody of children

Those claimants who are separated and who need additional bedrooms because they have court documentation which shows an agreement allowing their child/children to stay with them will not have to demonstrate that they are unable to meet from their own income the shortfall in the rent and entitlement only where the claimant (and partner where there is one) are not working. Court documentation can be interpreted more widely to include a letter from a solicitor/official documentation showing an arrangement is in place. Entitlement to a DHP will be paid until the end of the appropriate financial year when the current DHP fund ends. The amount paid in a DHP under this condition will be calculated based on the number of bedrooms required had the child/children been included in the household. Where the claimant and or partner are working the claim will be assessed by considering whether the claimant is able to meet the shortfall from their own income.

(iii) Those that require financial assistance that do not meet conditions under 5.3 (i) or (ii)

In deciding whether to award a DHP, the following factors will be taken into account:

- the shortfall in housing costs that has to be met from the claimants income;
- any steps taken by the claimant to reduce their rent liability;
- the financial and medical circumstances (including ill health and disabilities) of the claimant, their partner and any dependants and any other occupants of the claimant's home;
- any savings or capital that might be held by the claimant or their family;
- the level of indebtedness of the claimant and their family;
- any action taken by claimant to improve their financial circumstances;

- the possible impact on the Council of not making such an award, e.g. the pressure on priority homeless accommodation;
- whether the property has been adapted for the claimant's disability, and the costs associated with adapting a new property;
- whether the claimant requires a larger property due to family arrangements
- the possible impact on the claimant should a DHP not be made;
- any other special circumstances;
- the length of time the claimant is likely to need a DHP, and if there is any foreseeable improvement in the claimant's financial circumstances.

5.4 The amount awarded will be dependant on all of the circumstances of the case and the legislation set out in SI 2001/1167.

5.5 In some circumstances a temporary higher award of DHP will be made where a claimant's circumstances will change in the future and they will be entitled to a higher amount of Housing Benefit because of that change. An example of changes that would fall into this category would be some age changes or claimants who are pregnant. 5.6 An award of a DHP does not mean that further awards will be made at a later date even if the claimant's circumstances have not changed.

6.0 Income

6.1 All income will be taken into account when working out entitlement to a DHP unless it is a disability benefit which is disregarded for Housing Benefit purposes.

6.2 Where a DWP benefit has a sanction applied to it, as the claimant has not met the conditions of entitlement, the benefit in question will be assessed as if the sanction had not applied.

7.0 Capital

7.1 Where capital exceeds £1,000 the claimant will not be entitled to claim a DHP unless they meet the criteria outlined in 5.3 (i) or 5.3(ii) above.

8.0 Expenses

8.1 All genuine and reasonable expenses such as food, clothing, utility bills, travel costs, loans, HP agreements, children's school and social activities etc (this list is not exhaustive) will be considered and included in the calculation of a DHP where appropriate. However, there may be an expectation of the claimant to reduce their expenses where appropriate before further periods of DHP's can be awarded.

9.0 Changes of Circumstances

9.01 Awards may be revised where the claimant's circumstances have changed.

10.0 Method of Payment

10.1 DHP's will be made to the most appropriate person based upon the circumstances of each case. This could include:

- 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.

10.2 DHP payments will be made by the most appropriate means in each case. This could include payment by:

- cheque or electronic transfer (e.g. BACS); or
- crediting the claimant's or rent accounts.

11.0 Notification

11.1 The claimant will be notified in writing the outcome of their application. Where the application is unsuccessful, the notification will set out the reasons why this decision was made and explain the right of review. Where the application is successful, the notification will advise:

- the weekly amount of DHP awarded;
- whether it is paid in advance or in arrears;
- the period of the award;
- how, when and to whom the award will be paid; and
- the requirement to report a change in circumstances.

11.2 In appropriate cases the notification will also include an expectation that the claimant takes steps to improve their financial circumstances. Where this is the case and a follow up claim is made, evidence will be required that the claimant has taken action to improve their circumstances and what the outcomes of those actions are.

11.2 Where appropriate, the claimants will be signposted to the relevant organisations that can also help.

12.0 The right to seek a review

12.1 Where the claimant is unhappy about a DHP decision, they or their appointee may request a review of that decision. The request for review should be made in writing to the Benefits Service within one calendar month of the DHP written decision.

12.2 The review will be carried by a panel of two Benefit Team Leaders not involved with the original decision.

- They will consider the case and all available evidence within 1 month of a request or as soon as practicable after.
- Where the panel decides not to revise the original decision, they will notify the claimant of their decision in writing, setting out the reasons for their decision.
- If the claimant is still unhappy the claimant may have recourse to Judicial Review of the decision and will need to take their own legal advice to pursue this.

13.0 Overpayments

13.1 Any DHP found to be overpaid may be recovered where appropriate.

14.0 Monitoring of claims

14.01 Monitoring of the fund will be ongoing and relevant data provided to the DWP as requested.

14.02 Monitoring of the data on claims will be carried out as and when required and used where appropriate to inform future Equality Impact Assessments or promotion of the scheme.

15.0 Promotion of Discretionary Housing Payments

15.01 The Council will promote DHP's using various methods to ensure maximum take-up.

15.02 The Local Authority has worked with the Mayors Task and Finish group in developing this policy which includes members of the voluntary sector. Further engagement work with Registered Social providers and the Private landlord sector will ensure that this fund is well promoted with them and they in turn can raise awareness with their tenants. The Voluntary Sector Engagement meetings for Welfare Reform are attended by representatives from Community Centres and Credit Union along with other community groups, and this forum is used to raise awareness of a DHP with these groups.

15.03 The website includes information on DHP's and this can be available in different formats such as large print and speech enabled for those with visual impairments as well as other languages.

15.04 Council building such as Customer Services and libraries have information available on DHP's in paper format and this can be provided in different formats.

16.00 Additional Support

16.01 The claimant will be referred to Citizens Advice where it is felt they would benefit from their support in managing a budget or for debt advice. Claimants have the option of opting out of this service if they have a reason for not requiring this help. The award of a DHP is not dependent on a referral to Citizens Advice.

Appendix A - Definition of Substantially Adapted

A property will be deemed significantly adapted if the property has 3 major adaptations or more or has a through floor lift.

Major adaptations include any permanent adaptations, e.g. concrete ramp, widened doors, level access shower, adapted kitchen, purpose built or specifically adapted properties etc.

For Council owned properties, any properties where a through floor lift has removed a bedroom from usage it will be re-designated as a smaller property rather than classed as a significantly adapted property.

Appendix B – Change Control (amendments to policy)

Date	Paragraph	Detail of Amendment
March 2023	Front page date and paragraph 2.1 date updated	Date only updated to 2023/2D
November 2022	Paragraph 2.1	Funding level amended from £300,337 to £306,562
March 2022	Paragraph 2.1	Funding level amended from £432,533 to £300,337
November 2021	Paragraph 2.1	Funding level amended from £309,105 to £432,533
May 2021	Paragraph 2.1	Funding level amended from £558,563 to £309,105
March 2020	Paragraph 2.1	Funding level amended from £449,390 to £558,563
March 2020	Paragraph 5.3.(ii)	Where the claimant and or partner has shared responsibility for a child and they are subject to under occupancy, if the claimant or partner are working, there will no longer be an automatic award and claimants will need to show they are unable to meet the shortfall from their own income.