

REVENUE AND BENEFITS ASSESSMENT SERVICE

BENEFITS POLICY DOCUMENT

www.conwy.gov.uk/benefits



**Sir Conwy, yr amgylchedd iawn ar gyfer cymorth a
chefnogaeth**

**Conwy County, the right environment for help and
support**

Content	Page No.
1. Introduction	2-3
2. Universal Credit Full Service	3
3. Customer Care Policy	4
3.1 Background	
3.2 Conwy County Borough Council's Policy	
4. Housing Benefit Overpayments Policy	5-6
4.1 Background	
4.2 Conwy County Borough Council's Policy	
5. Housing Benefit Overpayment Write Off Policy	6
5.1 Background	
5.2 What is a 'Write-Off'?	
5.3 How to apply to have a Housing Benefit Overpayment Debt written off and how you are notified of decision	
6. Modifications of the Benefits Scheme Policy	7
6.1 Background	
6.2 Conwy County Borough Council's Policy	
7. Safeguard Policy for Local Housing Allowance	7-11
7.1 Background	
7.2 Conwy County Borough Council Policy	
7.3 Direct Housing Benefit (Local Housing Allowance) Payment Provision	
8. Discretionary Housing Payments	11-17
8.1 Background	
8.2 Conwy County Borough Council Policy	
8.3 Claiming a DHP	
8.4 Decision of DHP Application/Notification/Appeal Process	
8.5 Period of Award/Repeat applications/Backdating	
8.6 Deciding whether to award a DHP	
8.7 Discretionary Housing Payment for one-off payments rent in advance/rent deposit/removal costs/or other one off payments.	
8.8 Conclusion	

Appendices

Appendix 1 – Priority Groups

Appendix 2 – Priority Groups One off Payments

Appendix 3 – Non-Dependant Information

1. INTRODUCTION

Housing Benefit and Council Tax Reduction are a major pillar of support from the public purse to those on low incomes. These benefits are a vital form of financial

help for some of the most vulnerable members of society. Housing Benefit and Council Tax Reduction are significant for a number of reasons:

- The substantial amount of money involved, approximately £35 million was awarded in Housing Benefit 2017/18 and £9.3 million in Council Tax Reduction.
- A large number of people dependent on this help towards their Rent and Council Tax.
- The potentially high risk within the system for fraud and error.

Local Authorities administer the system for Housing Benefit and Council Tax Reduction. The Department for Work and Pensions (DWP) sets the rules about who is eligible for Housing Benefit. The Welsh Government sets the rules about who is eligible for Council Tax Reduction. The U.K. Government subsidises some of the costs incurred by Councils in administering Housing Benefit and the Welsh Government for Council Tax Reduction.

2. UNIVERSAL CREDIT FULL SERVICE

Universal Credit is a single monthly payment paid by the Department for Work & Pensions in most cases direct to the applicant which will eventually replace Housing Benefit, Income Support, Income Related Jobseeker's Allowance, Income Related Employment Support Allowance, Working Tax Credit and Child Tax Credit for the working age. There are a few exceptions please contact the Benefit Office 01492 576491 for details.

Universal Credit Full Service has been rolling out nationally (beyond London) since May, 2016. The rollout for residents within Conwy County Borough was - 11th April, 2018 for residents covered by Rhyl Job Centre 6th June, 2018 for residents covered by Colwyn Bay and Llandudno Job Centres.

From the above date the gateway opened to new claims for Universal Credit which where appropriate will include Housing Costs and Housing Benefit from Conwy County Borough Council will no longer be payable:-

Single people with/without children
Couples *with/without children
People who are out of work, including those that are unwell
People who are in work including the self employed

*At the point of a new claim those that have more than two dependent children will continue to claim legacy benefits e.g. Housing Benefit until February, 2019 when they can claim Universal Credit.

Certain changes in circumstances will mean that a claimant in receipt of Housing Benefit from Conwy County Borough Council will need to claim Universal Credit including their Housing Costs.

Migration of working age customers in receipt of Housing Benefit from Conwy County Borough Council will move over to Universal Credit with Housing Costs by 2023.

3. CUSTOMER CARE POLICY

3.1 Background

Customer Care is a very important part of the Benefits Unit.

3.2 Conwy County Borough Council

We aim to:

- Ensure that the our drop in public enquiry counters that provide the face to face service within Conwy County Borough are open Monday to Thursday 9am to 5pm and Friday 9am to 4.45pm.
- Ensure that the Benefits Customer Services Team are adequately staffed throughout these times with staff trained in customer care and interview techniques.
- Report number of enquiries as part of Service Performance Review.
- Issue receipts to all customers **who visit the office** outlining what action they can expect and when, and who to contact if there is a problem.
- Ensure customers are dealt with within 15 minutes of arrival.
- Provide a Visiting Officer Service for customers who cannot leave their homes such as the elderly or the sick.
- Answer customers' telephone enquiries promptly and give informed advice in a polite and friendly manner.
- Provide advice on Housing Benefit, Council Tax Reduction, Education Benefits Free School Meals and School Uniform Grants.
- Provide Universal Support to customers requiring assistance to claim Universal Credit on line and help them manage their account. Also provide personal budgeting support to those requiring this service in relation to their Universal Credit claim. Conwy County Borough Council will provide this service up to 31/03/2019. From April 2019 the DWP have changed the service provider to the Citizens Advice.

