

EK SERVICES POLICIES AND PROCEDURES

DISCRETIONARY HOUSING PAYMENTS POLICY

Canterbury City Council, Dover District Council and Thanet District Council have entered into a shared service agreement to allow joint working in the Customer Services, ICT, Benefits, Council Tax and Business Rates sections.

Where 'EK Services' and 'EKS' are mentioned this refers to the shared service between Canterbury City Council, Dover District Council and Thanet District Council.

Where references are made to 'EK Services Officers' these services are now being delivered by Civica UK Limited. Civica UK Limited provides benefit services, income collection services, council tax and business rates administration and collection services and customer contact services to the Council.

Contents

- 1.0 Introduction and Purpose of policy document
- 2.0 Statement of Objectives
- 3.0 Claiming DHP
- 4.0 Eligible Groups
- 5.0 Relevant Time for Claiming
- 6.0 Decision Making
- 7.0 Period of Payment
- 8.0 Amount of Payment
- 9.0 Method of Payment
- 10.0 Overpayments of DHP
- 11.0 Publicity
- 12.0 Disputes and Appeals
- 13.0 Fraud
- 14.0 Equalities Statement
- 15.0 Policy review

Appendix A –

Examples of the claimant groups identified as those that are most likely to require assistance and the circumstances in which an award may be considered.

Appendix B –

DWP Discretionary Housing Payment Grant Allocation 2018/19

1.0 Introduction and Purpose of policy document

The Discretionary Financial Assistance Regulations 2001 were introduced on 2 July 2001.

These Regulations provide local authorities with a power to make discretionary payments to those Housing Benefit (HB) and Universal Credit Housing Element recipients that EK Services determines to be in need of further financial assistance. Following the abolition of Council Tax Benefit, Discretionary Housing Payment awards cannot be made to assist Council Tax payers in meeting their Council Tax liability.

Each local authority is given a sum of money each year from which to make these payments. These payments are not payments of Housing Benefit, are not part of a person's entitlement to that benefit, and any payments made under this scheme do not attract government subsidy.

The amount of money given to each Council must be viewed in the context of the total amount of Housing Benefit reductions due to national legislation happening in the local area.

As these payments are not payments of Housing Benefit, the Department for Work & Pensions (DWP) have left the local policy and operation of the scheme to local authorities. This means that decisions relating to how the scheme will be operated are made by EK Services (EKS) on behalf of the three participating local authorities, Canterbury City Council (CCC), Dover District Council (DDC) and Thanet District Council (TDC). (The grant award for each council is shown in Appendix B.)

This policy has been developed in partnership with Canterbury City Council, Dover District Council and Thanet District Council to provide a consistent policy statement. Each client council has incorporated into this policy its own aims and objectives based on experience of administering the scheme in their areas and maximising the effectiveness of DHP budgets. Where specific need arises or other circumstances dictate a change of priority, each authority may instruct EKS to target specific client groups. Each council reserves the right to adjust the way the policy operates at any time, in all aspects, in the light of experience, and prevailing economic climate. The policy will also be subject to annual review in line with budget changes.

EKS operates this policy taking into consideration the DWP's Discretionary Housing Payments: Best Practice Guide, and any emerging case law.

The client councils and EKS recognise the financial impact Welfare Reform will have on claimants and this has been considered in developing this policy. However it is not the purpose of DHPs or this policy to circumvent government policy. EKS's aim in operating this policy is to offer financial assistance to HB recipients where there is a genuine need, subject to the available funding.

2.0 Statement of Objectives

It is the intention of each council that the DHP budget is targeted towards those claimants that have the greatest need, the core objectives are:-

- Preventing homelessness,
- Keeping families together,
- Supporting the vulnerable and elderly in sustaining tenancies,
- Enabling people to secure new affordable tenancies,
- Providing financial help for people in short-term difficulty, and
- Incentivising people into and maintaining work

Appendix A gives examples of the claimant groups identified as those that are most likely to require assistance and the circumstances in which an award **may** be considered. The list of examples is not exhaustive and does not imply an award will be made in all cases that satisfy the example criteria.

To help manage the risk of demand outstripping the financial sums available awards will typically be short term in order to help as many people as possible and to carefully monitor the budget during the year.

It is not the aim of this policy to support people taking on expensive properties or properties larger than they need. Tenants are expected to make necessary enquiries about their eligibility to housing benefit and the amount they are likely to receive before committing to a liability they are unable to meet from their own finances.

