



Sefton Metropolitan Borough Council

Discretionary Housing Payments

Policy and Procedures

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Website: www.sefton.gov.uk

Email: contact@sefton.gov.uk

Contact centre: 0345 140 0845

Link to on-line application form <https://forms.sefton.gov.uk/dhpehpfom/>

Discretionary Housing Payments (DHP) – Policy and Procedures

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Abbreviations:

- CTRS – Council Tax Reduction Scheme
- DHP – Discretionary Housing Payments
- DWP – Department for Work and Pensions
- EHF –Exceptional Hardship Fund (CTRS only)
- ELAS- Emergency Limited Assistance Scheme
- UC- Universal Credit
- JSA -Job Seeker’s Allowance
- ESA -Employment & Support Allowance
- PIP – Personal Independence Payment
- IS – Income Support
- HB - Housing Benefit
- LHA - Local Housing Allowance

*Domestic Abuse

Where reference is made in this policy and procedures to “domestic abuse”, this covers the cross-government definition of domestic violence and abuse which is: any incident or pattern of incidents of controlling, coercive, threatening behaviour, violence or abuse between those aged 16 or over who are, or have been, intimate partners or family members regardless of gender or sexuality. The abuse can encompass, but is not limited to: psychological; physical; sexual; financial; emotional.

For more information about the term “domestic abuse” visit:

<https://www.gov.uk/guidance/domestic-abuse-and-abuse#domestic-abuse-and-abuse-new-definition>

Discretionary Housing Payments

1. Introduction

The Discretionary Housing Payments (DHPs) scheme provides an amount of funding where the Local Authority considers that a claimant requires 'further financial assistance' towards housing costs and is entitled to either Housing Benefit (HB) or Universal Credit (UC) with housing costs towards rent liability. Owner occupiers are not eligible to receive DHP.

The term 'further financial assistance' is not defined in law. In most cases a claimant will need to demonstrate to the Council that they are unable to meet their housing costs from their available income or they have a shortfall in the rent as a result of the Government welfare reforms. DHPs may cover all or part of a shortfall in rent or assist with the cost of taking up a tenancy.

Since April 2013 the Discretionary Housing Payments Policy and Procedures has reflected amendments to the Discretionary Financial Assistance Regulations 2001 (the DFA regulations), which ensure the scheme covers the introduction of Universal Credit and also the abolition of Council Tax Benefit.

The DHP scheme can be used to provide support to claimants affected by some of the Government's key welfare reforms, including:

- the benefit cap;
- removal of the spare room subsidy in the social rented sector;
- changes to Local Housing Allowance (LHA) rates, including the 4 year freeze.

Sefton Council is responsible for administering Discretionary Housing Payments (DHPs) in line with the Government's Financial Assistance Regulations 2001 (SI 2001/1167) as amended by the Council Tax Benefit Abolition (Consequential Provisions) Regulations 2013 (SI2013/458) which came into force on 1 April 2013; and the Universal Credit (Consequential, Supplementary, Incidental and Miscellaneous

Provisions) Regulations 2013 (SI2013/630), which came into force on 29 April 2013.

Sefton Council's Discretionary Housing Payments Policy and Procedures was last reviewed and approved by Sefton Council's Cabinet Member for Regulatory, Compliance and Corporate Services in February 2016.

The allocation and decision making processes for DHPs provided by Sefton Council to vulnerable tenants remain broadly unchanged as a consequence of the updating of the policy in 2018.

The regulations give Sefton Council a very broad discretion; however decisions must be made in accordance with ordinary principles of good decision making, i.e. administrative law. In particular, Sefton Council has a duty to act fairly, reasonably and consistently. Each case will be decided on its own merits, and decision making will be consistent throughout the year.

Councils in England & Wales are allowed to spend up to two and a half times the amount of the DWP grant on the scheme, the 'permitted total', spending above this limit is prohibited in law. The legislation which specifies the overall limit on expenditure is Article 7 of the Discretionary Housing Payment (Grants) Order 2001 (SI2001/2340).

