



Discretionary Housing Payment (DHP) Policy

September 2019

1. Introduction

- 1.1. The Discretionary Housing Payment (DHP) scheme is designed to provide financial assistance to recipients of Housing Benefits and Universal Credit where the housing costs element is included in their award. It is payable where additional help with housing costs is needed and awards are made under the Discretionary Financial Assistance Regulations 2001 which gives Local Authorities very broad discretion on the amount of money paid out and the way the scheme is administered.
- 1.2. The government has provided additional funding in recent years to enable local authorities to provide transitional support to customers affected by size criteria in the social housing sector, the benefit cap and changes to Local Housing Allowance but it is entirely at the Council's discretion as to the amounts spent in each area.

2. What DHP's cover

- 2.1. DHPs are intended to support people who are receiving Housing Benefit or Universal Credit within Lewisham and need additional support to cover housing-related costs. Housing-related costs are:
 - rental liability as defined in Housing Benefit and Universal Credit legislation
 - lump sum payments for deposits or rent in advance where the applicant is moving to accommodation either inside or outside of the borough
 - removal costs where the applicant is moving to accommodation either inside or outside of the borough.
- 2.2. Lump sum payments will be considered to help claimants where their current tenancy is unsustainable to move to more affordable accommodation. In order to receive a lump sum payment, the claimant must be receiving Housing Benefit or Universal Credit (that includes a Housing Costs element) at their current address in Lewisham
- 2.3. What DHPs do not cover:
 - service or rental charges ineligible for HB
 - Council tax liability.

3. Principles governing the award of DHP's

- 3.1. There is no statutory right to a DHP as the scheme is discretionary.
- 3.2. The Council has formulated this policy having regard to the DWP DHP Guidance Manual August 2019.
- 3.3. We do not exceed the grant provided by the Government for DHPs, i.e. we will not top up the grant from the Council's own funds, which are needed to provide other essential services.
- 3.4. Within the above constraints, the Council's broad aim is to support people affected by welfare reform with a view to:

- preventing homelessness
- supporting people to secure paid employment
- supporting people to secure sustainable and affordable accommodation
- supporting people who out of necessity are temporarily occupying accommodation which is unaffordable from their benefits, such as foster carers between fostering placements and victims of domestic violence who are trying to move to a place of safety
- supporting people who are in unaffordable tenancies but cannot move to more affordable accommodation due to particular reasons such as health, disability or child protection

- 3.5. DHPs will not normally be used to provide long term support for individuals. They will be used to provide short term support to allow people to resolve their current financial difficulties and to move to a position which is financially sustainable for them in the longer term.
- 3.6. The Council may require claimants to demonstrate that their housing costs are unaffordable having regard to all of their sources of income and savings, by providing evidence of their income and savings.
- 3.7. DHP claimants will be expected to take personal action to mitigate the impact of welfare reforms on them. This action will normally include seeking paid employment and/or moving to more affordable accommodation and, where appropriate, obtaining personal advice to better manage their finances.
- 3.8. The Council may require claimants to demonstrate that they have taken such action before awarding DHP e.g. by providing evidence that they have applied for jobs, are seeking more affordable accommodation and have sought advice on managing their finances. An award of DHP may also be conditional on claimants demonstrating that they are continuing to take such action.
- 3.9. Claimants who have particular vulnerabilities and pressing reasons why they cannot quickly move to a financially sustainable position are more likely to be awarded DHP and to be awarded DHP for longer periods. These may include people with serious physical or mental health problems or disabilities, foster carers, parents of children in care or in need, adoptive or prospective adoptive parents, care leavers and carers of people who do not reside with them but who would otherwise be in receipt of health or social care services provided by the Council.
- 3.10. The Council may require such claimants to demonstrate that there are particular barriers preventing them from moving to a financially sustainable position before awarding DHP e.g. by providing evidence of serious physical or mental health problems or disabilities or caring responsibilities.
- 3.11. The Council will in particular take into account evidence that the cost to the Council of available alternatives would be greater than the cost of awarding DHP.
- 3.12. As a general rule, DHP intended to address a shortfall in benefit to meet housing costs due to the benefit cap will be limited to a period of no more than 6 months.
- 3.13. As a general rule, DHP intended to address a shortfall in benefit to meet housing costs due to other temporary hardship will be limited to a period of no more than 3 months.

- 3.14. Where a particular need for DHP has been demonstrated, the Council is not obliged to award DHP to cover the full shortfall between benefit and housing costs, or to award DHP in respect of the whole period during which that shortfall is likely to continue. The Council may offer a lump sum, such as a rent deposit, in order to assist a claimant to move to more affordable accommodation.
- 3.15. The above principles will be applied flexibly and the merits of the individual application will be considered having regard to all information that the Council considers relevant.

4. Applications

- 4.1. Applications should be made using the London Borough of Lewisham DHP application form, but any application for DHP made in writing will be accepted and further information requested if necessary. We will accept applications from the tenant, their representative or the landlord.

5. Method of payment

- 5.1. The Benefits Service will decide on the most appropriate person to pay and the method and time of payments based on the particular circumstances of each case. Where DHP is awarded in respect of council rental liability any DHP will be credited to the relevant housing rent account and where a DHP is awarded as a lump sum payment for rent in advance or a deposit, payment will be made direct to the landlord.

6. Disputes

- 6.1. If the applicant disagrees with a DHP decision they must put this in writing giving their reasons. This should normally be received by the London Borough of Lewisham within a month of the date of the decision although more time can be given in exceptional circumstances.
- 6.2. The decision will be looked at again by a different person to the one who made the original decision.
- 6.3. DHPs are not Housing Benefit or Universal Credit and therefore applicants cannot appeal to the Independent Tribunal. They can apply for a judicial review of the decision in the High Court but legal advice should be sought in the first instance.