

Oxford City Council's Discretionary Housing Payment Policy

1. Aims

- 1.1. The overarching objective of this policy is to distribute funding granted under the Discretionary Housing Payment scheme (DHP) in order to prevent homelessness. This will be achieved by providing short term relief to applicants in order to give them time to find more sustainable solutions to their financial arrangements. The policy is also intended to support people who have little scope to change their personal circumstances. Funding provided by this policy is only intended to be used to cover housing costs.
- 1.2. Demand for support through awards of DHP remains high as a result of multiple welfare reforms implemented in recent years, such as the under occupancy criteria in the social sector, the Benefit Cap, and the freeze of Local Housing Allowance rates, plus the continued rise in private sector rents in the city. Furthermore 2018/19 will see a reduction in government funding to the DHP fund. In addition to the overarching objective of the policy outlined in 1.1, the policy also aims to:
 - alleviate child poverty and keep families together
 - support vulnerable young people in the transition to adult life, including young people leaving care; and
 - support the vulnerable in the local community
 - support the transition into work, particularly for people at risk of homelessness and those moving on from hostel accommodation
 - support the aims of the Financial Inclusion Strategy

2. Determination of Applications

- 2.1. Applications for DHP awards must be made on the form shown at Appendix 1A. The Welfare Reform Team will consider all applications for DHP on their individual merit.
- 2.2. In order to be considered for an award of Discretionary Housing Payment applicants must either be entitled to Housing Benefit or the Housing Element of Universal Credit. The exception to this is for customers on Universal Credit moving into temporary accommodation, or specified accommodation, and as a result have a period of no entitlement to either benefits, when they can then be considered for DHP for the period of underlying entitlement.
- 2.3. DHP's can not be awarded in the following circumstances:
 - To top up an award made under the Council Tax Reduction Scheme¹.
 - To contribute to the cost of ineligible service charges
 - To assist in paying for rent increases imposed as a result of incurring rent arrears
 - To assist in paying for rent costs arising from the suspension of a Housing Benefit or Universal Credit claim
 - To assist in paying for rent costs which arise from the imposition of sanctions or reductions in Housing Benefit or Universal Credit. These include any reduction made

¹ Section 13A of the Local Government Finance Act 1992 provides for Local Authorities to make reductions in the amount of Council Tax owed by an individual.

as a result of not complying with work related conditionality, or deductions to recover benefit overpayments, or in arranging maintenance as directed by the Child Support Agency, or breaching a community service order.

- To cover the rent for the initial period between making a claim for Universal Credit and having Universal Credit entitlement confirmed

2.4. It is not intended to award DHP in the following circumstances, unless to do so would strongly support the policy objectives outlined above:

- Assistance with moving costs, rent in advance, and deposits (unless moving to more affordable accommodation)
- Shortfalls caused by a non-dependent deduction or housing cost contribution.
- Where Capital in excess of £6,000 is held for people of working age, or £10,000 for those of pensionable age
- Where the tenancy was not affordable when it was taken on.
- Where the rent charged is of such an amount that the tenancy would still be unsustainable even if realistic steps to improve the household situation were achieved
- Where an applicant has multiple outstanding debts, and has no plans to seek professional debt advice, or to deal with the debt
- Where there is affordable and suitable available alternative accommodation.
- Where applicants are not prepared to take steps to reduce or remove their need for DHP, and/or state the period of time they require the DHP
- Where multiple family units or households are living in one property, and another household could be expected to make additional contributions to the rent
- Where fraud has been admitted or proven in relation to claims for Housing Benefit, Universal Credit, Council Tax Benefit, Council Tax Reduction Scheme or Discretionary Housing Payments
- To cover the reduction to Universal Credit awards due to the imposition of third party debt deductions

2.5 In deciding whether to award a DHP, consideration will be given to:

- how the award will meet the policy objectives, with priority being given to:
 - applicants who have limited scope to change their circumstances (e.g. a disabled applicant affected by the under-occupancy rules who has had adaptations made to their property)
- the shortfall between Housing Benefit/ Housing Element of Universal Credit and the rental liability
- any steps taken by the applicant to reduce their rental liability;
- any steps taken by the applicant to find work, or increase their hours of work
- the financial and medical circumstances (including ill health and disabilities) of the applicant, their partner and any dependants and any other occupants of the applicant's home;
- the income and expenditure of the applicant, their partner and any dependants or other occupants of the applicant's home. (All applicants will be required to complete an Income & Expenditure Form.) Where it is felt that expenditure is inappropriate or incompatible with award of a DHP, the applicant will be referred for debt advice or financial capability support.
- any savings or capital that might be held by the applicant or their family;
- the level of indebtedness of the applicant and their family;
- the exceptional nature of the applicant and his / her family's circumstances;
- whether total DHP expenditure is within the legally permitted level of two and a half times the government's contribution
- the possible impact on the Council of not making such an award, e.g. the pressure on priority homeless accommodation;

- any other special circumstances brought to the attention of the Welfare Reform Team.

3 Amount and condition of awards

3.1 The Welfare Reform Team will decide how much to award based on all the circumstances. However, the main determining factor will be a consideration of the applicant's scope for reducing their reliance on DHP's in the future. Where this is possible, awards will usually be made for a maximum of thirteen weeks or three months. If an applicant has limited options for making changes in their circumstances awards will be made for longer periods, of up to 12 months. An award of a DHP does not guarantee a further award at a later date even if the applicant's circumstances have not changed.