Customer Feedback to the service we provide is welcome at

www.conwy.gov.uk/rbas/rateourservice

4. HOUSING BENEFIT OVERPAYMENTS POLICY –

4.1 Background

Housing Benefit overpayments are usually caused by one of the following.

(a) DWP Error

This is where the DWP, Job Centre Plus or Pension Service have actually made a mistake themselves, causing an overpayment.

(b) Claimant Error

This is where there must have been no intent on the part of the claimant to obtain benefit by deliberately doing or not doing an act. Examples would include small income increases where the claimant may reasonably have assumed entitlement would not be affected. The overpayment is recoverable.

(c) Local Authority Error

This is where the Council has failed to act upon information received causing an overpayment to arise.

(d) Fraud

A Fraudulent Overpayment occurs when a fraudulent statement or misinterpretation or wilful non-disclosure is made causing an overpayment. Examples are:

- Increases in capital, or extra capital not disclosed.
- Changes to DWP benefit and applicant does not inform the Council.
- Income increases but applicant does not inform the Council.
- Applicant fails to notify the Council of vacation and continues to collect and cash Housing Benefit payments.
- Contrived tenancies.
- Changes in the family unit e.g. non-dependant joins the household but does not inform the Council.
- Applicant is notified of entitlement to other benefits but does not inform the Council.
- Changes in non-dependant income not advised.

4.2 Conwy County Borough Council

Recovery is normally sought in one of four ways. They are:

- The issuing of an invoice requiring repayment.
- By deduction from ongoing entitlement to Housing Benefit.

- By deduction from other Social Security Benefits.
- By deduction from earnings - Direct Earnings Attachment (DEA)

Claimants may elect to repay their overpaid Housing Benefits by instalments.

Housing Benefit Overpayments are normally raised in the name of the person whose mistake caused the overpayment.

There is a formal right of appeal in the Benefit Regulations when an overpayment is notified to a customer or third party.

5. HOUSING BENEFIT OVERPAYMENT WRITE-OFF POLICY

5.1 BACKGROUND

It is the Authority's policy to recover overpayments of Benefit wherever possible.

However there will be circumstances when it will be appropriate to consider writing debts off. The law actually states that all overpayments are recoverable (except certain official errors), but it does not state that they must be recovered. A recoverable overpayment may be recovered at the Local Authorities discretion.

There is a formal right of appeal in the Benefit Regulations when an overpayment is notified to a customer or third party. This write-off procedure is separate to the formal right of appeal and will usually entail consideration of many other factors that would not be relevant as part of the appeals process.

A person affected has no right of appeal against a decision to recover an overpayment. (A person can ask the authority not to recover an overpayment, but they have no right of appeal against the decision to recover.) They also have no right of appeal against a refusal to write-off an overpayment.

5.2 WHAT IS A 'WRITE-OFF?'

It is the Authority's policy to recover overpayments of Benefit wherever possible.

However there will be circumstances when it will be appropriate not to recover the overpayment and to consider writing the debt off.

- Discretionary Write-Off 's- The usual scenarios for considering an overpayment for a discretionary write off will be on financial or hardship grounds. The medical condition of the claimant or family may be relevant also. Discretion cannot be prescriptive. Each case must be considered on its merits.

5.3 HOW TO APPLY TO HAVE A HOUSING BENEFIT OVERPAYMENT DEBT WRITTEN OFF AND HOW YOU ARE NOTIFIED OF THE OUTCOME TO YOUR REQUEST

Requests for write-off of Housing Benefit Overpayments must normally be in writing and signed by the customer or their authorised representative and sent

to the Housing Benefit Overpayment Office, P.O. Box 1, CONWY LL30 9GN or delivered to an Area Benefit Office.

Please see our website for a [full list of our offices and opening times](#).

You will be notified of the outcome of your request in writing within 20 working days.

6. MODIFICATIONS OF THE BENEFITS SCHEME POLICY

6.1 Background

An Authority may modify the Housing Benefit Scheme in relation to War Pensions.

6.2 Conwy County Borough Council

The Council apply a 100% disregard of income from War Disablement Pension or War Widow's Pension in the Housing Benefit assessment.

