

## **Richmond Council's Discretionary Housing Payment Policy**

### **Circumstances in which Discretionary Housing Payments may be made**

Claimants in receipt of Housing Benefit or Universal Credit payments in respect of their rent may be entitled to a Discretionary Housing Payment (DHP) where:

- There is a shortfall in the amount of benefit they receive and the amount they have to pay in rent; and
- It appears to the authority that they require some further assistance (in addition to the benefits to which they are entitled) in order to meet housing costs.

### **Criteria for deciding if a customer needs further assistance with housing costs**

A claimant will be considered in need of further assistance where it is clear that they are unable to meet the shortfall in their housing costs without this causing them or a member of their family, hardship.

#### **Hardship**

The following circumstances will be considered as causing hardship.

- Where there is a substantial risk that the claimant will be unable to buy essential items, like food, clothes and heating, for a substantial length of time.
- Where there is clear evidence that the claimant is likely to lose their home and there is no suitable alternative accommodation.
- Where the claimant is unable to maintain special care needed to alleviate a medical condition or illness (this condition/illness may relate to the claimant, or to a member of their family).

### **Claimants most likely to suffer hardship as a result of a shortfall in benefit**

The following groups are most likely to suffer hardship as a result of a shortfall in their benefit. These claimants will be considered more favourably when awarding DHPs.

- Claimants who are responsible for a child or young person where that child or young person is likely to suffer hardship.
- Single pregnant women or members of a couple where the woman is pregnant – where that woman is likely to suffer hardship.
- Claimants eligible for a disability premium in the award of their housing benefit or a disability element in the award of their Universal Credit.
- Claimants with a medical condition where that condition is likely to get significantly worse if they have to move home (or where these circumstances apply to a member of their family).
- Claimants (or their partners) who spend a significant part of their week caring for a person where the person providing the care will not be able to continue caring.

Older claimants who are maintaining an independent lifestyle, where their quality of life or independence is likely to be significantly affected.

- Claimants who have entered into a rental agreement and who are then adversely affected by changes to the Housing Benefits rules.

### **Claimants Financial Circumstances**

Claimants will not be considered to be suffering hardship as a result of the shortfall in their Housing Benefit or Universal Credit if they have any other income or assets that are sufficient to meet the shortfall. Other income or assets might include:

- income or capital disregarded in the benefit claim
- other disposable assets
- the income of non-dependants or other householders which could help meet the shortfall

Claimants will be asked to provide details of their income and outgoings to assess the extent of their financial hardship.

### **Claimants Choice of Accommodation**

Claimants will not be considered to be suffering hardship as a result of the shortfall in their benefit if their choice of accommodation is considered inappropriate. The following factors will be taken into account:

- the availability of cheaper, suitable accommodation elsewhere
- whether the claimant has larger accommodation than they need
- whether the claimant made reasonable efforts to find cheaper accommodation before moving into the property
- any pressures on the claimants that restricted the time available to find suitable accommodation.

For cases where the rent is restricted, we will also consider;

- whether the tenant asked for advice on market rent levels before taking up the tenancy
- any advice given to the tenant about a possible shortfall
- whether the tenant can demonstrate that attempts have been made to negotiate a lower rent with the landlord where this is considered feasible
- what steps the tenant has taken to meet the shortfall themselves such as finding work or increasing hours worked, taking in a lodger or asking family for help

There may be cases where the claimant's accommodation is considered inappropriate but immediate hardship is evident. In these cases, we will consider paying a DHP for a limited time, to give the claimant the opportunity to look for cheaper suitable

accommodation. Claimants will be expected to provide evidence that they are taking steps to find more suitable accommodation.

### **Funding**

A DHP will not be awarded if there are insufficient funds available. The Department of Work and Pensions has set a maximum limit for each financial year.

A DHP may not be awarded if it appears likely that by awarding the payment, funds will not be available to more deserving claimants later in the financial year.

### **Time limits**

Time limits for paying DHPs are as follows:

- DHP's are initially awarded for up to a maximum period of 6 months and then reviewed.
- On review a DHP may then be extended for up to a maximum of a further 6 months. After 12 months the DHP will end.
- People who have received a DHP for twelve months will not be considered for a further payment unless there are **wholly exceptional** circumstances that mean this is necessary. In these cases, a further award may be made but in making this decision we will take into account the total DHP already awarded to this claimant.
- Where more than one claim from the same claimant or household is received the awards should be added together to determine the total length of time unless the gap between awards exceeds six months.

### **Appeals**

DHPs are not benefit payments so there is no formal right of appeal if a claimant is unhappy with a decision.

Richmond Council has set up the following decision making process to ensure all decisions made are reasonable:

- Initial decisions on DHPs will be made by the DHP Officer in the Revenues & Benefits Team with reference to this Policy. If a claimant is unhappy with the decision they will then have the right to request a review of the decision.
- Following a request for a review, a Senior Manager will reconsider the case to see if there are any grounds for changing the initial decision with reference to this Policy. If there are no grounds, the claimant will then have the right to request a second review of the decision. This will go to another Senior Manger for a final decision made with reference to this Policy.

- Where the decision made does not resolve the claimant's appeal the written notification will advise them where they can go for further help, i.e. local Councillor, MP or the Local Government Ombudsman.

**The Department for Work and Pensions DHP Guidance & Good Practice Guide May 2022 is available on the following link:**

[www.gov.uk/government/publications/discretionary-housing-payments-guidance-manual/discretionary-housing-payments-guidance-manual](https://www.gov.uk/government/publications/discretionary-housing-payments-guidance-manual/discretionary-housing-payments-guidance-manual)