However, no budget currently exists in Sefton to cover the cost of any expenditure between the DWP grant and the 'permitted total'. Any unspent DHP funding from the Government contribution will be returned to the DWP at the end of the financial year. The Discretionary Housing Payments Government contribution for Sefton in 2017/18 is £720,214 and £763,510 for 2018/19.

The DHP policy and procedures has been developed in consultation with Registered Social Housing providers, Housing Options, Welfare Rights, the Council's Welfare Reform Group and Citizens Advice Sefton.

The DHP policy has been reviewed to ensure that is in line with the latest guidance and Good Practice Guide published by the DWP in March 2018. The previous guidance was issued by the DWP in December 2016.

2. Purpose of the Policy

2.1 The purpose of the Policy and Procedures is to specify how Sefton Council's Benefits Service will operate the DHP scheme and to indicate some of the factors that will be taken into account when deciding if a DHP should be made.

3. What are DHPs?

3.1 DHPs may be awarded, in addition to any welfare benefits, when Sefton Council considers that a claimant requires further financial assistance towards housing costs and is entitled to either Housing Benefit (HB) or Universal Credit (UC) with housing costs towards the rent liability. Whilst the housing costs of the UC award notification may refer to support for mortgage interest payments, owner occupiers are not eligible to receive DHPs.

3.2 For the purposes of this policy, any reference to UC is where the claimant meets the above criteria i.e. housing costs toward rental liability are included in the payment award.

4. What do we mean by Housing Costs?

4.1 Housing costs are not defined in the regulations and this allows Sefton Council the broad discretion for interpretation. In general, 'housing costs' means rental liability; however, housing costs can be interpreted more widely to include:

- rent in advance;
- deposits; and
- other lump sum costs associated with a housing need such as removal costs.

Council Tax liability cannot be met by DHPs even when a claimant is receiving Local Council Tax Reduction.

5. Why we award DHPs?

5.1 The legislation provides local authorities with a broad discretion. However, the authority must demonstrate that it has done its best to act fairly, consistently and reasonably. It is important to note that each case may have unique features and must be decided on its own merits. Because of this the DHP Policy can only provide broad guidelines and highlight the significant factors which we must consider when making an award.

5.2 All DHPs applications must be assessed on individual and household circumstances and take account of level of income and benefit received.

5.3 DHPs have become an increasingly important way to support vulnerable residents and those at risk of losing their homes.

5.4 Due to limited funds, assistance cannot be provided for everyone who has had a reduction in their benefit as a result of welfare reform. Due to high need the priority for awards will be affected by the volume of claimants and this will require some circumstances to be given a priority in awards.

5.5 Sefton Council has certain objectives in mind when considering whether to make an award of DHP. These are at the discretion of Sefton Council and are not mandatory requirements. The objectives include, but are not limited to:

- alleviating poverty;
- encouraging and sustaining people in, and into, employment;
- tenancy maintenance and homelessness prevention;
- safeguarding residents in their own homes;
- helping those who are trying to help themselves;
- keeping families together;
- ensuring that domestic abuse victims who are trying to move to a place of safety are supported;

- supporting the vulnerable, including young children and the elderly in the local community;
- helping claimants through personal and difficult events;
- supporting young people in the transition to adult life;
- promoting good educational outcomes for children and young people;
- supporting the work of foster carers;
- supporting disabled people to remain in adapted properties;
- supporting care leavers.

5.6 Sefton Council will ensure that organisations which support individuals, as well as the individuals themselves, are made aware of the help available to ensure that funding is made available to those who most need it, particularly vulnerable groups such as people affected by domestic abuse or those leaving care services. This includes emphasising the importance of notifying changes in circumstances that might affect an award of DHP.

6. Criteria for award

6.1 Before making a DHP the Council must be satisfied that the claimant is entitled to:

- Housing Benefit (HB); **or**
- Universal Credit (UC) that includes housing costs towards rental liability. This includes where the claimant would have been entitled to UC housing costs were it not for the fact that the person occupies specified accommodation or temporary accommodation.

and

- requires further financial assistance with housing costs.

