



Discretionary Housing Payments Decision-Making Framework



1.0 What are Discretionary Housing Payments (DHPs)?

- 1.1 DHPs provide customers with further financial assistance when a local authority considers that help with housing costs is required. This is in addition to any welfare benefits the customer is in receipt of.
- 1.2 The regulations covering DHPs are The Discretionary Financial Assistance Regulations 2001. The regulations give local authority decision-makers a very broad discretion but decisions must be made in accordance with good decisions and local authorities have a **duty to act fairly, reasonably and consistently**.
- 1.3 Scottish Local Authorities are free to provide additional funding from their own resources if appropriate to meet local priorities.
- 1.4 Scottish Government policy is to fully mitigate the reduction in housing benefit that has arisen as a result of the introduction of the “bedroom tax” and has provided funding for this purpose.
- 1.5 The annual DHP budget is limited to the total of Scottish Government and local authority funding, where the local authority decided to make a contribution to the DHP budget.
- 1.6 Aberdeenshire Council has been allocated £807,465 of DHP funding from the Scottish Government with the possibility of a further £150,030 in May 2017 depending on the level of expenditure on the social sector size criteria.

SG Tranche 1 Allocation	
→ Bedroom Tax Mitigation	£564,312
→ Benefit Cap	£176,967
→ Local Housing Allowance	£33,943
→ Core	£32,243
SG Tranche 2 Allocation	
LA Contribution	
Total Expenditure Limit	£807,465

- 1.7 Each case must be decided on its own merits and decision-making must be consistent throughout the year.
- 1.8 The level of award may cover all or part of a shortfall in rent or assist with the cost of taking up a tenancy.
- 1.9 The DWP has published a DHP Guidance Manual, which incorporates a Good Practice Guide and the Scottish Government has plans to publish a guidance note.

2.0 Objectives of DHP Awards

- alleviating poverty
- encouraging and sustaining people in employment
- tenancy sustainment and homelessness prevention
- safeguarding residents in their own homes
- helping those who are trying to help themselves
- keeping families together
- supporting the vulnerable or the elderly in the local community
- helping customers through personal and difficult events
- supporting young people in the transition to adult life, or
- promoting good educational outcomes for children and young people
- achieving the Scottish Government's policy intention of "removing the social sector size criteria"

3.0 Housing Costs covered by DHPs

3.1 There is no definition within the regulations but in general housing costs can be interpreted to include the following

- Rent liability
- Rent in advance
- Rent deposits
- Other lump sum costs associated with a housing need e.g. removal costs.

3.2 DHP can cover the following:

- Reductions in HB or UC where the benefit cap has been applied
- Reductions in HB or UC for under-occupation in the social rented sector
- Reductions in HB or UC as a result of local housing allowance restrictions
- Rent shortfall to prevent a household becoming homeless whilst the housing authority explores options
- Rent Officer's restriction on the maximum eligible rent for HB purposes arising from the local reference rent or the shared room rate
- Non-dependent deductions
- Income tapers
- Rent in advance and rent deposits if the customer is entitled to HB or UC at their present home

3.3 Where DHP is awarded to meet a shortfall, under regulation 4 the DHP award cannot exceed the weekly eligible rent on the customer's home.

3.4 Where DHP is awarded for rent in advance there is no weekly limit.

4.0 Criteria for awarding DHP

- 4.1 The customer must be entitled to housing benefit or universal credit and have a rent liability and require further financial assistance with housing costs
- 4.2 A customer who is in receipt of the council tax reduction scheme only and who has no rental liability e.g. an owner occupier is not eligible for DHP.
- 4.3 Where a customer has capital in excess of £6,000 (lower threshold for housing benefit) consideration may be given to refusing DHP
- 4.4 Where an applicant is not affected by the social sector size criteria, the applicant must provide details of the household income and expenditure on the DHP Application form at Appendix 1.
- 4.5 In reaching a decision on DHP in respect of an applicant in the private rented sector, the decision-maker should take into account the applicant's income, excluding any income from disability living allowance, attendance allowance and personal independence payments. This should be compared to the applicant's expenditure, excluding an amount equivalent to the value of the aforementioned benefits.

5.0 Level of DHP

- 5.1 Where a DHP award is to cover a shortfall between housing benefit/universal credit and the customer's contractual rent the DHP award must not exceed the weekly eligible rent on the home.
- 5.2 Where the decision-maker determines that DHP is appropriate the award may be:
 - **100% of the shortfall between the tenants housing benefit award and eligible rent charge where the shortfall is due to the social sector size criteria**
 - **Up to 100% of the shortfall between the tenant's housing benefit and rent liability arising from the benefit cap**
 - **Up to 100% of the shortfall between the tenant's housing benefit and rent liability arising from the restriction on the local housing allowance rate**
 - **Up to 100% of the shortfall between the tenant's housing costs element of universal credit and rent liability where the tenant has been placed in temporary accommodation as a result of being homeless**