7. SAFEGUARD POLICY FOR LOCAL HOUSING ALLOWANCE

7.1 Background

The LHA scheme affects the majority of tenants in the private sector in receipt of Housing Benefit with the following exemptions –

- Housing Association tenancies
- Caravans/mobile homes
- Site rents
- Moorings
- Houseboats
- Hostels
- Tenancies with a number of charitable trusts
- Tenancies with substantial board and attendance

The payment for the majority of Housing Benefit cases relevant to Local Housing Allowance will be paid directly to the claimant.

In some cases the Council must, or may decide to pay the Local Housing Allowance directly to the landlord.

This policy sets out what the Benefit Office consider in order to make a decision regarding direct payment of Local Housing Allowance to the landlord.

7.2 Conwy County Borough Council's Policy

The policy aims to achieve the following objectives:

- To provide a safeguard for vulnerable tenants who have difficulty managing their affairs.
- To prevent tenants falling into arrears with their rent and facing eviction.
- To ensure decisions are fair and consistent.
- To provide a transparent and simple process for requesting direct payment to landlord.

The policy is not designed to:

- Be used by landlords to circumvent the aims of the Local Housing Allowance Scheme.
- This Council's Policy - Mandatory Direct Payment to the Landlord

Local Housing Allowance must be paid directly to the landlord if:

- The tenant is 8 weeks or more in arrears with their rent charge.
- The tenant is having deductions made from their Income Support or Jobseekers Allowance to pay for rent arrears.
- Where more than 8 weeks rent arrears are owing, the landlord can write to the Benefit Office giving full details and request that future Housing Benefit payments if applicable be made direct to them.
- However landlord's are encouraged where there are problems not to delay in contacting the Benefit Office to notify them as soon as possible (after two weeks of non payment of rent) if a problem arises and tenants fall into rent arrears. This will enable the Benefit Office to make enquiries with the tenant at an early stage.

Discretionary Direct Payments to the Landlord

The Local Authority also have discretion to make payment of Local Housing Allowance direct to the landlord if there is evidence that the tenant will have difficulty managing their financial affairs or is **unlikely to pay the rent**.

In the case of **unlikely to pay the rent** the Benefit Office would take into consideration-

- has the tenant rent arrears and has consistently failed to pay their rent?
- has the tenant previously absconded from a property leaving rent arrears?
- has multiple debts or a history of failing to manage their affairs?

In the case of **unable to pay the rent** due to the tenant having difficulty managing their financial affairs the tenant could be classified as a 'vulnerable' tenant.

Who might be treated as vulnerable?

There are many reasons why a tenant may be unable to manage their financial affairs. A 'vulnerable' tenant **may be** someone who:-

- has severe debt problems
- has a recent County Court judgement against them
- is a undischarged bankrupt
- is unable to open a bank account or building society account
- has some of their Income Support or Job Seeker's Allowance paid directly to the gas, electricity; or water company by the Department for Work and Pensions
- is getting help from Supporting People
- is getting help from a homeless charity
- has learning difficulties
- has an illness that stops them managing their day-to-day affairs
- cannot read or speak English
- are addicted to drugs, alcohol or gambling
- are fleeing domestic violence
- are a care leaver
- are leaving prison
- are homeless

The above is not an exhaustive list and there may be other causes of vulnerability that may prevent the tenant from managing their affairs and coping with direct payment of Local Housing Allowance.

Making An Application

The tenant, landlord, relevant Social Worker or representative can request direct payment of Local Housing Allowance to the landlord.

The Benefit Office recommend that, if someone thinks a tenant may have difficulty in managing their money, they encourage the tenant to contact us.

Although initial enquiries can be made by telephone to 01492 576491 , a formal request will need to be in writing to the Housing Benefit Office, P. O. Box 1, Conwy, LL30 9GN with supporting relevant evidence.

People that can provide evidence include:

- the tenant
- friends and family of the tenant
- the landlord
- welfare groups (including money advisers)
- Social Care Departments
- probation officers
- Jobcentre Plus
- The Pension Service
- Homeless charities/organisations
- Supporting People teams
- Local rent deposit scheme administrators, homelessness or housing advice officers

Again the above is not an exhaustive list.

In the case of a letter received from a relevant Social Worker of Conwy County Borough Council to the Housing Benefit Office for direct payment of Local Housing Allowance to the landlord. If this is in the case of a vulnerable tenant (their client) not managing their financial affairs, a standard letter (drawn up by the Benefit Office and Social Workers) should be completed and returned to the Housing Benefit Office without delay, no additional evidence is required in these cases and a decision will be made.

Gathering Information and Evidence

The Housing Benefit Office will then consider the written request and may write for additional information. Failure to provide the evidence within one calendar month of the date requested may result in the request being refused.

In the case of 'vulnerable' tenants (without a letter from a relevant Social Worker of Conwy County Borough Council) an interview may be arranged for the tenant to attend an Area Housing Benefit Office of Conwy County (convenient for that tenant) or a home visit if clarification or more information is required. This will be carried out by a Senior Officer of the Benefit Section. The Benefit Office will work with that tenant in making a decision.

Making a decision

The decision will be made by a Senior Officer of the Benefit Section taking into account all the information and evidence provided. In all cases one of two decisions will be made:-

- Local Housing Allowance will be paid directly to the landlord

- Local Housing Allowance will be paid directly to the tenant

If the Benefit Office has decided to pay the landlord the Local Housing Allowance and it is above the level of the contractual rent, a split payment will occur and the tenant will continue to receive the excess Local Housing Allowance.

If the landlord has provided evidence of rent arrears, the Benefit Office may pay the excess Local Housing Allowance directly to the landlord until the arrears have been cleared.

Notifying affected parties of the decision

The tenant and/or their representatives will receive notification of the decision in writing and will be advised of the following:

- The reason for the decision
- If applicable, the decision to pay the excess of the Local Housing Allowance to the Landlord.
- Review/Appeal Rights (any review requested is carried out by a different Officer than the one that made the first decision).
- Contact details

The landlord will receive notification of the decision in writing and will be advised of the following:

- The decision to pay the landlord direct
- If the landlord has requested the direct payment of the Local Housing Allowance
- and this has been refused
- If applicable, the decision to pay the excess Local Housing Allowance to the
- landlord
- Review/Appeal Rights (any review requested is carried out by a different Officer than the one that made the first decision).
- Contact details

Further information

It may be necessary for the Benefit Office to set a date to look at the case again in the future in certain circumstances. Additional evidence may be requested and the tenant could be interviewed for the up to date circumstances of the case. Relevant parties are notified if the decision is changed.

7.3 Direct Housing Benefit (Local Housing Allowance) Payment Provision

Introduced from April, 2011, this criteria allows direct payments of Housing Benefit to landlords (**with the permission of the tenant**) if -

- . the landlord agrees to reduce the tenant's rent level and;
- . the new rent level is at the Local Housing Allowance 30th percentile or below, or at a rate which the tenant can afford, and
- . this action helps a tenant either remain in a property or obtain a new tenancy

Housing Benefit can be made to the landlord if the Council considers it will assist the customer to secure a new tenancy or retain an existing tenancy. For a tenancy to be secured or retained it is implicit that the rent should be affordable to the tenant.

The customer can only be accepted as being able to retain or secure a tenancy if the rent is at a level considered reasonable and can afford whilst in receipt of Housing Benefit.

If the customer continues to have a shortfall between rent charged and Housing Benefit allowed, which they cannot meet they will be unlikely to be able to meet this rental commitment and will be at risk of eviction. In these circumstances, they will not be able to retain the tenancy and so this **new safeguard will not apply**.

It is intended that, once direct payments are being made to the landlord under the new safeguard, they will continue unless the rent becomes unaffordable. Once a decision has been made to pay Housing Benefit direct to the landlord, we will advise the customer and the landlord. Additionally, both the customer and their landlord need to be aware that direct payments are conditional on the rent being kept at an affordable level whilst the customer remains at the address. Any increase in the rent could affect the decision to make payments direct to the landlord.

The Council will need to see evidence that rent was being charged at a higher rate for the property and confirmation of the reduced level of rent.

8. POLICY FOR THE AWARD OF DISCRETIONARY HOUSING PAYMENTS

8.1 BACKGROUND

Discretionary Housing Payments (DHPs) **provide customers in receipt of Housing Benefit or Housing Costs paid within Universal Credit from Conwy County Borough Council** further financial assistance with their housing costs. It is in addition to any other Welfare Benefit and customers have to be in exceptional need to qualify. In general, housing costs means rental liability, but housing costs are interpreted more widely to include –
Rent in advance
Rent deposit and
Other lump sum costs associated with a housing need such as removal costs or credit checks for letting agents.

The Department for Work and Pensions (DWP) Regulations governing Discretionary Housing Payment are The Discretionary Financial Assistance Regulations 2001. Amendments to the Regulations are covered by the Council Tax Benefit Abolition (Consequential Amendments) Regulations 2013, which came into force on the 1st April, 2013 and The Universal Credit (Consequential Supplementary, Incidental and Miscellaneous Provisions) Regulations 2013 (SI 2013/630) which came into force on the 29th April, 2013.

Each financial year the DWP provides a cash limited sum of money to each Local Authority for DHP awards (Government Contribution).

In 2017/18 Conwy County Borough Council received a DHP grant of £230,668 from the DWP. 532 households were helped with an award which amounted to £232,885.

The main features of the scheme are that:

- An applicant does not have a statutory right to a payment.
- The amount that can be paid by an Authority in any financial year is cash-limited by the Secretary of State.

