

Discretionary Housing Payments

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What are Discretionary Housing Payments?

- Discretionary Housing Payments (DHP's) are discretionary awards, administered by the LA, Which are used to cover the shortfall between Housing Benefit and the full rent.
- They can be made to council, housing association or privately rented tenants.
- The scheme should be viewed as a short term 'fix' to help families in exceptional circumstances during a transition period in their lives.
- The scheme has been in operation since 2001, however with the introduction of changes to the Housing Benefit scheme since 2008, more funding has been allocated annually to the local authority by central government.

Main features of the scheme

- The claimant must evidence financial hardship
- the scheme is purely discretionary; a claimant does not have a statutory right to a payment
- the amount that can be paid out by an authority in any financial year is cash limited by the Secretary of State
- DHP's are not a payment of Housing Benefit or Universal Credit
- The schemes intention is for a short term award to be made, designed to alleviate poverty whilst the applicant finds other suitable alternative accommodation or alters their financial situation
- Awards periods are normally for 13 weeks , but can vary from as little as 1 week to a year
- Awards for periods over a year will be considered in exceptional circumstances

Main Criteria

- Must be in receipt of Housing Benefit and have a rental liability
- Must be unable to meet the need from their own resources
- Prevent homelessness

Qualifying factors

- Income / expenditure
- Health
- Children's age- proximity to schools
- pregnancy
- Property considerations- needs and adaptations
- Sustaining employment

Last year

- Budget of £163,918
- 466 claims paid with help for rental costs
- 300 refused
- Total claims received for housing costs 766
- £109,843 spent
- Average claim paid £235.76
- Under spent budget

This year

- Budget of £494,398 Government Contribution
- Total fund £1,235,995 (can be topped up to this figure by the LA)
- 374 claims paid with help for rental costs
- 300 refused
- 158 still awaiting adjudication
- Total claims received for housing costs 832
- £95,506 committed
- Average claim paid £255.36
- Over spent budget likely

(period covered 1/4/13-30/6/13)

National picture

- 102 English Councils surveyed
- Nationally 4,401 applications received April 2012
- 17,673 applications received April 2013
- 302% increase on the previous year

(Inside Housing 12/7/13)

Neighbouring authorities position

- Walsall

Government contribution £590,745 (total fund £1,476,863)

313 awards, 50 refusals, 200 yet to be adjudicated

- Sandwell

Government contribution £739,954 (total fund £1,849,885)

Committed spend up to 30th June 2013 £187,758

- Wolverhampton

- Government contribution £633,653 (total fund £1,584,133)

What next – what should we consider?

- Health and welfare of applicants
- Health and welfare of staff
- Do we need to change the scheme- resource hungry
- Increased demand on already limited staffing resources
- Reallocation of staff has created large backlogs in work
- Potential to require 'top up' of fund- consideration required at member level