6.2 A claimant who is receiving a local Council Tax Reduction **only** is not eligible for a DHP. This means a claimant who is receiving a local Council Tax Reduction but has not yet been awarded HB or UC is not eligible for a DHP;

7. Type of shortfalls that DHPs can cover

7.1 The various types of shortfalls that a DHP can cover include (but are not limited to):

- reductions in HB or UC where the benefit cap has been applied;
- reductions in HB or UC due to the removal of the spare room subsidy;
- reductions in HB or UC as a result of local housing allowance (LHA) restrictions;
- rent officer restrictions such as local reference rent or shared room rate;
- non-dependant deductions in HB, or housing cost contributions in UC;
- rent shortfalls to prevent a household becoming homeless whilst the housing authority explores alternative options;
- policy to limit benefit to two children; and
- any other policy change that limits the amount of HB available, for example the removal of the family premium.

8 Rent deposits and rent in advance

8.1 DHPs can be awarded for a rent deposit or rent in advance for a property that the claimant is yet to move into if they are already entitled to HB or UC at their present home. The Council will give regard to the Court of Appeal's decision in *R v LB Lambeth, ex parte Gargett* which sets out that any HB already paid towards 'housing costs' must be deducted when calculating the amount of a DHP to avoid duplicate provision.

8.2 The 'Gargett' case does not prevent the use of a DHP for rent in advance but indicates that when making a decision on whether a DHP can be used, the Council may consider:

- whether there is likely to be a duplication of payments for the initial part of the tenancy if the DHP is made; and
- If so, is there any means to avoid this.

8.3 If the Council decides that there is no way to avoid a duplication of the payment and the claimant is entitled to a DHP in respect of housing costs (specifically a rent payment in advance) then a DHP may be awarded.

8.4 When awarding a DHP for a rent deposit or rent in advance, Sefton Council will satisfy itself that:

- the property is affordable for the tenant; **and**
- the tenant has a valid reason to move; **and**
- the deposit or rent in advance is reasonable.

It may not always be possible for the claimant to seek the most affordable accommodation, for example, when someone fleeing the home due to domestic abuse needs to seek a place of safety such as a refuge service.

8.5 Sefton Council may also establish with the claimant whether they:

- are due to have a deposit or rent in advance in respect of their existing tenancy returned to them;
- or
- have received assistance from another department within Sefton Council, or partner organisation, towards a rent deposit (such as a rent deposit guarantee scheme or similar).

It should be noted that tenants will typically not receive a returned deposit until they have vacated a property and begun a new tenancy. Therefore a refund may not be readily available at the time a DHP is requested.

DHPs are not specifically linked to any other rent deposit or rent in advance scheme. They are discretionary payments that Sefton Council may consider using for this purpose.

Using DHPs for this purpose may be particularly appropriate to help existing claimants move to alternative accommodation where their award of HB has been restricted following one of the welfare reforms and the alternative tenancy is more affordable.

DHPs may also be considered for this purpose where the Sefton Council LA rental Bond scheme is exhausted or where it is limited and only available for certain categories of eligible applicants – e.g. homeless or potentially homeless applicants.

The regulations are wide enough to permit this on the basis of a claimant's entitlement HB or UC at their current home. The regulations allow for DHPs to be made towards housing costs for a property other than the one for which benefit has been awarded.

The regulations place a limit on the DHPs award so that it does not exceed the weekly or monthly eligible rent on the claimant's home. However, the limit only applies where the award is calculated as a weekly (HB) or monthly (UC) sum, for example, to meet an ongoing rent shortfall.

In a case where Sefton Council is awarding DHPs for rent in advance or a deposit, the weekly limit does not apply as Sefton Council are awarding a lump sum to meet an immediate housing need.

When awarding DHPs for a deposit, Sefton Council will include information in the award notification letter about landlords' legal obligations to protect any deposit paid in a Government approved tenancy deposit protection scheme. Compliance with this requirement may help reduce the need for future help with deposits.

Tenancy Deposit Protection

When making a DHP to assist the claimant with securing a new tenancy Sefton Council may consider making the payment to the landlord rather than the claimant.

As a lump sum payment for a deposit or rent in advance is not made in respect of a period, Sefton Council only need to be satisfied that the claimant is entitled to HB or UC at the point the award is made.

