

**DISCRETIONARY HOUSING PAYMENTS (DHP)  
POLICY AMENDMENT TO CREATE A DHP HOMELESSNESS PREVENTION FUND**

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**1 EXECUTIVE SUMMARY**

- 1.1 In March 2013 Council approved a policy for awarding Discretionary Housing Payments (DHP) to claimants in receipt of Housing Benefit (HB) who are deemed to be in high, medium or low levels of hardship.
- 1.2 This policy has been updated over the last seven years as welfare reforms have been introduced to support claimants financially and to cope with their circumstances. This includes support to make changes to their lifestyles that help them sustain tenancies and improve their longer term outcomes.
- 1.3 There are some claimants affected by the Benefit Cap reforms whose circumstances have not improved and in most cases they are not ready for the employment market when the maximum DHP entitlement period expires after 52 weeks. The Council's current policy removes DHP support at this stage and it is left to Housing Services, Registered Social Landlords (RSLs) and the Job Centre Plus (JCP) to continue providing support whilst rent arrears accrue.
- 1.4 It is proposed that the Council establish a fund within the DHP policy to provide these claimants in exceptional circumstances with further financial support and security in their tenancy. The claimant would be required to sign an agreement with the Council to take a proactive approach to preparing themselves to be ready for the workplace when it is more suitable for them.
- 1.5 In these exceptional circumstances it is proposed that DHP entitlement is extended beyond the current 52 week limit until such times as the prospect of employment for the claimant is realistic and the cap is removed.
- 1.6 The proposal is a positive action to mitigate child poverty in Argyll and Bute.

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**2 INTRODUCTION**

- 2.1 In March 2013 Council approved a policy for awarding DHP to claimants in receipt of HB and who are deemed to be in high, medium or low levels of hardship. The policy was updated in August 2014 to allow DHPs to be paid to all under-occupancy cases irrespective of priority. This was further updated in August 2015 for claims from those in receipt of Disability Living Allowance (DLA), and to ensure that help with rent deposits / rent in advance does not encourage claimants to move to a property which they cannot afford on an ongoing basis.
- 2.2 In October 2016 the DHP policy was updated to reflect new guidance from DWP about assistance to households affected by the benefit cap. This provided a DHP entitlement for claimants affected by the benefit cap for a 13 week period which could be extended to 26 weeks where evidence is forthcoming from JCP that the household has been actively engaging with them to try to move into employment. The maximum length of DHP entitlement is set at 52 weeks for all households in receipt of DHP.
- 2.3 This policy change, combined with Housing Services, JCP and RSLs working together to help claimants back to work has been hugely successful as an initial 39 Benefit Cap cases has been reduced to 9 over the intervening 30 month period.
- 2.4 However there is a need to propose a policy change which would allow DHP to be paid for more than 52 weeks for certain households on the Benefit Cap that have been harder to move into employment.

**3 RECOMMENDATIONS**

- 3.1 The Business Continuity Committee approves the proposed amendment to the policy for awarding DHP attached at Appendix 3.

**4 DETAIL****THE BENEFIT CAP**

- 4.1 The Benefit Cap is a UK government welfare reform that places a limit on the total amount of benefit a claimant can be paid per week. Originally introduced as part of the Welfare Reform Act 2012 it reduced the total benefit income receivable by a household to a maximum of £26,000 per annum £500 per week for a family and £18,200 per annum £350 per week for an individual. This was based on average earnings at that time. The Cap was reviewed in July 2015 and the threshold was reduced to £20,000 per annum for a family and £13,400 per individual as part of

the wide reaching welfare reform agenda that saw the introduction of Universal Credit (UC).

- 4.2 Where the projected household income from benefits exceeds the cap HB is reduced until the cost of financial support to the household no longer exceeds the cap. The DWP take extracts from the benefit systems and send the council details of claims to be capped in our area. Claimants in receipt of disability related benefit like DLA (Disability Living Allowance) or PIP (Personal Independence Payments) are exempt from the cap. Claimants in receipt of WTC (Working Tax Credit) are also exempt from the cap. In order to receive WTC a member of the household must find work for a minimum 16 hours per week.
- 4.3 When the DWP instruct the Council to reduce the HB entitlement the claimant must be left a minimum HB entitlement of £0.50 per week. This entitlement allows the claimant to claim support from DHP to cover the gap between their rent and their HB entitlement. They can only receive DHP for any period that they have an entitlement to HB or UC.

### **DHP**

- 4.4 DHP is a form of temporary financial support to give households in hardship a top up to their HB entitlement to the value of their rent. It allows householder's rent to be covered by HB and DHP together allowing them to sustain their tenancy whilst they take action to make changes to their lifestyles to improve their situation. This allows the household to become more financially stable, and the claimant to become more able to manage their circumstances without the need for these interventions in the longer term.
- 4.5 The objectives of the DHP policy include:-
- 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 vulnerable people in the local community,
  - supporting young people in the transition to adult life,
  - supporting victims of domestic violence who are trying to move to a place of safety.
- 4.6 The policy has served the Council, RSLs and claimants well to date. When the changes to the Benefit Cap were implemented were 39 households being capped in Argyll and Bute. This has reduced to 9.
- 4.7 The Council's Housing Services team working with RSLs and the JCP have managed to reduce the number of households affected by the cap incrementally by supporting claimants to make the right choices at the right time to come off the cap. The DHP policy was modified in September 2016 to include a requirement for DHP recipients to engage with the JCP to ensure as much as possible would be done to incentivise work for the claimants. Other actions include benefit reviews, supporting claimants to undertake training courses and providing development opportunities to prepare them for employment opportunities when they arise. These

measures have all worked well.

4.8 Unfortunately not every household has been able to take the action to come off the cap and 9 households remain affected. The current DHP policy only allows for DHP support to be granted for benefit cap claimants as follows:-

- Automatic award for 13 weeks on submission of application form
- Further 13 weeks granted if the claimant supplies proof of engagement with a work coach at the JCP.
- Further support from week 26 to week 52 where exceptional circumstances can be demonstrated.

4.9 Whilst the current DHP policy has worked well for most claimants affected by the cap there are some it has not helped. The policy needs to be widened to allow some households in specific circumstances, who are beyond the 52 week limit, to take the action required to remove themselves from the cap.

### **ANALYSIS OF HOUSEHOLDS AFFECTED BY THE CAP IN APRIL 2020**

4.10 The table below illustrates the 9 households that remain on the Benefit Cap at April 2020.

Claim no.	No of Deps	No of Non-Deps	Value of Benefit Cap (£ per week)	Potential Annual DHP cost (£)	DHP application history	Landlord
1	6	0	118.37	6,170.63	Exhausted awards	Council
2	4	0	65.18	3,397.83	Exhausted awards	RSL
3	3	0	60.94	3,176.80	Exhausted awards	RSL
6	4	0	60.78	3,168.46	Exhausted awards	RSL
4	2	0	16.98	885.17	Exhausted awards	RSL
5	4	0	5.95	310.17	Exhausted awards	RSL
7	2	1	17.69	922.18	No	RSL
8	6	0	15.19	791.85	No	RSL
9	3	0	13.99	729.30	No	Private Sector

On average a reduction of £42 per week is being taken from HB within a range of £5 per week and £119 per week for those still affected by the cap. This is a large reduction in weekly income. Also note that all households have children in them ranging from 2 children to 6 children with a total of 34 children residing in households suffering significant reductions in HB because of the Cap.

4.11 The 6 claims in the table marked as having “exhausted awards” are those that have been supported by DHP but the award has now been removed in line with the existing policy. The other claimants have not claimed DHP from the Council yet. They are either able to cope with the reduction or are not yet aware of their entitlement.

4.12 Most capped households are suffering significant reductions in weekly HB and

running up rent arrears with landlords. It is a significant problem for landlords and in some circumstances there is not much they can do to support their tenants because they are at a time of their lives where the prospect of employment is extremely limited.

- 4.13 Covid-19 adds further pressure to these families as employment is likely to be even harder to come by in the future. The Scottish Government has written to UK government asking them to consider removing the Benefit Cap temporarily. This would help our claimants however it is still believed that a change to the Councils policy would really help these vulnerable households in the future.

#### **PROPOSED POLICY AMENDMENT**

- 4.14 The proposal is to amend the DHP policy to allow claimants affected by the Benefit Cap to be supported by DHP for more than 52 weeks where;

1. there are clear and obvious barriers to work for a household such as
  - a. language barriers where English is not the claimants first language
  - b. caring responsibilities within the household making the attainment of employment unrealistic, (i.e. where there are multiple young dependent in the household)
  - c. other non-financial factors affecting the claimants ability to work including mental health illness, being the victim of domestic abuse or in circumstances where the Council has a corporate parenting responsibility.
2. there is a commitment to working with Housing Services, employability teams, community learning and development teams, employment support agencies or the job centre with a view to find a way of moving in to work. This commitment will be captured in a signed development agreement.

