



**BOSTON**  
BOROUGH COUNCIL

**DISCRETIONARY HOUSING  
PAYMENT**

**POLICY**

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EFFECTIVE FROM 1<sup>ST</sup> APRIL 2021

## **DISCRETIONARY HOUSING PAYMENT POLICY**

### **What are Discretionary Housing Payments?**

A Discretionary Housing Payment (DHP) is an additional financial award made by the Local Authority to assist you in meeting your housing costs.

They are payable to people who are already in receipt of Housing Benefit or the Housing Element of Universal Credit, where the full amount of rent is not being met.

These payments are not awards of benefit and are paid from a separate fund provided by the Government. This money is limited and once spent the Local Authority are unable to make any further payments. For this reason the Local Authority must carefully consider each claim to ensure that the fund is used only for the cases deemed most appropriate and remains available throughout the year for those in genuine financial need.

### **Purpose of the scheme**

- Tenancy sustainment and prevention of homelessness
- Encourage and support people into employment
- Alleviate poverty
- Support the vulnerable in the local community
- Help those who are trying to help themselves
- To provide financial assistance for a short period of time due to personal crises and difficult events or where circumstances have changed due to unforeseen events
- Help to transitionally protect those who are impacted by Welfare Reform changes.

The DHP scheme is essentially a short-term financial support mechanism to allow a longer term solution to be considered and put in place.

### **What are the criteria for the award?**

You must be:

- in receipt of
  - Housing Benefit, or
  - The Housing Element of Universal Credit,

and

- have a liability to pay rent

and

- require further assistance with housing costs
- be able to demonstrate that you have tried to negotiate a reduction in rent with your landlord
- be actively attempting to improve your financial situation by seeking support to manage your income and expenditure through personal budgeting

## **Types of housing costs DHP can cover**

- Rent deposits and rent in advance to assist with moving to more affordable alternative accommodation.
- lump sum costs associated with a housing need such as removal costs to assist with moving to more affordable alternative accommodation
- reductions in Housing Benefit or the Housing Element of Universal Credit where the benefit cap has been applied
- reductions in Housing Benefit or the Housing Element of Universal Credit for under-occupation in the social rented sector
- reductions in Housing Benefit or the Housing Element of Universal Credit as a result of Local Housing Allowance restrictions
- rent officer restrictions such as local reference rent or shared room rate
- non-dependant deductions
- income tapers

## **Rent deposits and rent in advance**

This can be awarded for a property you have yet to move into providing you are already receiving Housing Benefit or the Housing Element of Universal Credit at your present home. Whilst the DHP scheme allows for such payments to be made, the Local Authority also has a Rent Assist Scheme administered by the Housing Section and you should seek to utilise this facility in the first instance. DHP's for rent in advance will only be awarded in order to secure a tenancy. Housing Benefit will not be paid to cover any period already covered by a DHP.

## **What DHP cannot cover**

Below is a list of examples where DHPs would not be paid to help with your housing costs

- Where the full rent is not being covered by Housing Benefit or Housing Element of Universal Credit because ineligible service costs are included in your rent
- increases in rent due to outstanding rent arrears
- certain sanctions and reductions in benefit
- You cannot receive DHP for help with Council Tax
- If you could afford the rent by prioritising your housing costs
- If you could reduce the hardship by moving to a property where Housing Benefit or the Housing Element of Universal Credit would meet all the rent
- If you knew that Housing Benefit/Housing Element would not meet the rent before you moved in.

## **Amount and duration of DHP**

Both the amount and the duration of the award will be at the discretion of the Local Authority and will be done so in accordance with the qualifying criteria and the available funds.

In the case of a DHP awarded for a rent shortfall, when added to the Housing Benefit or Housing Element of Universal Credit the combined amount cannot exceed the actual rental liability amount.

The start date of an award will normally be the Monday after the claim for the DHP is received. If you have requested that your DHP is backdated this will be considered at the time of making the DHP decision as long as all relevant information has been provided.