If the deposit or rent in advance is for a property outside of the Sefton Council area this does not prevent Sefton Council from making a payment if the claimant is currently in receipt of HB or UC in the Sefton Council area.

Once a DHP has been made to the claimant for a deposit or rent in advance, the regulations do not permit Sefton Council to recover the DHP award at the end of the tenancy. However, Sefton Council may wish to seek recovery where someone asks for a deposit but then doesn't take the tenancy.

9. DHPs and two homes

9.1 The regulations allow Sefton Council to award a DHP on two homes when someone is treated as temporarily absent from their main home, for example because they are a victim of domestic abuse.

9.2 In such cases of temporary absence, if the claimant is treated as liable for rent on both properties, and in both cases there is a shortfall, they could have a DHP in respect of both properties subject to the weekly or monthly limit on each property.

9.3 If the claimant is only treated as liable for HB or UC on one home, but is having to pay rent on two, a weekly DHP could be made to cover costs of the second home; the HB or UC eligible rent for the main home is the maximum award. For example, a claimant may be temporarily absent from their main home to stay near a child receiving treatment in hospital. They are incurring costs on their temporary dwelling but their housing costs are covered for their main home. A DHP could be considered to help cover costs on the claimant's temporary dwelling.

9.4 In cases of domestic abuse the victim may have fled from, or to, another area to seek safety. Sefton Council will collaborate with

other local authorities to establish which authority should receive the DHP application (i.e. the authority where the main home is located or that of the refuge service or temporary dwelling where the victim is currently living).

10. What DHPs cannot cover?

10.1 There are certain elements of a claimant's rent that the HB and UC regulations exclude so they cannot be included as 'housing costs' for the purposes of being met by a DHP.

10.2 Excluded elements are:

Ineligible service charges: service charges which are ineligible for HB cannot be covered by a DHP. These are as specified in Schedule 1 to the Housing Benefit Regulations and Schedule 1 to the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations. Nor can DHP cover charges for water, sewerage, and environmental services – as defined and calculated under the HB provisions. The service charge rules for UC are found in the UC Regulations 2013, Schedule 1.

Increases in rent due to outstanding rent arrears: Under Regulation 11(3) of the Housing Benefit Regulations and Regulation 11(2) of the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations where a claimant's rent is increased on account of outstanding arrears owed by the claimant in respect of their current or former property, the shortfall cannot be covered by a DHP.

Certain sanctions and reductions in benefit: DHP cannot meet these because to do so would undermine the effectiveness of the sanctions or reduction in benefit. These are any:

- Reduction in Income Support (IS) or income-based Jobseeker's Allowance (JSA(IB)) due to a Reduced Benefit Direction (RBD) for failure to comply with the Child Support Agency in arranging maintenance. The RBD is a reduction in benefit of 40% of the personal allowance and only applies to IS or JSA(IB);

- Reduction in benefit as a result of non-attendance at a work-focused interview. This applies both where the person's HB is reduced and when any other benefit that the person is receiving, such as Income Support, is subject to a sanction
- Reduction or loss of benefit due to a JSA employment sanction. JSA is not payable for the period of sanction if they have contributed towards their unemployed status, for example, by leaving employment voluntarily or failing to attend a prescribed training scheme. In such cases, it may be possible for a reduced rate of JSA to be paid under the JSA hardship provisions.
- reduction in benefit due to a JSA sanction for 16/17 year olds – for certain the young people who receive JSA under a Severe Hardship Direction, JSA is not payable for the period of the sanction if they have contributed towards their unemployed status, for example, by leaving unemployment voluntarily or failing to attend a prescribed training scheme, or
- restriction in benefit due to a breach of a community service order, or
- any reduction in UC due to a sanction as specified under regulation 1114 of the UC Regulations 2013

Benefit suspensions: HB or UC can be suspended either because there is a general doubt about entitlement or because a claimant has failed to supply information pertinent to their claim. In such cases, a DHP cannot be paid. One of the intentions of the suspension provisions is to act as a lever to ensure that the claimant takes the necessary steps to provide the authority with the required information/evidence - paying a DHP could reduce the effectiveness of this lever.