- 5.3 Decision-making authority in respect of DHP applications is limited to:
- Financial Support Officers may award DHP of 100% in “bedroom tax” cases, between 80% and 90% in benefit cap cases and 50% and 75% in private sector cases
 - Senior Financial Support Officers may award up to 100% in all cases
 - Principal Officers may award up to 100% in all cases
- 5.4 DHP may not be backdated unless the applicant can show continuous good cause for not having applied for DHP earlier.
- 5.5 Where a DHP applicant is seeking an award for removal costs or to provide a rent deposit, this may only be considered if the applicant is moving to cheaper accommodation or to smaller accommodation i.e. so that housing benefit will no longer be restricted due to under-occupation.
- 5.6 Any awards of DHP for removal costs or rent deposits must be authorised by a Principal Officer before any payment is made.

6.0 Payment of DHP

- 6.1 DHPs can be paid to the customer, an agent, an appointee or a landlord as determined by the decision-maker.
- 6.2 Payment will be by BACS.
- 6.3 The payment frequency will match that of the HB award where HB is in payment.
- 6.4 Where UC is in payment then DHP will be paid monthly in arrears.

7.0 Application Process

- 7.1 The customer will be able to submit an application in writing or electronically via Aberdeenshire Council’s website or where appropriate over the telephone. A copy of the application form is contained in Appendix 1.
- 7.2 The customer must supply the information asked for on the application form.
- 7.3 The decision-maker will ask the customer to supply only such supporting evidence as is considered reasonable and which is not already available to the decision-maker either from existing Council records or from the DWP system.
- 7.4 Information will be requested by telephone, in writing or at face-to-face interview or home visit as appropriate.
- 7.5 The customer will be given a minimum of two opportunities to submit the requested information.
- 7.6 The customer will be given one calendar month in which to supply the information or such longer time as the decision-maker considers reasonable.

- 7.7 If the customer does not supply the necessary information to allow a decision to be made the application will be determined defective.

8.0 Decision Process

- 8.1 All DHP applications will be determined by Financial Support Officers.
- 8.2 Where a DHP award is indicated, the decision-maker will determine the amount and duration of the award. No DHP award can exceed 12 months or go beyond the end of the financial year.
- 8.4 The decision-maker will send a written notification of their decision stating the reason for the award or refusal of DHP.
- 8.5 Where DHP is awarded the decision letter will also state the amount and duration of the award.
- 8.6 The DHP decision letter will also advise the customer of the appeal process.
- 8.7 The over-riding principal in relation to DHP decisions should be about gathering sufficient information and evidence to make the right decision first time.
- 8.8 Where a customer has made repeated applications, or appears to be struggling to manage their money or deal with their debt then a DHP award can be made conditional on the customer accessing money or debt advice services.

9.0 Review Process

- 9.1 Where there is a change in the customer's income, household or personal circumstances during the period of a DHP award, the DHP decision will be reconsidered and revised where appropriate.
- 9.2 At the end of the DHP award period and there has been no change to the customer's financial and household circumstances since the award was last made or reconsidered, the award will be renewed subject to any DHP policy changes or budgetary constraints
- 9.3 Where a customer submits an appeal against a DHP decision the decision will be reviewed by a Principal Officer.
- 9.4 The customer may submit additional information and evidence in support of their appeal and equally the Principal Officer may request such information and evidence as is considered appropriate to enable thorough reconsideration of the original decision to take place.
- 9.5 If the Principal Officer changes the original decision in any way then the revised decision attracts new appeal rights.
- 9.6 If the Principal Officer does not change the decision then the decision will automatically be reconsidered by a panel consisting of the Service Manager (Support & Advice) and a member of the ASAT Steering Group

9.7 Whether the original decision is revised or not the Principal Officer will write to the customer advising them of the outcome of their appeal and of either their fresh appeal rights or the next stage in the appeal process.

9.8 If a customer complains about the way in which their DHP application has been dealt with then this will be dealt with in accordance with the Council's [complaints](#) procedure.

10.0 Quality Assurance

10.1 A Principal Officer will be responsible for collating monthly statistics on DHP applications and awards.

- Number of applications
- Number of weekly awards
- Value of weekly awards
- Average weekly award
- Number of lump sum awards
- Value of lump sum awards
- Average lump sum award
- Date application received
- Date decision made
- Time taken to process
- Average time taken to process

10.2 A Principal Officer will carry out a check of 6 DHP decisions each month, which is the equivalent of 5% of completed applications each month.

11.0 Monitoring of DHP Expenditure

11.1 The DHP budget for 2017/2018 will be monitored on a monthly basis.

11.2 A Principal Officer will be responsible for monitoring expenditure on a weekly basis.

11.3 The Service Manager will be responsible for monitoring expenditure on a monthly basis

11.4 The ASAT Steering Group will receive quarterly reports on the levels of expenditure.

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Agreed by: Aberdeenshire Support and Advice Team Steering Group

Date: