

Discretionary Housing Payments: General Guidance

1. Purpose

The purpose of this document is to provide general guidance on Discretionary Housing Payments and to highlight considerations that may apply when determining who may qualify.

2. Background

Discretionary Housing Payments (DHP) are administered by Councils and are paid to customers who are in receipt of, or may be entitled to, Housing Benefit and where there is a shortfall between the level of Housing Benefit and the amount of rent charged.

From April 2013 councils are no longer permitted to use DHP to meet the costs of Council Tax; this is consequential from the abolition of Council Tax Benefit and replacement with localised schemes.

Discretionary Housing Payments are typically provided on a temporary basis to help tenants over a difficult period or to find alternative accommodation.

The Government provides an annual Discretionary Housing Payment contribution to each Council. Councils can use local funds to top up this contribution up to a maximum of 250% of the Government allocation. Historically West Lancashire Borough Council has not added to the government funding.

To support Welfare Reform changes the Government has significantly increased its Discretionary Housing Payments contributions to Councils for 2013/2014. West Lancashire's Government contribution for 2013/2014 is £158,909 (rising from £67,649 in 2012/2013).

The government's additional contribution recognises that Councils may wish to provide additional help to some customers affected by welfare reform including the social sector size criteria which is effective from April 2013 and the 'benefit cap' which is effective from 15th July 2013.

3. The Under Occupation Penalty

Restrictions on housing benefit for claimants in social sector tenancies have taken effect from April 2013. These affect working age customers living in accommodation that is deemed to be too large for their needs. The following size criteria reductions in Housing Benefit apply:

- 14% where there is one bedroom more than required
- 25% where there are two or more bedrooms more than required.

Around 1,300 households are affected in West Lancashire. The bulk of these (circa 1,200) are Council tenants.

In applying the restrictions, Councils have to determine the number of bedrooms required by the claimant and their family. This is done using a fixed national formula known as 'size criteria'. The size criteria calculation allows one bedroom for each person or couple living as part of the household with the following exceptions:

- Children under 16 of the same gender are expected to share a bedroom;
- Children under 10 are expected to share a bedroom regardless of gender;
- A disabled tenant or partner who needs a non-resident overnight carer is allowed an extra room.

There are some exemptions including:

- 'Exempt' supported accommodation; this includes accommodation where a significant degree of care, support and supervision is provided by the landlord on a non-profit making basis;
- Shared ownership properties and sheltered housing;
- Mooring charges and mobile home or caravan site rents ;
- Temporary accommodation including Council homelessness hostels.

Appendix 1

In March of 2013 the government introduced additional exemptions. These relate to customers who require a room for a child to be fostered. The second exemption relates to a room which is retained for an adult child who is member of armed forces personnel serving elsewhere.

The DWP has recently confirmed in an 'urgent information bulletin' that an additional bedroom may be allowed for children with a severe disability. This is not a change to the legislation but has been established through recent case law.

The DWP guidance states:

' When a claimant says that their children are unable to share a bedroom, it will be for LAs to satisfy themselves that this is the case, for example, a claim is likely to be supported by medical evidence and many children are likely to be in receipt of Disability Living Allowance (DLA) for their medical condition. In addition LAs must consider not only the nature and severity of the disability, but also the nature and frequency of care required during the night, and the extent and regularity of the disturbance to the sleep of the child who would normally be required to share the bedroom. In all cases this will come down to a matter of judgement on facts of each individual case.

It should be noted that the judgment does not provide for an extra bedroom in other circumstances, for example, where the claimant is one of a couple who is unable to share a bedroom or where an extra room is required for equipment connected with their disability.'

4. General Guidance

All Discretionary Housing Payment applications must be assessed on individual and household circumstances and take account of levels of income and benefit received.

Each application is considered on a range of criteria including:

- How much is the rental liability?
- What is the Housing Benefit entitlement?
- What is the shortfall between the liability and the award?
- Has the property been adapted?
- What is the household composition?
- Does the customer have any available income?
- Any relevant imminent changes of circumstance.
- Is the customer vulnerable?
- Does any member of the household have relevant medical issues?
- Are there any specific needs or expenses associated with disability?
- Are there any particular needs associated with children or other caring responsibilities?
- Is the customer in rent arrears?

5. Exclusions

There are a number of exclusions that are not covered by Discretionary Housing Payments including:

- Council Tax
- Ineligible service charges (these are charges which Housing Benefit cannot legally support)
- Increases in rent due to outstanding rent arrears
- Certain sanctions and reductions in benefit (this might relate, for example, to a sanction applied by the Department of Work Pensions in relation to seeking employment or a counter fraud punishment).

6. Factors for Consideration

It is clear that assistance cannot be provided for every customer who has had a reduction in benefit. Nor can any general guidance cover every set of circumstances.

It is also clear that as the fund is cash-limited that the priority for awards will be affected by the volume of demand.

In most instances a DHP would provide a temporary solution to enable customers to meet a particular need or overcome a difficult period. There may be longer-term DHPs but all awards must be awarded for a fixed period to be reviewed periodically, based upon prevailing demand and the available funding and remaining budget.

However, certain vulnerable groups can be prioritised for awards and factors that could be considered in determining need and priority would include:

- Whether anybody in the household has particular needs associated with disability or ill-health
- Whether the accommodation has been adapted because of a disability
- Whether anybody in the household has a caring responsibility and consequential accommodation needs
- Whether the household needs specific accommodation due to fostering
- Whether anybody in the household has a relevant medical need
- Whether there is a young child in the household attending school
- Whether it is possible or practical for the claimant to look for alternative accommodation.