

Benefits Service Discretionary Housing Payment (DHP) Policy 2024/25

Introduction

1. The main aim of the document is to set the criteria for decisions on requests for Discretionary Housing Payments. The policy is based on the fundamental aim that awards, except in exceptional circumstances, will be interim support for households while long term solutions are found. The applicant must also be showing a commitment to finding a solution by actively engaging with agencies including their social landlord if appropriate and/or advice and support services including Job Centre Plus.
2. In making awards the Council will be expecting the customer to resolve their financial difficulties or find a housing solution which is more suited to their financial and household situation.
3. The policy recognises that the DHP fund has been increased to address some of the issues that households will face due to the current programme of welfare reform.
4. The policy ensures that DHP spend is appropriately targeted and its use prioritises and reflects the needs of vulnerable families. In making decisions there should be awareness that households may be dealing with a number of complex issues and are seeking to maintain a level of housing stability.
5. The DHP spend will be directed at households where Housing Benefit has been reduced by the welfare reforms, and the Council will proactively make awards to families where reduced benefit income means that current rent levels are above a set affordability level.

The DHP Fund

6. The DHP spend is based on a limited fund based on a contribution from central Government which can be supplemented by Council funds.
7. The Government Contribution for 2024/25 is: £787,211
8. The Council, from its own resources, can decide to increase the available fund by two and half times the Government allocation, to a Permitted Total for 2024/25 of £1,968,028
9. The Council may, if considered necessary, make an application to the Department for Communities and Local Government to make provision within the Housing Revenue Account (HRA) for the cost of DHP made to tenants of council owned properties. The HRA would fund DHP specifically for HRA tenants and would therefore maximise the resources available from the original allocation to support non-council tenants.

10. As the original allocation from the DWP cannot be claimed if DHP is not awarded to this level no awards will be chargeable to the HRA until this resource is exhausted.

Length of Awards

11. The length of awards will generally be 13 or 26 weeks; awards can be reviewed at the end of the fixed term period and consideration given to further payment. Award notifications will advise the customer that an initial award is no guarantee that subsequent applications will be awarded. Customers will be advised that the period of the award should be used to seek solutions to the housing cost shortfall.

Claiming DHP

12. The Council does not have a specific form to complete for DHP; this is because previous experience had shown that the form became very prescriptive and that all applications became similar.

13. All applications will need to be made in writing to: Discretionary Awards Team
Wandsworth Benefit Service PO Box 500 Wandsworth SW18 2PN

Or by completing the online form

14. The request for DHP can be made on the behalf of the customer but the Council will contact them to obtain any specific information needed to support the claim.

15. The Council will aim to make initial responses to all applications for DHP within 10 working days of the application being made.

16. The Council also retains the ability to varying the DHP claiming policy where it undertakes proactive engagement with vulnerable households and will at certain stages accept DHP application over the telephone.

Supporting Information required for the DHP Application

17. Based on the reason for the DHP application the Council may require additional information to support the claim. The information will generally be requested from the customer, but the Council may in some instances seek permission from the applicant to approach third parties directly e.g. private landlords, support workers or other Council services.

Awards of DHP based on Affordable Rent

18. DHP will be awarded to households with children who are affected by the total benefit cap and who have an eligible rent in excess of an affordable rent threshold. The affordable rent threshold is set at 45% of the households capped benefit income. This currently equates to:

- Couple or Lone Parent £219.14 (45% of £486.98)

19. These households will be identified by the Welfare Reform Team who will attempt to contact them directly and discuss with them the award of DHP, if necessary, taking the initial request for DHP over the telephone. The aim will always be to encourage the claimant to take up the full range of financial support and employment finding options made available by the WRT.

20. The award of DHP will be equivalent to the lower of the following:

- The amount the rent exceeds the threshold rent level; or
- The difference between the HB award and the eligible rent.

21. Households awarded DHP will be notified of their award which will be paid in the normal manner with HB awards. As part of this notification, they will be advised that the award can only be guaranteed up to the 31/3/2025 and that they should be engaging with the Council's Welfare Reform Team (WRT) to find solutions which may reduce the affects of the total benefit cap.

22. Where the level of the award of DHP does not meet the household's full rent an application can be made for a further award of DHP to meet the shortfall in the normal way prescribed by this document.

Advice & Assistance

23. In making the DHP decision the Council will consider the level of commitment the household has made to find a long-term solution to their housing issues. It may be appropriate for the customer to be referred to other services to assist them including:

- JCP employment advice.
- Housing Options Team.
- Housing Letting Service for re-housing options.
- RSL Welfare Support provisions.
- Children & Adult Services.

24. This list is not exhaustive but an indication of the types of organisations that can assist households with their long-term housing needs.

After a decision is made

25. When a DHP claim is successful the award is paid along with Housing Benefit. The customer will be issued with a letter detailing the decision, advising how much DHP they will receive and for what period.

26. If the claim is refused a letter will be issued explaining the reasons for the decision and advising the customer of how they can request a review.

Universal Credit

27. The Council will also make awards of DHP to households receiving the rent element of Universal Credit. All decisions will be made on the same basis as those households receiving Housing Benefit.