The policy objective is to provide short term help and payment of DHP will normally only be considered for up to 26 weeks, often significantly less. The actual length of

award will be decided on an individual case basis. The intention behind this is to allow the claimant time to seek alternative accommodation, or make the necessary financial adjustments in order to retain the current accommodation. Awards may be made on a conditional basis with a requirement for the claimant to take specific action or seek third party advice, for example claimants whose financial difficulty is debt related may be required to seek independent debt advice. Awards may be stopped or reduced where the claimant does not take recommended actions.

It is recommended that all claimants seek further independent guidance from the Citizens Advice Bureau or other appropriate agency.

Rent in advance and deposit is a significant cost to those moving home and EKS will assist applicants through the DHP scheme where it will assist the applicant secure long term, affordable accommodation where there is a significant risk of homelessness or on-going financial hardship. EKS must be satisfied that there is a genuine reason to move and that the claimant is unable to meet these costs through other means.

Because of the high monetary value of rent in advance/deposit awards and large number of applicants it is recognised that there will be a significant demand on the DHP budget. Awards will be limited to those applicants in priority need where the proposed rent is at or very close to the Local Housing Allowance rate appropriate to the applicant's circumstances. Awards will not normally be made where rent in advance or deposit required exceeds an amount equivalent to 4 weeks or one month's rent (dependant on period of rental liability). The intention is to ensure properties continue to be affordable if the applicant's circumstances change and also that these payments do not take a disproportionate amount of the budget. This will ensure that EKS can assist the largest number of applicants through the DHP scheme. EKS will not normally make more than one DHP award for rent in advance/deposit to a household in any 18 month period.

Each council reserves the right for the geographic distribution of awards to be uneven across the district to help assist with other council objectives.

3.0 Claiming DHP

EKS has decided that a claim for DHP must be in writing. Anyone enquiring about a DHP (either by phone or other correspondence) will be asked to complete a DHP claim form. The purpose of this is to gather enough information to enable an officer to make a decision on the claim. This form will incorporate a standard income and expenditure sheet that has been designed to ensure consistency of information and evidence gathering on financial matters, and decision-making across the council. If any additional information is needed this will be requested, by the most effective method, shortly after the claim form arrives.

Applicants requesting assistance with rent in advance/deposit will be asked to complete a separate application form and will be required to provide evidence from the prospective landlord regarding the amount of rent in advance and deposit required in addition to the amount of the ongoing rent liability.

4.0 Eligible Groups

Claims for DHP will be encouraged from all claimants experiencing financial hardship. Under the DHP scheme council tenants, Registered Social Landlord tenants and tenants living in privately rented accommodation are eligible to apply for assistance. It is an aim of this policy to ensure that all claimants are able to access this fund if they need to. In addition, in order for any DHP payments to be made, there must be entitlement to HB for the period for which DHP is being considered.

Rent in advance/deposit - Applicants intending to move into the area who are already in receipt of Housing Benefit will be expected to make an application for DHP to the authority from which they are moving.

5.0 Relevant Time for Claiming

DHP should be claimed by tenants as soon as they realise that they require financial assistance to meet their housing costs. DHP will normally be awarded from the date of the application. It may, however, be possible to claim backdated payments of DHP – but only at the discretion of the officer making the decision.

Applications for assistance with rent in advance/deposit should be made at the earliest opportunity and must be made prior to commencement of the tenancy.

6.0 Decision Making

EKS aim to deal with all applications for DHP within 14 days of the claim form and all accompanying information being received. If we need to have further information we will seek this from the claimant by the most efficient means. EKS will ensure that the process for making decisions is the same for all applications. Decisions will be made by the Appeals Officers in the first instance. Claimants will be notified of the outcome in writing. If the decision is a negative one, we will provide the claimant with clear advice as to how they can dispute the decision. This advice will be given on all DHP decision letters we send. Details of all income and expenditure are requested from the applicant so that we can carry out a full financial assessment to see how much (if any) surplus income the claimant possesses. A record of this assessment will be recorded on the claim file.