Various types of shortfalls in Housing Costs can be cover by a

DHP –

- reduction in Housing Benefit or Housing Costs Universal Credit where the Benefit Cap has been applied
- spare room subsidy reduction (size criteria in the social rented sector) in Housing Benefit or Housing Costs Universal Credit
- reduction in Housing Benefit or Housing Costs Universal Credit as a result of Local Housing Allowance restrictions
- Rent Officer restrictions such as a local reference rent or shared accommodation rate
- non dependant deductions in Housing Benefit or Housing Costs contributions in Universal Credit.
- rent shortfalls to prevent a household becoming homeless whilst the Housing Department explores alternative options.
- income taper reductions
- help with rent in advance/rent deposit/removal costs or certain other one off expenses).

A DHP cannot cover the following shortfalls in Housing Costs as the Regulations exclude them. Excluded elements are –

- towards a Council Tax liability charge
- ineligible service charges
- increases in rent due to outstanding rent arrears
- certain sanctions and reduction in benefit (detailed on DHP Application Form)
- shortfalls caused by Housing Benefit recovery from a customer's entitlement

8.2 THE COUNCIL'S POLICY

Purpose

The purpose of this policy is to specify how this Council will operate the scheme and to indicate the factors that will be considered when deciding if a DHP can be made. The aim is to treat all claimants according to their needs when administering the scheme. The policy should be viewed in conjunction with the DWP Discretionary Housing Payment Guidance Manual (updated August, 2018) –

<https://www.gov.uk/government/publications/discretionary-housing-payments-guidance-manual>

8.3 CLAIMING A DHP

A claim for a DHP must be made on a claim form approved and issued by Conwy County Borough Council. Any assistance required in completing the

claim form can be arranged by telephoning the Housing Benefit Office on 01492 576491 or emailing hben.enquiries@conwy.gov.uk .

- A request for a DHP should be made, in writing, verbally or electronically.
- The Council will issue the applicant with its DHP application form for completion. For the claim to proceed, the applicant must return the form to the Council within 1 calendar month of its issue.
- All applications for DHP must be made by the benefit applicant or their representative and the applicant must be in receipt of Housing Benefit or Housing Costs within Universal Credit with Conwy County Borough Council.
- The Council may request any reasonable evidence in support of an application for DHP and will act consistently and reasonably in doing so. The Council will make such requests in writing or electronically. The applicant or their representative should provide the evidence within 1 calendar month.
- Evidence and information provided to decide the Housing Benefit claim may be taken into account.
- If the applicant or their representative does not provide the required evidence, the Council will still consider the application. However, the Council may disregard any unsubstantiated statements or draw its own conclusions from other evidence available.
- The Council may in any circumstances verify any information or evidence provided by the claimant(s) or their representative by contacting third parties, other organisations.

8.4 DECISION OF DHP APPLICATION/NOTIFICATION/ APPEAL PROCESS

The decisions on DHP Applications are made by experienced Benefit Officers within the Revenues & Benefit Assessment Service of Conwy County Borough on behalf of the Council.

Notification

We will inform applicants or their representative of the outcome of the DHP application within 10 working days of receipt of the application or as soon as possible thereafter. We will notify:

- Those whose application is unsuccessful and the reasons why we have decided not to award a DHP.

Those whose application is successful:

- The weekly, or lump sum amount of DHP awarded;
- The start and end date of the award;
- How, when and to whom the award will be paid and method of payment ;
- The circumstances of the award, any steps that the customer should take and any conditionality attached to the award;

- Their duty to report any change of circumstances that may affect their award;

Overpayments of DHP

The Council reserves the right to recover any overpayment of DHP where the payment was made as a result of –

- misrepresentation or failure to disclose a material fact, fraudulently or otherwise
- an error made when the claim was determined.

DHP overpayments must not be recovered from any on-going award of Housing Benefit unless the customer requests this method of recovery. A standard overpayment notification letter will be issued and will contain the reason for the overpayment, the amount overpaid and the period to which the overpayment relates and the right of Appeal.

Appeal Process

In the case of any dispute following a DHP decision there will be an independent review process (Appeal) by a different officer, normally a more senior officer. The applicant or their representative will need to request an Appeal in writing within a calendar month of the original decision notice. The Appeal will be considered within 10 working days of receipt or as soon as possible thereafter and the applicant or their representative will be notified in writing of the outcome. There will be no further Appeal rights beyond this stage.

8.5 PERIOD OF AWARD/REPEAT APPLICATIONS/BACKDATING

The Council will decide the length of time for which a DHP will be awarded based on the circumstances of the applicant's household. The DHP scheme should wherever possible be viewed as a short-term financial support.