Rent, when the person is getting Council Tax Reduction but not HB or help with housing costs in UC: in other words, when a person is only getting local Council Tax Reduction, Sefton Council cannot award a DHP towards a rental liability.

Shortfalls caused by HB or UC overpayment recovery: when recovery of an HB or UC overpayment is taking place, such shortfalls should not be considered for a DHP.

11. The level of a DHP

11.1 The purpose of a DHP is to meet an on-going rental liability. However, the regulations require that the level of DHP does not exceed:-

- The weekly HB eligible rent in the case of a HB claimant, or
- The amount calculated in accordance with Schedule 4 of the UC regulations (i.e. the value stated for housing costs on a UC award notice) in the case of a UC claimant.

Regard will be given by Sefton Council to the Court of Appeal's decision in *R v. LB Lambeth, ex parte Gargett* which sets out that any HB already paid towards 'housing costs' must be deducted when calculating the amount of a DHP to avoid duplicate provision.

11.2 Regulation 12(1) of the Housing Benefit Regulations (and the Housing Benefit (Persons who have attained the qualifying age for state pension credit) regulations 2006 SI 2006/214) define which payments qualify as rent and therefore in respect of which HB may be paid.

11.3 In the case of a UC claimant, the maximum DHP award is also affected by reductions in the UC housing costs for items such as a maximum LHA rate or housing cost contributions as these form part of the housing costs calculation in Schedule 4 of the UC Regulations.

11.4 Where a claimant is in receipt of UC, the maximum DHP award that can be made is established by looking at the UC award notification. The UC award notice will identify housing costs, and this is the same as the maximum DHP that can be made when calculating a DHP as a monthly award.

11.5 Sefton Council will decide on the level of DHP providing it does not exceed the housing costs, taking into consideration the claimant's overall financial and personal circumstances.

12. Applying for a DHP

The application process

12.1 The regulations require that there must be an application for a DHP before Sefton Council can consider making a payment,

12.2 Sefton Council has a joint application form to cover both DHPs, and Council Tax Exceptional Hardship (EHF), which can be used just to apply for payment of a DHP or EHF. An applicant may make a claim for a DHP and/or EHF.

- On line

You may make a claim by submitting an electronic application on line to Sefton Council.

<https://forms.sefton.gov.uk/dhpehpform/>

- By Telephone

You can Contact us on 0345 140 0845 and book an appointment with one of our advisors who will help you to complete the Application Form over the telephone. You will still be required to provide a signed declaration and all the necessary evidence to complete your claim.

- In Person

You can also get help in completing an Application Form at one of our One Stops Shops which are open Monday to Friday 9am to 5pm

Bootle One Stop Shop, 324 - 342 Stanley Road, Bootle, L20 6ET

Southport One Stop Shop, Cambridge Arcade, Southport, PR9 1DA

A hard copy of the application form can also be obtained by telephone, in person or on-line via the Sefton Council website.

12.3 Applicants can get assistance with the completion of the form.

12.4 The application form must be fully completed and supporting information or evidence provided, as reasonably requested by Sefton Council.

Who can claim?

12.5 In most cases the person who claims the DHP will be the HB or UC claimant;

12.6 However, claims can also be accepted from someone acting on behalf of the HB or UC claimant, such as an appointee or advocate if the person is vulnerable and requires support or if the person has requested someone to act on their behalf.

Who can we pay?

12.7 DHPs may be paid to someone other than the claimant if Sefton Council considers it reasonable to do so. That could be an agent, an appointee or a landlord.

Information a claimant must give

12.8 When someone claims for a DHP, they must provide:

- information Sefton Council require to make a decision or look at a decision again (for example details of income, capital and expenditure)
- any other information that Sefton Council consider reasonably necessary in connection with the application.

12.9 In establishing if the claimant requires further financial assistance, Sefton Council will decide how to treat any expenditure, offsetting it against income intended to assist with such expenditure as appropriate, by following its policy and procedures to ensure consistent decision making.

12.10 When deciding how to treat income from disability related benefits such as Disability Living Allowance (DLA) or the Personal Independence Payment (PIP) Sefton Council will consider each DHP application on a case by case basis having regard to the purpose of those disability

related benefits and whether the money from those benefits has been committed to other liabilities associated with disability.