- 4.15 This support will be offered in exceptional circumstances and would assessed on a case by case basis. A formal agreement would be drawn up between the claimant and the Council at the current 52 weeks DHP limit which makes it clear what is expected of the claimant for the Council to continue to pay DHP. This will include suitable training and development actions recognising any limitations placed on the claimant by their circumstances. Housing Services would monitor compliance with the agreement and notify the Benefit Service of progress on a quarterly basis when the DHP position will be reassessed.

- 4.16 The impact of the current DHP policy removing support after 52 weeks is outlined in a hypothetical scenario below with a detailed timeline shown in Appendix 1. In contrast Appendix 2 shows a similar timeline for the same claimants' circumstances but with the supportive policy change there to help the household. These appendices outline the significant improvement that this change in policy can have for claimants affected by the Benefit Cap.

- 4.17 It is proposed to amend two parts of the policy. Section 6 deals with the period of the award. The minimum award period of 13 weeks still applies to all cases. As does the requirement for the extension of the initial award period to a 26 week period being conditional on engagement with Job Centre Plus to try to actively

move into employment. A further extension beyond 26 weeks to 52 weeks is also unchanged and is dependent on there being exceptional circumstances. We are proposing that the award can be extended beyond 52 weeks if supported by a signed agreement between the tenant and the Council incorporating a development plan to help the tenant to further prepare themselves for the employment market.

- 4.18 Section 7 deals with priority groups. It is proposed that benefit caps cases are split as follows. Those households who are engaging with DWP Work Coaches would fall into Priority Group D. Those households who are not engaging would fall into Priority Group E which is the catch all group for those not in any other category.

## **SCENARIO**

- 4.19 The hypothetical scenario to demonstrate how the proposed new policy will work looks at the situation for a household in the following circumstances:-

- composition of household is a married couple with 5 children between the ages of 1 year and 13 years old
- the claimant is a foreign national who resides in temporary accommodation where the Council is the landlord.
- rent for such a big property is £120.50 per week and this is covered by HB capped at £0.50 per week plus temporary DHP of £120 per week.
- one parent leaves the household after being found guilty of domestic abuse against their partner and all of the children

- 4.20 This claimant has seen her HB income reduced from £120 per week to £0.50 per week as a result of the Benefit Cap. She has received DHP payments to fill this gap from 1 March 2019 to 28 February 2020 covering a total of 52 weeks.

- 4.21 Appendix 1 shows the way the current DHP policy is applied to the household. At week 52 the DHP has to be removed as per the policy however the following circumstances apply;

- single mother who does not speak fluent English and has 5 children.
- she has no time to study or undertake training to move herself towards work and is due to previous experience of domestic abuse
- without DHP rent arrears accrue at £120 per week and within a year she owes the Council over £6,000 in unpaid rent.
- the tenant is supported by Citizens Advice to appeal the Council's application of the benefit cap and their refusal of DHP at 52 weeks. The Council's decisions are upheld at appeal
- with no prospect of rent payment the Council as landlord, threaten to evict the tenant to try and illicit payment. This puts more stress on the family and causes further damage to the fragile relationship the Council now has with the tenant and her household.
- The consequences of the situation, the threat of homelessness again, the lack of money, the struggle with the Council for support really knocks the confidence of the tenant and the wider family. The overall outcome is significant levels of anxiety and dissatisfaction all round. This affects the overall chance of ever finding employment.
- The Council as landlord is extremely unlikely ever to recover the rent arrears in this case. The family are stuck in a cycle of poverty.

- 4.22 Appendix 2 shows the difference that extending the DHP beyond 52 weeks can have in these exceptional circumstances. In this scenario at 52 weeks;
- The Council work with the household to establish a reasonable development plan for the single mother to participate in which can be accommodated around the important duties she undertakes to care for her children.
  - The DHP extension for at least a further 52 weeks takes the youngest child to 3 years old when they can go into nursery care for 30 hours per week. It is reasonable to expect the mother to be able to undertake paid employment of 16 hours per week minimum when this happens.
  - In advance of this she agrees to undertake a degree of online training per week to build language skills and confidence. This is reviewed every 13 weeks to ensure compliance and to amend the development plan.
  - Rent arrears do not accrue so the household feels more secure in their tenancy. The Council's Housing Services do not need to absorb the rent arrears or take any negative actions as they know the tenant is engaged and planning to move into work when it is possible.
  - The eldest child reaches the age of 15 and is assisted as appropriate to prepare for adult life, looking for work and without the legacy of debt through rent arrears and the feeling of being in a constant struggle.
  - Overall these outcomes are much better for the whole family and will make a significant improvement to their potential in the future.
- 4.23 The funding for the additional DHP awarded after 52 weeks will be known as the DHP Homelessness Prevention Fund.
- 4.24 Glasgow City Council and Dumfries and Galloway Council have similar schemes. The Dumfries and Galloway scheme was a key part of their anti-poverty project, "Tackling Inequalities and Improving Health" that won the CoSLA Gold Award in 2018.
- 4.25 Adopting this policy change will be a very positive move to mitigate child poverty in Argyll and Bute. There are 34 children living in households affected by the benefit cap. If the Council can support them further with DHP in the short term it will be possible to really improve their potential in the future