- The minimum period for which the Council will award a DHP is 1 day, this could be a lump sum for rent in advance/ rent deposit/ or other expenses
- A periodic payment of a DHP may be made for a few weeks, but generally it is made between 13 - 26 weeks, and depends on the circumstances of the applicant's household.
- The maximum award of a weekly DHP could be for 12 months, an example of such a case would be if a property has been specifically adapted for an individual's needs
- The length of a DHP award will consider the financial and social health/medical circumstances of the applicant, their partner and any dependants and any other occupants of the applicant's home:
- **Repeat applications** will be considered when the DHP award ends and the onus will be on the applicant or their representative to complete a new application for DHP if they wish to reapply. In certain circumstances the DHP award may be extended without the need for a further completed application. All repeat applications will be considered on their own merit and will take into account if the applicant and/ or partner has made every reasonable effort to improve their situation, or if the circumstances for doing so were beyond their control.
- **Backdating** The Council will consider any reasonable request for backdating an award of DHP, but it is normally limited to the current financial year. All

such requests should be in writing and clearly give the reasons why the application was not made at an earlier time.

8.6 DECIDING WHETHER TO AWARD A DHP

There is now a more consistent approach in the administration of DHP in Wales after a project supported by the Welsh Government has developed a Framework where a points system is now used in the assessment. It is designed to make a discretionary decision-making more systematic, consistent and transparent. However it is definitely not intended to impose a one-size-fits all solution. The exercise of discretion remains at the heart of the scheme.

DHP are paid from a cash-limited DWP Grant and it is not always possible to make an award in every case where there is a housing cost shortfall.

The critical factors which are taken into account are –

- The financial circumstances of the household
- The Priority Group that the household is in **please see Appendix 1 page 18-20 and 2 page 21.**
- The extent to which members of the household are able, and willing to manage the situation they are in, or cannot be reasonably expected to do more.
- The wider financial consequences of not making an award

Financial Assessment

For all DHP applications meeting the criteria that make an application, a financial assessment is carried out comparing income and expenditure which should be detailed on the completed DHP application form. All income (with the exception of Disability Living Allowance, Attendance Allowance and Personal Independence Payment are taken into account together with any savings and capital. All expenditure is also taken into account.

If an adult relative or friend is living with the applicant (non dependant) a contribution from them will need to be taken into account in the applicant's incomes. More detail on how non dependant contribution is treated in the financial assessment is **detailed in Appendix 3 page 22.**

If the household income is more than the expenditure then the DHP claim will not succeed and the applicant or their representative will be informed accordingly. If the household income is less than the expenditure then the DHP claim will move on to the next stage.

Priority Groups

Having applied the Financial Assessment, the next stage is to decide the priority group to be given to particular circumstances a household may be experiencing and points awarded accordingly.

There are 5 Priority Groups A – E in descending order of priority See **APPENDIX 1** for the categories in each group.

Ability to manage the situation

It is then considered what steps the applicant and or partner is actively taking themselves to improve the situation and points are awarded accordingly. For example those faced with the spare room subsidy reduction (size criteria in the social rented sector) who have registered for downsizing and not yet been offered alternative accommodation will get a higher point score. However there are some situations where a DHP may be needed for a longer period for households who cannot realistically alleviate the situation they are in

by taking action themselves. For example a household with a severely disabled member unable to work who are already managing the household budget as effectively as possible will get a higher point score.

Avoid further costs and hardship

A DHP could be awarded to prevent further hardship such as eviction and the associated costs to the Council of dealing with homelessness.

Conditionality

Most of the highest priority awards are paid unconditionally, either because there is not likely to be any short term change in the circumstances giving rise to the DHP, or the household is already doing everything possible to manage the situation they are in.

All other awards will be subject to at least some conditionality to resolve the shortfall in housing costs without the need of a DHP.

8.7 DISCRETIONARY HOUSING PAYMENT FOR ONE OFF PAYMENTS RENT IN ADVANCE/RENT DEPOSIT/REMOVAL COSTS/OR OTHER ONE OFF PAYMENTS

A DHP application for expenses associated with moving or other one off payments should only be made if the money is not available from any other source e.g. Savings, borrowing from family, Credit Union, Budgeting Loan, expecting a rent in advance/deposit back from a previous property received within relevant timescale etc.

There has to be an entitlement to Housing Benefit or Housing Costs within Universal Credit at the point an award is made **within** Conwy County Borough.

Financial Assessment

A financial assessment is carried out to see if it was reasonable for the applicant/partner to have saved for a rent in advance/rent deposit/removal costs or other expense and if so the DHP claim is refused.

Priority Groups

Having applied the Financial Assessment, the next stage is to decide the priority group to be given to particular circumstances a household may be experiencing and score points accordingly.

There are 5 Priority Groups 1 - 5 in descending order of priority. See **APPENDIX 2** for the categories in each group.

If the applicant is successful in their DHP application for rent in advance/rent deposit/ removal costs they will not normally be considered for any further DHP and the new accommodation should be affordable.

All contact details of the prospective landlord or agent will need to be provided to enable the Council to try and negotiate a potential waiver of a rent in advance or deposit in exchange for direct payment of Housing Benefit if the rent is affordable (at the Local Housing Allowance rate).

In the case of removal costs a reasonable estimate is required.