7.0 Period of Payment

Each case will be considered on its own merits. In some situations, a short-term award may be appropriate (for example, if a claimant is due to start a seasonal job in the next month). In other cases, the award period may be longer term (for example, if the applicant is permanently disabled and their circumstances are unlikely to change in the near future). The period of the award is at the discretion of the Appeals Officer. DHP should not be regarded as a permanent source of income, it is intended to alleviate immediate financial hardship, and to offer claimants a period of financial stability so that they may make changes in their personal circumstances to help themselves financially. For this reason, all awards of DHP will have an end date attached to them. Claimants are advised of this end date in their DHP decision notice. EKS will work closely with the Councils' Housing Options Service to inform them when awards are due to end so other proactive assistance and advice can be given to prevent rent arrears and homelessness.

8.0 Amount of Payment

Each case will be considered on its own merits. The level of award depends on the claimant's financial situation and the circumstances of each case. The granting or amount of, an award will reflect the likelihood of achieving the policy objectives. Awards of DHP will be made with the actual HB award but will be identified separately on any notification letters. DHPs cannot be used to cover any deductions for ineligible services (for example; water rates, electricity, etc.) on a HB claim, or to compensate for any sanctions imposed on the claimants' benefits, including DWP benefits.

DHP awards will not be considered for agent's administration or referencing fees.

9.0 Method of Payment

Payments of DHPs will be paid in addition to 'normal' HB and the payment method for DHPs will reflect the existing method of payment for that particular case. DHPs will be paid by the most appropriate means available in each case.

Payment of DHP awarded for rent in advance or rent deposit will normally be made direct to the landlord or agent.

EKS may decide to change the Housing Benefit payee to the Landlord, based on the information provided in the application for DHP, where it is in the claimants' best interest to do so.

10.0 Overpayments of DHP

As DHPs are not actual payments of HB, local authorities cannot recover any overpaid DHP from a claimant's ongoing HB entitlement. Where DHP is found to have been overpaid, the recipient will be sent an invoice. Further recovery action will be taken as appropriate if the amount remains unpaid. EKS may decide not to recover an overpayment where there are extenuating circumstances.

11.0 Publicity

A leaflet specifically relating to DHPs has been designed and is available at each of the council offices. This leaflet and the DHP claim form are also available on each of the council's websites. All staff are aware of the scheme and are encouraged to proactively advise people to claim these payments if they are clearly in need of further financial assistance.

12.0 Disputes and Appeals

Anyone appealing against a decision relating to a DHP must do so within one calendar month of the decision being made. This will be made clear on the decision letter being issued to the claimant. This time limit can only be extended if there are special circumstances which prevented the claimant from appealing on time.

Appeals will be passed to the Quality Team Leader. If the decision is not changed and the claimant remains dissatisfied with the outcome of the appeal, the only recourse is Judicial Review. Claimants cannot appeal to The Tribunals Service against decisions relating to DHPs.

13.0 Fraud

It is acknowledged that most applications for DHP are genuine; however some applications are made with the deliberate intention to obtain money to which the applicant is not entitled.

The application for DHP should be a true representation of the applicant's circumstances. It is an offence to misrepresent or fail to disclose relevant information in an application for Discretionary Housing Payment.

Where facts are misrepresented or where there is a failure to disclose relevant information EKS will investigate and may consider legal action.

This policy is available in large print and braille upon request.

14.0 Equalities Statement

EK Services are committed to delivering a service that is accessible and fair to all of the communities that we serve. We will ensure that all people are treated with respect and dignity.

The Equality Act 2010 sets us an “Equality Duty” to:

1. eliminate discrimination, harassment and victimisation;
2. promote equality of opportunity between different groups in the community; and
3. foster good relations within the local community

We give careful consideration to equality issues in our new and existing policies, strategies and services to see what effect they will have on different groups within our communities, including those with protected characteristics.

The protected characteristics covered by the Equality Duty are:

- age;
- disability;
- marriage and civil partnership (but only in respect of eliminating unlawful discrimination);
- pregnancy and maternity;
- gender reassignment;
- race – this includes ethnic or national origins, colour or nationality;
- religion or belief – this includes lack of belief;
- sex (gender);
- sexual orientation.

We also recognise that socio-economic status can be a significant barrier to equality of opportunity.

We identify potential consequences for these groups and ensure any negative impacts are eliminated or reduced. We also identify opportunities to eliminate discrimination and promote positive relations between groups and throughout our communities.

15.0 Policy Review

This policy will be reviewed on an annual basis and when changes dictate in order to ensure it remains valid, effective and relevant.