#### **FINANCIAL IMPACT OF PROPOSED POLICY CHANGE**

- 4.26 The estimated annual cost of this policy change based on the current caseload is £14,000. This will need to be absorbed by DHP in the future.
- 4.27 This will put the Council's existing DHP allocation from the government of £704,000 under pressure. Most of this funding is ring-fenced under agreement with the Scottish Government to support tenants suffering a reduction in the HB due to the abolition of the Spare Room Subsidy (SRS). Remaining monies are used to support claimants in genuine hardship to maintain their tenancies normally in the private rented sector. In 2019/2020 we spent £23,000 supporting 73 claims under these circumstances. It is vital that the Council continue to support other claimants suffering hardship in the future as well as these Benefit Cap claimants.

- 4.28 This additional strain on DHP is money that the Council would have to pay through Housing Services to support these claimants affected by the benefit cap. The unpaid rent would have to be covered by the Council and whilst a debtor account would be issued to the household if they moved on the likelihood of them being able to pay would be minimal.
- 4.29 Tenants of RSLs or other landlords that are affected by the benefit cap are equally important. Tenants would be threatened with eviction for rent arrears of £6,000 in a year. In these cases the Council would have a duty to support the tenant in the eviction proceedings and then rehouse them if the eviction is successful. This would be costly and when intervention and support from social services the NHS and criminal justice are included then these costs rise significantly.
- 4.30 Therefore whilst there is a cost of additional DHP support there are savings to be made through the upfront intervention that the DHP payment provides.
- 4.31 To mitigate the risk of a DHP overspend in 2020/2021 Housing Services have agreed to set aside £25,000 of temporary accommodation grant funding from the Scottish Government to cover any additional costs of paying DHP for Benefit Cap recipients as part of this new DHP Homelessness Prevention fund if required.
- 4.32 The Revenues and Benefits Service monitor DHP spend on a month to month basis and report this to Financial Services Management Team and the Strategic Management Team. The DHP Homelessness Prevention Fund can become a key part of that monitoring procedure.

## **5 CONCLUSION**

- 5.1 This paper asks the Business Continuity Committee to approve the updating of the DHP policy to allow more support to be provided in exceptional circumstances for claimants affected by the benefit cap.

## **6.0 IMPLICATIONS**

- |     |                  |   |
|-----|------------------|---|
| 6.1 | Policy           | This proposes a change to the policy for awarding DHP affecting benefit cap cases   |
| 6.2 | Financial        | Estimated cost £20,000 per annum for DHP fund. There is funding available in earmarked reserves and Housing Services are prepared to provide financial support to the fund if it is required. |
| 6.3 | Legal            | None  |
| 6.4 | HR               | None  |
| 6.5 | Equalities       | Whilst the policy change is available for all it will particularly help those where English is not their first language   |
| 6.6 | Risk             | Medium financial risk of overspending DHP fund  |
| 6.7 | Customer Service | Increased support for households affected by the Benefit  |



Cap where they have not been able to engage with JCP work coaches or move into the labour market in a 12 month period.

**Kirsty Flanagan**  
**Section 95 Officer**  
**19 May 2020**

Policy Lead: Councillor Gary Mulvaney Depute Leader

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#### **APPENDICES**

- Appendix 1 – Scenario of Households Customer Journey With Existing DHP Policy
- Appendix 2 - Scenario of Households Customer Journey With Proposed DHP Policy
- Appendix 3 - Proposed changes to DHP Policy document