8.8 CONCLUSION

The Framework used by many Welsh Authorities is not intended to fetter the Local Authority discretion in matters of DHP decision making. In a discretionary scheme there will always be some cases with exceptional circumstances where a decision-maker will consider a DHP award justified. The advantage of a discretionary scheme is that, whatever framework is used, such awards can and should be made.

The Welsh Framework does provide a structure for deciding who should be awarded DHPs. It is designed to achieve a reasonable amount of fairness and consistency both with Conwy Borough and between those Councils within Wales working in the same way.

Help us to Help You

A great deal of the work carried out within the Benefits and Revenues Service has to conform to the law and it is, therefore, not always easy to meet all customers' needs. However, we will make every effort to try and meet most of those needs.

If you have any suggestions that you feel will help improve the quality of the service we provide then please contact:-

Benefits Customer Services – 01492 576491
Conwy County Borough Council
Coed Pella,
Conway Road,
COLWYN BAY,
LL29 7AZ.

DISCRETIONARY HOUSING PAYMENTS

APPENDIX 1

PRIORITY GROUPS - ONGOING PAYMENTS

GROUP A

Households where alternative arrangements are not a realistic option.

(Top priority – exceptional circumstances where moving is difficult or having severe obstacles preventing the applicant or partner from improving their financial position)

- Households subject to the under-occupancy rules where there is a disabled person and, on account of that disability, either significant adaptations have been made to their property, or the property is particularly suited to their particular needs.
- Households subject to the under-occupancy rules where the age of the child/children means that they will soon have the appropriate number of bedrooms.
- Households subject to the under-occupancy rules with a child or children in the household
- Households subject to the under-occupancy rules where they will soon be exempt from the rules due to reaching State Pension age.
- People who are victims of domestic violence, or have moved because of the threat of domestic violence elsewhere.
- Households who have moved because the children have been subjected to bullying or at risk of peer pressure to join a criminal gang or induced into substance abuse.
- Households subject to benefit cap reductions where there are three or more children and at least one is a child under five, **and** the head of the household is a single parent.
- Elderly households in the Private Rented Sector who have a rent increase that takes their rent above the Local Housing Allowance rate.
- Households where children have had to be removed for their own safety and placed in foster care where there is evidence that the children will return to the property.
- Where there is a serious medical reason for an additional room supported by a formal medical opinion.
For example where partners are unable to share a bedroom because of medical circumstance prevent them from doing so.
- Applicants who would break a court order by moving to a smaller property.
- Where someone in the household is pregnant, including those currently in shared accommodation or subject to an under-occupation reduction (reviewed after the baby is born).
- Applicants awaiting a court judgement regarding custody of children.

- Applicants with joint custody arrangements of children but who are not receiving Child Benefit payments for those children.

GROUP B

Households where the applicant and/or partner support other household members or are being supported themselves and moving would jeopardise the support. Households subject to the under-occupancy rules with no dependent children living with them.

Households where alternative arrangements may not be a realistic option.
(2nd Highest group – if move may have a negative impact on the situation)

- Households subject to the under-occupancy rules where there is a foster carer whose circumstances mean they are not exempt.
- Households subject to the under-occupancy rules with no child or children in the household.
- Families with an active social services intervention, for example highly dependent adults, children at risk or involvement in a family intervention project.
- Those engaged in caring full time for a family member and, as a result, face additional difficulties or obstacles entering work.
- Households subject to benefit cap reductions where there are one or two children and at least one is under five, **and** the head of the household is a single parent.
- Households where there are young people who have left local authority care.
- Homeless people being supported to settle in the community.
- Households where there is evidence to support that children cannot share a room, where an application for DLA or PIP has been applied for or refused, awaiting the outcome of an appeal.
- Single households placed in accommodation by social services after completing a period of rehabilitation for addiction and where living in suitably sized accommodation would present a significant risk of relapse.
- Shift-workers at risk of losing their job if they were to move accommodation.
- Where there is a baby in the household (under six-months old).

GROUP C

Households where there are exceptional short-term personal or social barriers to moving

(The challenges may be addressed through additional support from the Council/Third Sector Provider)

- Pensioners who have lived in the area for a long time and would find it difficult to establish support links in a new area.
- Households living in a rural area who because of caring or similar responsibilities would find it particularly difficult to move, or to obtain employment locally.
- Households subject to benefit cap reductions where there are two or more children.

- Where there is a new baby in the household who is less than one-year old.
- Households where the claimant or their partner has children who are deemed for Housing Benefit purposes to be living with another adult (who is in receipt of Child Benefit for the child).
- Where the room size of a single additional bedroom does not meet the requirements of a bedroom as outlined in S326 of the Housing Act 1985 or the additional bedroom has never been used as a bedroom but as another room such as a study or a dining room.