### **The claims process**

The regulations require that there must be a claim for DHP before the Local Authority can consider making an award.

If you wish to apply for a DHP please contact the Benefits Helpline on 01205 314202 or visit one of our customer access points to request an application form.

### **Duties of the customer**

When claiming a DHP you must:

- give the Local Authority any information it needs to make a decision
- tell the Local Authority of any changes in circumstance that you are expecting during the period of any potential award of DHP which may affect the amount granted
- give the Local Authority any other information it may need in connection with the award for a DHP.

### **Awarding a DHP**

When deciding whether to award a DHP, the following will be considered:

- the shortfall between your Housing Benefit or Housing Element of Universal Credit and the actual rent you are charged
- whether you have an alternative payment arrangement in place if you are in receipt of Universal Credit
- any steps you have taken to reduce the rent you pay
- the financial and medical circumstances of you, your partner if you have one and any other household members
- the income and expenditure of you, your partner if you have one and any other household members
- any savings or capital held by you, your partner if you have one and any other household members
- the nature of your and your family's circumstances
- the amount available in the DHP fund at the time of your application
- any other special circumstances that you have brought to the attention of the Benefits Service

Each claim will be treated strictly on its own merits and will recognise individual circumstances.

Where it is apparent that you are not claiming another State Benefit that you may be entitled to, you will be advised to make a claim in order to maximise your income. We may also signpost you to Personal Budgeting Support if it is felt to be in your financial interest.

### **Notifying the decision**

When a person claims a DHP, the Local Authority must advise that person of the DHP decision in writing and with reasons as soon as reasonably practicable.

Where the DHP claim has been successful, the notification will include:

- the weekly amount of DHP awarded or the value of the lump sum where applicable
- the period of the award
- how, when and to whom the award will be paid
- the requirement on the claimant to report any change in circumstances
- circumstances in which you might re-apply
- the review process

An award of a DHP does not guarantee that a further award will be made at a later date even if your circumstances have not changed.

The decision will also include details of how the DHP has been calculated.

### **Payments of DHPs**

Payment of an award of DHP for a shortfall in your rent will be made at the same time as a payment of Housing Benefit.

If you are in receipt of Universal Credit, the payment will be made separately from your Universal Credit payments and the date may be different. Letters detailing your award will tell you when these payments will be made.

A DHP can be paid to you, your landlord, an agent or an appointee.

### **Overpaid DHP**

If you fail to tell us of a change of circumstances that affects your award and are subsequently overpaid a DHP you will be required to repay this back. An invoice will be issued for repayment. The Local Authority cannot recover overpaid DHP from your Housing Benefit entitlement and so it is important that you contact us to make arrangements to pay.

If you do not agree with the DHP overpayment you have the right to dispute the decision. You must state, in writing, why you do not agree with the decision to recover the overpaid DHP within one calendar month of the notification of the overpaid DHP.

### **Disputing a decision**

There is no right of appeal to The Tribunal Service regarding a DHP decision as an award of a DHP is not a payment of Housing Benefit or Universal Credit.

If you do not agree with the DHP decision you can ask the Local Authority to look at the decision again. You must state, in writing, why you do not agree with the decision and provide any relevant evidence. Your request for a review must be received within one calendar month of the date of the notification of the original decision.

### **Reviewing the decision**

Another officer, other than the original decision maker, will consider your request for a review. The original application and any additional information will be taken into account.

You will be notified of the outcome of the review in writing as soon as reasonably practical. This will advise you if the review has been successful or not and the reason for the decision.

If you remain dissatisfied with the decision, whilst there is no right of appeal, the decision can be reviewed again by a senior member of the team. The decision will be notified in writing and will detail the reasons for the decision. This decision will be final and binding and may only be challenged through the Council's complaints process or via the judicial review process.

### **Equalities Impact Assessment**

An Equalities Impact Assessment has been conducted on this policy. This has revealed no differential treatment or customer access issues that need to be addressed.

This policy is available in large print, other languages and Braille, upon request.