12.11 Sefton Council can also take account of unavoidable costs that the claimant may have such as fares for travel to work. This may include, for example, people who have had to move as a result of welfare reforms

12.12 Sefton Council will decide how to treat income and expenses when calculating the amount of the DHP. However, in all cases Sefton Council will consider what is reasonable.

12.13 If a claimant is receiving HB, the details the Council hold regarding a person's income and rental liability can also be used to assess a DHP application.

12.14 If a claimant is in receipt of UC, any information held for the local Council Tax Reduction Scheme may also be used to process a DHP application. If Sefton Council do not hold this information, data sharing powers provide a gateway for Sefton Council to obtain relevant information from the DWP.

12.15 From 19 June 2017 all payments made by either the We Love Manchester Emergency Fund (WLMEF) and London Emergencies Trust (LET) are fully disregarded for the purposes of calculating HB for existing and new claims. Any individuals who have been affected will not be excluded when considering any DHP applications.

Telling the claimant of the decision

12.15 As soon as reasonably practicable, Sefton Council will tell the claimant of the DHP award decision in writing or electronically (if the claimant has agreed to this) and the reasons for the decision (be it positive or negative), the start and end dates of the award and the reason for those dates Sefton Council will be consistent and avoid unnecessary delay, bearing in mind a DHP is often to deal with an immediate need.

12.16 Sefton Council will notify UC claimants of the DHP award separately to the UC communications that are sent by the DWP to the claimant.

12.17 When issuing a decision Sefton Council will provide information about the process for reviewing the decision. As DHP are discretionary arrangements, there are no appeal rights to a Social Security Tribunal, although the route of Judicial Review is available. See Dispute procedures in Section 14 of this document.

12.18 Sefton Council will clearly distinguish the dispute/appeal rights that apply to HB, UC and/or the local Council Tax Reduction Scheme so that claimants are not inadvertently led to believe that such appeal rights also apply to DHPs.

12.19 There is no legal requirement to notify landlords of a DHP decision, but Sefton Council may wish to do so where the claimant has consented. However, Sefton Council will not breach any obligations of confidentiality owed to the claimant, including:

- under Article 8 of the European Convention on Human Rights (ECHR) (right to respect for private and family life);
- Data protection law.

12.20 If Sefton Council is already paying HB to the landlord and later award a DHP the Council will advise that the DHP is also being paid directly to them. This may equally apply where a person is receiving UC and some of that award is being paid to the landlord in respect of housing costs.

12.21 Information on who to contact if the claimant needs further help or advice will also be supplied.

13. Administering DHPs

Who can accept applications?

13.1 Only Sefton Council can accept claims for DHP but this includes any department within the Council, including the Council's Revenues & Benefits service, who accept claims for the local Council Tax Reduction Scheme and applications for Council Tax Exceptional Hardship payments.

13.2 As DHPs are not payments of HB or UC, provisions which allow Jobcentre Plus or Pension Centres to accept claims in certain circumstances do not apply.

13.3 Sefton Council consider requests for DHPs in accordance with this policy and the "DWP Discretionary Housing Payments Guidance manual", which includes the "Local Authority Good Practice Guide" published by the DWP in March 2018.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/692240/discretionary-housing-payments-guide.pdf

13.4 For consistency in decision making a small team of senior staff in the Council's Benefits service administer, determine and award DHPs;

13.5 Sefton Council's Benefits service has built up a great deal of expertise in following policy and procedures to ensure consistent decision making by the individual officers.

When can a DHP application be made?

13.6 There are no rules relating to when a person can apply for a DHP, but a payment can only be considered where there is a linked entitlement to HB or UC; Sefton Council will ensure claimants are made aware of any time frame for applying and providing information in respect of a DHP application.

13.7 Where changes to benefit legislation are anticipated Sefton Council will allow applications for DHP in advance. This will help Sefton Council manage the application process and avoid any potential surge in demand, as well as alleviate uncertainty for some claimants. Sefton Council can decide to inform the claimant of an award that could start at a future date, subject to any subsequent change in circumstances.

