

London Borough of Barnet

Housing Department

## Housing Benefit Service

### Discretionary Housing Payment Scheme

#### Background

On 2 July 2001, local authorities were given new powers to pay discretionary awards to top-up Housing and Council Tax Benefit payments. The new powers to award 'Discretionary Housing Payments' replaced the existing discretion to grant Exceptional Hardship Payments and Exceptional Circumstances Payments.

The regulations covering Discretionary Housing Payments are 'The Discretionary Financial Assistance Regulations 2001'. These regulations specify the basic requirements that must be met before an award can be made but thereafter, the regulations give authorities wide discretion on the operation of the scheme, including on such matters as the method of making a claim, information requirements and the recovery of any overpayments. In addition to the regulations, the Department of Work and Pensions has issued some guidance on the operation of the scheme. We have used this guidance and our experience of working with the new regulations since 2 July 2001 to draw up this document which sets out the operation of the scheme in Barnet.

#### What are Discretionary Housing Payments?

Discretionary Housing Payments are free standing payments; that is, they are not part of the statutory Housing or Council Tax Benefit scheme. However, the payments can only be used to top-up an existing Housing Benefit or Council Tax benefit award. The amount awarded is entirely at the discretion of the Benefit Service but a Discretionary Housing Payment cannot be granted to cover charges that are ineligible under the statutory benefit scheme, such as, heating, lighting, hot water and other fuel costs or charges for water rates, sewerage and environmental charges. In addition, we cannot make a Discretionary Housing Payment towards the Council Tax when a second adult rebate is payable.

#### How can a claim be made?

Under our procedures, a claim for a Discretionary Housing Payment will normally be made in writing and signed by the claimant. To make matters easier, we have produced a simple application form.

We will use any other available information, including information collected on the original Housing or Council Tax Benefit claim form when considering the claim for a Discretionary Housing Payment. However, the claimant should provide such available evidence as necessary in support of their claim, for example, a letter from a doctor, evidence of exceptional expenditure, etc. We may request further evidence in support of the application.

This request would normally be in writing, however we may decide to interview a claimant depending on the claimant's circumstances.

In exceptional cases, we may make an award or a further award to alleviate hardship based on the information we already have on file without need for any further written application from the claimant.

The claim form is available from: the Borough Treasurer's Service at Fenella, Babington Road, Hendon, NW4 4BS. The completed claim form should be returned to Fenella.

#### When can a claim be made?

The claimant must be receiving some Housing and/or Council Tax Benefit to be considered for a Discretionary Housing Payment but we cannot make an award in respect of any shortfall in the rent or Council Tax liability that occurred before 2 July 2001. We would normally expect a claimant to make a claim within one month of the decision on the original Housing and/or Council Tax Benefit claim and to provide any supporting documentary evidence within one month of the request. However, we will consider an application outside of these time limits, when the claimant has good reasons for not meeting these time-scales.

#### How much help can a claimant receive?

The amount and duration of the award is entirely at the discretion of the Benefit Service but a claimant cannot receive more than the shortfall in the weekly eligible rent or the weekly Council Tax liability after taking into account any benefit entitlement. We will normally pay an award from either the date on which the current entitlement to Housing or Council Tax benefit commenced or from the date a relevant change in circumstances took effect or some other appropriate date. Claims will not normally be backdated but we will consider backdating an award where there are good reasons to do so.

#### Who will receive a Discretionary Housing Payment?

Each case must be considered on its own merits but when considering a claim for a Discretionary Housing Payment, the following basic requirements must be satisfied:

- The claimant must be entitled to an amount of Housing and/or Council Tax Benefit for the period for which an award is sought and
- The Council must be satisfied that the claimant requires further help with their eligible housing costs.

Examples of the kind of situation where further help may be given include:

- Assistance to a claimant who is in need of further financial help due to a rent restriction and whose circumstances are in some way exceptional
- Assistance to those claimants who reasonably require a larger accommodation to accommodate a carer or
- Assistance to very low wage earners with high housing costs.

These are only examples; the list is neither exhaustive nor prescriptive.

Each case needs to be looked at on its own merits but all customers need to be treated equally and fairly when the scheme is administered. We therefore need to consider in each case:

- The amount of the shortfall, between the Housing and/or Council Tax Benefit liability and any steps taken by the claimant to reduce the shortfall.
- The income and expenditure of the claimant, and other members of the claimant's household.
- The amount of any savings and capital, held by the claimant and other members of the claimant's household.
- Any exceptional circumstances such as, the ill health or disability of the claimant or a member of the claimant's household.
- The possible impact of not making such an award, e.g. imminent eviction.
- The amount available, in the Discretionary Housing Payment budget, at the time of the application.
- Any other special circumstances, relevant to the claim.

### What happens next?

A senior officer will consider the claim. The claimant will be informed of the decision in writing as soon as possible. This will normally be within 14 days of receipt of all information. If the claim is successful, payment of the Discretionary Housing Payment will be made in the most appropriate way; this will normally be in line with the payment of any Housing and/or Council Tax Benefit. The amount of any Discretionary Housing Payment is entirely at the discretion of the Benefit Service. A successful claim does not imply that a further award will be made at a later date, even if the claimant's circumstances have not changed.

Where the claim is unsuccessful, the claimant does not have the right of appeal against the decision through the statutory appeal process. However, if the claimant disagrees with a Discretionary Housing Payment decision, the claimant can ask us to look at the matter again. The claimant must write to the Benefit Service within one calendar month of the date of the decision notice. A more senior officer from within the Benefit Service will then consider the appeal and will notify the claimant in writing of the final decision.

### How will we deal with a change in the claimant's circumstances and any overpayments?

A Discretionary Housing Payment may be revised where the claimant's circumstances have changed. Overpayments of Discretionary Housing Payments can be recovered where the payment has been made as a result of a misrepresentation or failure to disclose a material fact or as a result of an error. We will normally only recover a Discretionary Housing Payment where the claimant's own actions contributed towards the overpayment. However, Discretionary Housing Payments cannot be recovered from ongoing Housing or Council Tax Benefit.

### Fraudulent claims

The Benefit Service is committed to the fight against fraud. Any claimant who tries to fraudulently claim a Discretionary Housing Payment by providing a false statement or evidence in support of their application may be liable for prosecution.