Appealing a DHP decision

28. The decision whether or not to award a DHP is not a Housing Benefit decision so cannot be disputed using the normal benefit appeal regulation. Customers who want the Council to reconsider its decision must request a review in writing.

29. Where a decision is made to award DHP the applicant can request a review of this decision if they consider the level, and the duration of the award is unsatisfactory. All requests for reconsideration must be made in writing to the Council.

30. Reviews of a decision will be carried out by a panel of officers, none of which had a role in the original decision.

31. If a customer is still unhappy, they can seek to challenge the decision via judicial review; the Council would advise them to seek independent legal advice if they are considering this option.

32. The Council will respond to all requests for review within 1 calendar month of the challenge being received.

Promoting DHP

33. The Council's stated aim is to maximise DHP spend to vulnerable households. Accordingly, the Benefits Service will be promoting the DHP policy across the borough to ensure awareness of the scheme. This will include providing information and training (where requested) to other sections within the Council e.g. the Rent Collection Service and the Housing Options Teams.

34. The Benefit Service, as part of its strategy to assist households affected by Welfare Reforms, has set up a specific team of officers who will proactively contact households impacted by the changes. They will assist the households in finding solutions to their financial and housing issues, these will include assistance in finding work through liaison with colleagues in the Job Centre Plus, helping household access training that

will make them more work ready and looking to maximise their benefit income. This team will make decisions on DHP awards for these households whilst they are engaged in these activities.

35. The Rent Collection Service will also provide support to tenants through their Financial Inclusion Team who will assist tenants with DHP application and provide them with financial management assistance.

36. There will be DHP specific items within the quarterly bulletins that are produced by the Benefits Service and sent to advice agencies across the borough and in other Council publications such as the Collector and Homelife. These will encourage an understanding of the scheme and the Council's policies.

37. The Benefits Service website will have information pertaining to DHP and the ability to claim through the website will be investigated as part of a portal for Benefit Service administered funds.

Examples of where a DHP would be considered

38. The following are examples of where the Council may consider awarding DHP. This is not an exhaustive list of situations and if a person is having difficulties meeting their housing costs the application will be judged on its own individual merits.

- Data Matching - The Benefits Service will work with other Council Departments to data match lists of households affected by welfare reform with Council lists of vulnerable families where for instance care orders may be in place or they are part of a structured intervention programme (e.g. Family Recovery Project).
- Social Sector Size Criteria - Provide interim support for periods where a family has indicated to their social landlord that they wish to downsize but there is a delay beyond the household's control i.e. no suitably sized accommodation is currently available and they cannot afford to make up the difference themselves.
- Consideration will be given to under-occupying households whose property has been adapted to meet the needs of a member of the family who is disabled. The level of adaptation will be considered in terms of the potential cost of making similar adaptations at any new property.
- Families that have chosen not to seek their landlords' assistance in downsizing or have refused a reasonable offer of suitably sized alternative accommodation are unlikely to receive support from DHP for the size criteria related housing cost shortfalls. In these instances, the notification of the decision will also be made available to the Social Landlord so that they can take appropriate action.
- Fostering Arrangement - It has been identified that the size criteria may have negative effects on households who foster children when they are between

placements. In cases where there is a reduction in benefit due to a bedroom normally used for a foster child the Council will consider whether DHP is appropriate.

- Total Weekly Benefit Cap - The Council recognises that the implementation of the total benefit cap may put extreme financial pressures on some households which may require them to be provided with interim support while they find employment or alternative cheaper housing. In such cases the Council will give consideration to the case and to the steps the household is taking to take themselves out from the effects of the cap.
- Prevention of Homelessness Cases – The Council will continue to ensure there is close liaison between the Housing Benefit and Homelessness Services and may prioritise DHP payments in order to delay or prevent homelessness where the Council would be likely to become subject to a statutory duty to assist the family under the terms of the Housing Act 1996 – Part VII (as amended)
- This will include households previously owed a duty under s193(2) of that Act where that duty was ended by way of a suitable Private Rented Sector Offer (PRSO) made by a private landlord via arrangements with the Council, where the household are at risk of financial hardship for example due to changing circumstances linked to the wider welfare reforms.
- Consideration could also be given as to the capacity of the DHP fund to pay rent deposits which secure rented accommodation on terms that are affordable to the household being assisted.
- Changes in Circumstances - The Council will consider DHP in cases where a person has been able to meet their housing costs but a change in circumstances has resulted in a shortfall they can no longer afford. This can occur in cases where the number of people resident in the property reduces and now they are assessed on a lower LHA rate.
- Excess Income Cases - It may be possible for the Council to make an award where the shortfall due to excess income is causing hardship. This will include issues such as where the transition from full benefit to in work levels has caused issues with budgeting or unexpected expenses.
- New Tenancies - It is unlikely that the Council will award DHP on claim where a tenant reliant on Housing Benefit has entered a property where the housing costs are higher than the relevant local housing allowance rate. In such cases there will have to be specific reason why the applicant needs to occupy that property and not a similar property at a more affordable rent.

39. The examples given above have been given as some of the more common reasons, and should not preclude cases that do not fall into any of these categories. Each application will be judged on the individual circumstances of the case.