Backdating a DHP

13.8 When deciding whether or not to backdate a DHP, Sefton Council will look at each claim on its own merits. There are no restrictions on the length of the backdating period beyond a prohibition on awarding a DHP for any date prior to 2 July 2001, when the scheme began, but Sefton Council has a duty to act consistently.

13.9 Government regulations require that a DHP can only be considered for a period where the linked HB or relevant award of UC is payable. This is of particular relevance to requests for a period of backdated DHP.

13.10 DHPs are usually made in respect of an immediate need rather than a past period. However, where appropriate, and subject to satisfactory evidence being supplied, Sefton Council may backdate an award in cases where a claimant is subject to a rent shortfall due to welfare reforms and has accrued rent arrears during the transition period between a reduction in benefit and moving into employment, so as not to undermine the claimant's move into employment. In other cases, subject to satisfactory evidence being supplied, DHPs could be used to facilitate a move of home (such as through a mutual exchange) where a landlord will not allow a move for someone who is in arrears.

Method of payment

13.11 DHPs for Housing Benefit claimants will be delivered via the Council's HB payment system and will be paid alongside HB payments. Sefton Council will differentiate, in any given case, between HB and DHP;

13.12 If a DHP is paid with HB, notifications to the claimant will clearly show how much is HB and how much is the DHP;

13.13 When DHP is awarded to a UC claimant, Sefton Council will consider paying it at the same time as the monthly UC payment.

Length of payments

13.14 Sefton Council will decide the length of time over which a payment is made. The period of the award and any specific end date, will be made clear to the claimant. Sefton Council will also provide information on how to re-apply for a DHP if necessary.

13.15 There is no limit to the length of time over which a DHP may be made. Sefton Council may make a short term award to give a claimant time to sort out their financial or housing circumstances, particularly if they are trying to find alternative accommodation or gain employment. A time-limited award may also be appropriate when an impending change of circumstances will result in an increase in benefit.

13.16 Alternatively, Sefton Council may make a long term or indefinite award until the claimant's circumstances change. It may be considered appropriate to make a long term award in cases where a claimant's circumstances are unlikely to change, and making a short term award will cause them undue distress. The start and end dates of an award are decided on a case by case basis.

13.17 There is no requirement to specify the period of an award if the DHP is to meet a one off housing cost such as a deposit or rent in advance.

Payment Cycles

13.18 Payments to meet a weekly or monthly rental liability will be made as the same frequency as the HB or UC payment. In deciding the frequency of the DHP payment for UC claimants this will normally be monthly, designed to replicate the world of work and develop financial capability for claimants.

Change of circumstances

13.19 A claimant receiving a DHP must notify Sefton Council of any changes of circumstances which may be relevant to their DHP application or award.

13.20 Sefton Council will make sure the recipient is aware of the changes they should report. There is no statutory timescale for notification; however claimants are advised to notify Sefton Council of changes as soon as reasonably practicable.

13.21 Sefton Council may revise a payment of a DHP where the applicant's circumstances have changed, which either increases or reduces their HB payment.

13.22 Many change of circumstances that claimants have a duty to report for HB or UC purposes may also be relevant to their DHP claim. Sefton Council may use such information to review the level of the DHPs.

When the Council can stop paying a DHP

13.23 There are instances other than a change of circumstances when a DHP can be stopped. These are when

- Sefton Council decide that a DHP is being, and/or has been, made because a claimant has misrepresented or failed, fraudulently or otherwise, to disclose a material fact,

and/or

- a claimant has been paid as a result of an error.

Overpaid DHPs

13.24 Sefton Council can only recover a DHP if the Council decide that payment has been made as a result of:

- Misrepresentation or failure to disclose a material fact by the claimant (either fraudulently or otherwise).

- An error made when the claim was determined.

In these circumstances the DHP can be recovered because it is classed as being overpaid.