Appendix A - Examples of the claimant groups identified as those that are most likely to require assistance and the circumstances in which an award may be considered

It should be remembered that the allocations of Discretionary Housing Payment only represent a small percentage of the overall reductions to Housing Benefit caused by national legislation. Even if a person falls within one of the following groups there is no guarantee of a payment being made and, even if an award is made, it is very likely to be for a short period to ensure that the scheme remains flexible to meet the greatest need.

- Claimants who could afford their property based on the LHA rate when they took on the tenancy, but have now had their Housing Benefit reduced due to the changes in legislation.
- Claimants with an imminent threat of homelessness, priority will be given to those applicants who are supported by the Council's Housing Options Team or another agency. Each case will be considered on its own merits and an award will only be made where it removes the immediate threat of homelessness and enables the claimant to secure long term affordable accommodation.
- Claimants who have received '13 week protection' because they could previously afford their rent. It is recognised that this client group is likely to suffer financial hardship when the 13 week protection ends. These claimants will be invited to apply for a DHP and subject to their circumstances may be awarded DHP to immediately follow the end of the protection period. The maximum award under this approach should be 13 weeks, which would give the customer a total of 26 weeks 'protection' in terms of how long their full contractual rent liability is met. It is intended that this extended protection will help them seek and obtain increased financial independence.
- Claimants moving from Income Support, Employment and Support Allowance or Jobseekers Allowance into employment who require short term financial assistance to make the transition into employment. Awards in these circumstances are unlikely to exceed four weeks.

- Claimants who require an extra bedroom, or bedrooms, for 'visiting' children where there is shared custody and it is part of an official order that the child stays for an average of three or more days per week.
- Claimants who require larger accommodation due to disability or whose accommodation has been specifically adapted to meet disablement need. Where an extra bedroom is required because of the health needs of a member of the household.
- Claimants who are experiencing financial hardship because of a delay in the processing of their Personal Independence Payment application where an award of PIP would lead to higher Housing Benefit entitlement.
- Claimants under the age of 35, whose HB is restricted due to the 'single room rent' restriction, or is a 'young individual' under the Local Housing Allowance scheme. Awards will be prioritised to applicants who will reach their 35th birthday in the near future or whose circumstances will change within three months such that the Shared Accommodation Rate of LHA will no longer apply.
- Claimants who move to a property larger than their current LHA size category in preparation for a future change in circumstances. DHP awards will normally be limited to a period of up to three months prior to the date of the predicted change of circumstances. DHP awards will not help meet rents above the future LHA level.
- Claimants who are experiencing financial hardship because their Housing Benefit is restricted as a result of the Social Housing Size Criteria.

Priority will be given to applicants :

- who require larger accommodation due to disability or whose accommodation has been specifically adapted to meet disablement need, or

whose circumstances will change within 12 months such that the size criteria will no longer apply. It is expected that other social housing tenants affected by the size criteria requesting assistance through Discretionary Housing Payment will be engaged with their housing provider in order to move to appropriately sized accommodation.

- Claimants who have a rent shortfall and require financial assistance to meet their housing costs as a result of the introduction of Council Tax Support. It is recognised that changes to Council Tax will place a new financial burden on households. Where claimants require assistance to meet their rent as a result of

these changes a short term award will be considered. Applicants will be expected to make necessary adjustments to their household budget to meet their financial commitments in the long term. No assistance can be given to pay Council Tax.

Appendix B - DWP Discretionary Housing Payment Grant Allocation 2018/19

DWP Circular S1/2018 details the Grant Allocation.

Canterbury City Council

For the financial year 2018/19 , the DWP grant to Canterbury City Council (CCC) is £252,547 . The council can spend more than this sum but it will have to fund extra awards itself. However, the absolute maximum that can be spent on the scheme in 2018/19 is £631,366 . DWP Circular S1/2018 refers. CCC aims to spend its whole grant during the year.

Dover District Council

For the financial year 2018/19 , the DWP grant to Dover District Council (DDC) is £246,292 . The council can spend more than this sum but it will have to fund extra awards itself. However, the absolute maximum that can be spent on the scheme in 2018/19 is £615,730 . DWP Circular S1/2018 refers. DDC aims to spend its whole grant during the year.

Thanet District Council

For the financial year 2018/19 , the DWP grant to Thanet District Council (TDC) is £437,080 . The council can spend more than this sum but it will have to fund extra awards itself. However, the absolute maximum that can be spent on the scheme in 2018/19 is £1,092,700 . DWP Circular S1/2018 refers. TDC aims to spend its whole grant during the year.