3.2 . The start date of the award will normally be:

- the Monday after the Welfare Reform Team receives the written claim for a DHP in cases where the applicant is claiming Housing Benefit; or
- The first day of the current Universal Credit monthly assessment period the applicant is in when their DHP claim is received, where the customer claims UC; or
- the date on which entitlement to Housing Benefit or Universal Credit starts; or
- another date, where this fulfils the objectives of this policy better than the dates above.

3.3 An award of DHP will have conditionality attached to it in the majority of circumstances. Any conditionality will be linked to increasing the applicant's income, reducing their rental liability or reducing other outgoings. Conditions will be agreed with the applicant, and support will be available to help them achieve them, either from the Council or from partner organisation(s). Examples of types of conditionality could include:

- Attending work related coaching with one of the Council's partners
- Actively looking for work, with or without the support of the Council, or one of our partners
- Registering for housing and bidding for suitable properties in each cycle
- Seeking assistance to manage debts
- Paying rent arrears
- Engaging with specialist support services

The intention of any conditionality is to assist the customer in improving their circumstances; it is not a punitive measure. However an award of DHP can be cancelled if a customer has not undertaken the agreed activity. Where employment is a reasonable outcome for someone, a condition related to moving into work will always be applied.

3.4 The maximum amount of DHP is calculated under the following rules:

- For applicants claiming Housing Benefit, the difference between the weekly Housing Benefit award and the weekly eligible rent.
- For applicants claiming Universal Credit, the maximum award amount is the level of the monthly Housing Element of the customers Universal Credit award, alongside the requirement that they need further support for housing costs.

3.5 When making a repeat application for an award, the customer must have met the conditions applied to their previous award, be able to set out what actions they have undertaken as a result of that support, and explain their next steps in order to reduce their reliance on DHP awards. Such applications will require an interview with a Council officer before an award can be made.

3.6 When an application for a DHP is declined, the applicant will still be offered support in resolving their situation, either directly from the Welfare Reform Team, from another Council department, or through a referral to one of the Council's partner organisations.

4 Administration of Payments

- 4.1 Where the applicant appears to be entitled to another state benefit that they are not receiving, they will be advised to make a claim, and provided with details of other agencies in the city who may be able to help with such a claim. Any DHP will be reviewed in light of the result of this claim.
- 4.2 The Welfare Reform Team may need to revise an award of a DHP where the applicant's circumstances have materially changed. Any revision to the award will take effect from the same day as any change to the Housing Benefit award, or the start of the relevant Universal Credit assessment period. If a revision of an award leads to an overpayment then steps will be taken to recover this money if it is reasonable in the circumstances to do so.
- 4.3 A DHP will normally be made payable to the person receiving the Housing Benefit payment or Housing Element of Universal Credit, unless the aims of the policy are better served paying someone else. Where Housing Benefit or HCE is paid to the landlord, and a DHP award is made for more than three months, the Welfare Reform team will review the claim to ensure that payment should continue to be made to the landlord.
- 4.4 DHP will be paid by the most appropriate means available. This will normally be by BACS transfer. The payment frequency will normally be made in line with payments of Housing Benefit, or four weekly for Universal Credit payments.
- 4.5 Decisions regarding DHPs will be notified to the applicant within 10 working days of receiving the last piece of information required to determine the application, and will include:
- Reasons for the decision
 - The start and end date of the award
 - The amount of the award
 - Conditions attached to the award
 - The applicant's right of review
 - Advice that future awards may not be made
- 4.6 A Senior Officer will review any DHP decision that is disputed by the applicant. If the decision is still upheld, any further dispute must be dealt with through the Councils complaints procedures and ultimately by judicial review.
- 4.7 Where a customer has a complaint in the way we have applied our policy, they may ask the Local Government Ombudsman to look at their case, after exhausting the Council's own complaints procedure.

5 Fraud

- 5.1 Oxford City Council is committed to the fight against fraud in all its forms. An applicant who tries to fraudulently claim a DHP by falsely declaring their circumstances, or providing a false statement or evidence in support of their application, may have committed an offence under section 2 of the Fraud Act 2006. Where the Welfare Reform Team suspects such a fraud may have occurred, the matter will be investigated and this may lead to the instigation of criminal proceedings.

6 Monitoring

- 6.1 Reports will be extracted from the DHP software on a monthly basis to ensure that expenditure is within budget and is correctly profiled to ensure no overspend at the end of the financial year. Overpayments will be reconciled on a monthly basis. A 10% check will be made of all DHP applications, whether successful or not, to ensure that decision making is consistent and complies with this policy.
- 6.2 The reasons for making a DHP award will be monitored and reported based on the following list:

Benefit Cap
LHA Reductions
Housing Benefit reductions due to under-occupation
Combination of reforms
Other

This will be reported back to DWP in accordance with their requirements.

7 Communication of Policy

7.1 The Welfare Reform Team will publicise the scheme and will work with all interested parties to achieve this. A copy of this policy statement will be made available for inspection and will be posted on Oxford City Council's website.

8 Review

8.1 This policy is effective from 22 May 2018. It will be reviewed no later than 1 June 2019.