13.25 A DHP cannot be recovered from ongoing HB or UC. This is unlike HB overpayments where there is a regulatory provision to allow recovery from ongoing HB;

13.26 There are also no provisions for recovery of overpaid DHPs from other prescribed benefits.

13.27 Therefore the only method of recovery, where a DHP is classed as overpaid, is to request repayment of the debt from the claimant or landlord if the DHP is paid directly to them. This may be in the form of an invoice or using a debt collection agency or via the courts. The Council may also consider offsetting overpaid DHPs if further DHPs are is granted at a later date.

13.28 Sefton Council is committed to protecting public funds. If, after investigation, it is found that a DHP is being or has been awarded because someone has misrepresented or failed to disclose a material fact, fraudulently or otherwise, they could be subject to prosecution.

14. Dispute procedures

14.1 Sefton Council will review a DHP decision in the event of dispute, or where the claimant asks for a re-consideration, within one month of the date of the decision.

14.2 However, decisions on a DHP do not carry a right of appeal to a Social Security Tribunal. The route of judicial review is available, and a complaint may be made the Local Government Ombudsman if there is an allegation of maladministration.

14.3 There is flexibility as to how Sefton Council applies any dispute or re-consideration process. Sefton Council may look at a decision again in the light of representations made by the claimant or where appropriate.

14.4 Sefton Council may also review a DHP decision in the event of a dispute either at the time of the initial rejection or following a cancellation or recovery or in other circumstances as it sees fit to do so.

Reviewing the decision

14.5 The customer has a right of review (but not to go to an independent tribunal).

14.6 The review will be carried out by a panel of senior officers from the Council's Benefits Service who did not have any involvement with the original decision.

Notifying the claimant

14.7 The claimant will be notified of any review outcome in writing, with reasons, as soon as is reasonably practical.

15. Reporting measures required by the Government

15.1 The DWP currently requests two sets of information in relation to DHP

- The mandatory DHP claim form
- and
- The voluntary DHP monitoring form

Since April 2013, when voluntary monitoring claim forms were introduced, the DWP has looked at how DHPs are being used to support claimants affected by the Welfare Reforms. In addition to the annual DHP claim and estimate forms, Sefton Council is required to provide the DWP with the following information as supplementary data in October and in May.

Following a successful application for a DHP Sefton Council is asked to record whether the claimant has been affected by one of the following:-

- benefit cap
- removal of spare room subsidy in social rented sector
- local housing allowance restrictions
- combination of reforms
- none of the above

15.2 Sefton Council is also required to record the intended outcome by value of payments made. The outcomes are broadly grouped into the areas that cover the policy intention of DHPs:

- To help secure and move to alternative accommodation (for example, rent deposit)
- To help with short-term rental costs until the claimant is able to secure and move to alternative accommodation
- To help with short-term rental costs while the claimant seeks employment
- To help with short term rental costs while the claimant seeks to increase their hours of employment enough to become exempt from the benefit cap;
- To help with on-going rental costs for a disabled person/s in adapted accommodation
- To help with on-going rental costs for a foster carer
- To help with short-term rental costs for any other reason

15.3 The Government does not require details of individual applications, only the total amounts spent under each category are requested.

16. Monitoring and Transparency

16.1 In addition to Government monitoring requirements Sefton Council records for its own monitoring purposes the following information for each DHP award to ensure consistency in decision making:

- Level of award
- Amounts requested against amounts awarded
- Reason for award
- Duration of award
- Customer characteristics
- Type of accommodation.

16.2 This information is analysed against data held on Sefton Council's Benefit software systems and other local knowledge to profile Sefton's DHP budget to help prioritise awards over the course of the year.

16.3 This data will also be used to inform detailed Equality Impact Assessments in Sefton.

16.4 All information will be treated confidentially and in keeping with Article 8 of the European Convention on Human Rights (right to respect for private and family life); and data protection law.

17. Data Protection and Sharing Information

The information provided by an applicant for Discretionary Housing Payments will be treated as confidential in accordance with the law. The Council has a duty to protect public funds it administers, and may use information held about the claimant where the law permits, including and not limited to the prevention and detection of fraud. This may include sharing information with other Council services and other organisations who administer public funds, for more information please check our website www.sefton.gov.uk

18. Complaints

Sefton Council's Complaints Procedures are available on our website www.sefton.gov.uk and will be applied in the event of any complaint received about this policy.

End.