GROUP D

Households where moving could affect ability to maintain employment

(Where employment/additional work offers applicant/partner best change to improve their circumstances but risk of moving would reduce their prospects of employment or further employment)

- People who are working in a temporary job where making alternative housing arrangements could impact on their ability to secure more stable work.
- People who need to live near their jobs because they work unsocial hours or split shifts.
- People for whom moving would significantly increase travelling costs to the extent that retaining employment would not be viable.

GROUP E

Households with rent shortfalls but would benefit from short-term financial support

Households not in groups A to D with rental shortfalls arising from welfare reforms and who need to maintain their present accommodation whilst seeking suitable alternative arrangements.

DISCRETIONARY HOUSING PAYMENT

APPENDIX 2

PRIORITY GROUPS FOR ONE OFF PAYMENTS - RENT IN ADVANCE/RENT DEPOSIT/REMOVAL COSTS OR OTHER ONE OFF PAYMENT

GROUP 1

Households where alternative arrangements are facilitated by a DHP Award.
(Top priority)

- To help cover the cost of Rent Deposit/Rent in Advance/Removal Costs for a tenancy which would mean that the under-occupancy rules, Benefit Cap or Local Housing Allowance restriction would no longer apply making the accommodation more affordable for the tenant.
- To help cover the cost of Rent Deposit/Rent in Advance/Removal Costs for a tenancy where the DHP application is supported by a member of the Housing Advisory Team of the Council due to possible homelessness issue.
- To help customers who are moving from/to supported accommodation with removal costs in the Social Sector and rent in advance/rent deposit/removal costs in the Private Sector.
- To help customers living in one bedroom private sector accommodation who require larger accommodation within the private sector when a child is born.

GROUP 2

Households where the claimant and/or their partner need assistance to improve their ability to work.

(2nd highest priority members of the family require assistance obtaining work or additional work in order to improve their circumstances and this would either mean that they could then afford the difference between rent and Housing Benefit/Housing Costs under Universal Credit or could move to another area where there was work

- Assistance with travel

GROUP 3

Households where it is possible to take in a lodger or others who may assist with housing costs.

(This group represents those who need to make some investment in their home in order to accommodate a lodger or sub-tenants who can assist with the household rent)

- Financial assistance with decorating or adaptations to the home to accommodate a lodger.
- Financial assistance towards the cost of furnishing and bedding

GROUP 4

Households who are seeking to improve their situation but who don't necessarily have a shortfall.

- To cover the cost of rent deposits/rent in advance for a tenancy, or removal costs in any circumstances not covered by Group 1.

GROUP 5

Any other reasonable circumstances.

NON-DEPENDANTS

It is expected that non-dependants will contribute to household income and that this will be taken into account in assessing income for DHP purposes. However, it is accepted that this will not always be possible, particularly where the non-dependant falls within the exempt categories for Housing Benefit purposes.

It is proposed that, in most cases, household income should include the higher of either the actual amount contributed by the non-dependant, or the relevant HB non-dependant deduction.

However, there may be some exceptions to this:

- Where non-dependants are exempt for Housing Benefit purposes, any actual contribution that can be made should be taken into account.
- Where the non-dependant falls within the highest category of non-dependant deduction they would be expected to have sufficient income to contribute further to the household and therefore make up any household rental shortfall. In these cases, the DHP application would usually not proceed. However, if there are reasonable grounds for the non-dependant not being able to make up any shortfall (e.g. unavoidable high personal expenses, debt, maintenance etc), the general rule would apply.
- In some circumstances the non-dependant will not be able to contribute an amount equal to the HB non-dependant amounts. If the circumstances of the non-dependant are such that the amount they are contributing is reasonable, the actual amount they are able to contribute should be taken into account.

ASSESSMENT OF INCOME AND EXPENDITURE FROM NON-DEPENDANTS**INCOME**

The applicant will need to inform Conwy County Borough Council of the actual income contribution made by the non-dependant together with the gross weekly income of the non-dependant.

In calculating household income the assessor will include as income either the actual contribution from the non-dependant or an amount equivalent to the relevant HB non-dependant deduction, whichever is the higher.

If an amount equal to the HB non-dependant deduction is used in the calculation of household income, the applicant will need to be notified that the non-dependant should be contributing this amount. If the non-dependant cannot contribute this amount, the applicant should inform Conwy County Borough Council.

Where the non-dependant has a gross income that puts them in the highest category of non-dependant deduction for HB purposes they should be notified that the non-dependant is expected to contribute further to cover the shortfall in rent. If circumstances mean that this is not possible they will need to inform Conwy County Borough Council.

Where Conwy County Borough Council is informed that a non-dependant cannot meet the contribution expected of them, the Council will examine the financial situation of the non-dependant more closely and then determine if the actual amount the non-dependant is contributing is reasonable given their circumstances.

Expenses related to the non-dependant (e.g. laundry, food, additional heating etc) should be included in household expenditure on the Discretionary Housing Payment Application Form.