

# A quick guide to Discretionary Housing Payment

Briefing note 9 – version 2



## Background:

The Discretionary Housing Payment (DHP) scheme allows Councils the discretion to help people on a low income with their housing costs when in receipt of a social security benefit which qualifies them for consideration for a DHP payment. Housing costs may include:

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

Following the abolition of council tax benefit from April 2013, DHPs can no longer be used to assist with council tax liability

Whilst the legislation provides significant discretion to Council decision-makers, Councils have a duty to act fairly, reasonably and consistently.

## What are the criteria for award?

To be eligible to apply for a DHP the claimant must be entitled to either:

- Housing Benefit (HB); **or** Universal Credit (UC) that includes a housing element towards rental liability; **and**
- requires further financial assistance with housing costs.

## What are the key features of Discretionary Housing Payments?

The Discretionary Housing Payment scheme is discretionary and a customer does not have a statutory right to receive an award.

A Discretionary Housing Payment is not a payment of HB or UC. A Discretionary Housing Payment can only be awarded where a person is in receipt of HB or UC housing element in the same week that a Discretionary Housing Payment is awarded for. Discretionary Housing Payments may be used for:

- 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 Highland Council explores alternative housing options;
- rent officer restrictions such as local reference rent e.g. supported exempt accommodation or shared room rate;
- those whose benefit is reduced by the taper for excess income;
- a rent deposit or rent in advance for a property that the customer is yet to move into if they are already entitled to HB or UC at their present home;

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- those who are returning to work after a long period of unemployment who have difficulty managing finances during the transition from benefit to in-work income.

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This list is not exhaustive and the level of award may cover all or part of a shortfall or assist with the cost of starting or retaining a tenancy.

## How do I apply for a Discretionary Housing Payment?

You can request an application form for a Discretionary Housing Payment in 3 ways:

- **Online:** Download an application form [www.highland.gov.uk](http://www.highland.gov.uk)
- **Telephone:** Contact our Service Centre 01349 886606
- **In person:** Any Highland Council Service Point

Completed application forms should be returned without delay to our Operations Team, P.O. Box 5650, Inverness, IV3 5YX.

## What information will the Council take into account when deciding whether to award a Discretionary Housing Payment?

In deciding whether to award a DHP, the Council will take into account:

- ✓ a shortfall between HB or UC and rental liability;
- ✓ any steps taken by the customer to reduce his or her rental liability;
- ✓ the financial and medical circumstances (including ill health and disabilities) of the customer or their household;
- ✓ the income and outgoings of the customer and their household;
- ✓ any savings or capital that might be held by the customer or their household;
- ✓ the level of indebtedness of the customer and his or her family;
- ✓ any exceptional circumstances;
- ✓ the potential consequences of not making an award including the potential for the customer to become homeless and the possible impact on other agencies and Council services;
- ✓ any other relevant information brought to the attention of the Council.

## How long will my Discretionary Housing Payment award be?

- The length of any award is discretionary and the Council will consider the individual circumstances of each case;
- The Council will consider any reasonable request for backdating an award;
- The customer will be notified of the period of the award;
- The minimum period for an award is one week.