## APPENDIX 1 – SCENARIO OF HOUSEHOLDS CUSTOMER JOURNEY SUPPORTED BY THE EXISTING DHP POLICY

COUNCIL CONSIDERATION/ WEEKS OF THE YEAR	CIRCUMSTANCES	STAGE 1:	STAGE 2	STAGE 3	STAGE 4	STAGE 5
		Tenancy Week 1 to Week 13	Tenancy Week 13 to Week 26	Tenancy Week 26 to Week 52	Tenancy Year 1 to Year 2	Year 2 to Year 3
HOUSEHOLD	Family (Mum and Dad and 5 children aged between 1 and 13) From Eastern Europe but have moved to Argyll and Bute. Both parents are unemployed	No material change in Household circumstances	No material change in Household circumstances. Dad trying to find job seeing work coach at JCP	Dad moves out of the family home. Forced by authorities after found guilty of Domestic Abuse of Mum and the children	Family (Mum and 5 children. Children aged 2 to 14). Mum does not speak good English. Work is not a reasonable prospect due to her own vulnerability and the caring responsibility she has for her family.	Family (Mum and 5 children. Children aged 3 to 15). Mum does not speak good English. Work is becoming a better prospect as youngest child gets 30 hours per week free nursery provision
FINANCIAL	Receiving range of benefits including Full Housing Benefit (HB) at £120.50 per week, matches rent liability	Benefit Cap introduced by UK Government in Week 1. Reduces HB entitlement to the minimum £0.50 per week meaning that a gap of £120 per week between HB and rent.	DHP awarded £120.50 per week RENT covered by £120 pw DHP + £0.50 pw HB No rent arrears	DHP awarded £120.50 per week RENT covered by £120 pw DHP + £0.50 pw HB No rent arrears	DHP stops HB continues at £0.50 per week but now gap in rent of £120 per week. Result RENT ARREARS of £6,240	Rent arrears are escalating by the end of the year debt reaches £12,480
TENANT ACTION		Assist by landlord to submit DHP claim to Council on grounds of hardship, caused by benefit cap	At week 13 claim DHP extension. Attended appointments at JCP with work coach to a search for job	DHP claim for extension under exceptional circumstances is made and awarded.	Rent arrears, getting chased for money from landlord. Being advised to get into work when not possible to do so. Submits appeal to Tribunal Service for application of benefit cap and removal of DHP - it fails. Stress, impact on whole family, education, health, desperation uses lawyer to threaten judicial review re Council's reasonableness.	Loses appeal to tribunal service, no prospect of winning judicial review. 16 hours work per week would be enough to get WTC and be removed from the benefit cap but tenant needs supported to learn English and develop the skills required to get a job, struggling to engage due to history of problems
EXISTING DHP		DHP Paid week 1 to 13	DHP Paid week 13 to 26	DHP Paid week 26 to 52	DHP stops at 52 weeks	No DHP
LANDLORD ACTIONS	Council - Homeless	Assist tenant to claim DHP in order to avoid rent arrears accruing.	Assist tenant to claim DHP in order to avoid rent arrears accruing.	Assist tenant to claim DHP in order to avoid rent arrears accruing.	Eventually serves tenant "notice to quit" to threaten eviction in the hope that tenant may pay some rent or move on to stop accumulating rent arrears. No change though, no point in evicting tenant as they come back and present as homeless and Council must rehouse.	Ongoing dialogue with tenant but awkward given history. Rent arrears is growing problem but unsure what to do.

## APPENDIX 2 – SCENARIO OF HOUSEHOLD CUSTOMER JOURNEY SUPPORTED BY THE NEW PROPOSED DHP POLICY

COUNCIL CONSIDERATION/	CIRCUMSTANCES	STAGE 1:	STAGE 2	STAGE 3	STAGE 4	STAGE 5
		Tenancy Week 1 to Week 13	Tenancy Week 13 to Week 26	Tenancy Week 26 to Week 52	Tenancy Year 1 to Year 2	Year 2 to Year 3
HOUSEHOLD	Family (Mum and Dad and 5 children aged between 1 and 13) From Eastern Europe but have moved to Argyll and Bute. Both parents are unemployed	No material change in Household circumstances	No material change in Household circumstances. Dad trying to find job seeing work coach at JCP	Dad moves out of the family home. Forced by authorities after found guilty of Domestic Abuse of Mum and the children	Family (Mum and 5 children. Children aged 2 to 14). Mum does not speak good English. Work is not a reasonable prospect due to her own vulnerability and the caring responsibility she has for her family.	Family (Mum and 5 children. Children aged 3 to 15). Mum does not speak good English. Work is becoming a better prospect as youngest child gets 30 hours per week free nursery provision
FINANCIAL	Receiving range of benefits including Full Housing Benefit (HB) at £120.50 per week, matches rent liability	Benefit Cap introduced by UK Government in Week 1. Reduces HB entitlement to the minimum £0.50 per week meaning that a gap of £120 per week between HB and rent.	DHP awarded £120.50 per week RENT covered by £120 pw DHP + £0.50 pw HB No rent arrears	DHP awarded £120.50 per week RENT covered by £120 pw DHP + £0.50 pw HB No rent arrears	No rent arrears	No rent arrears
TENANT ACTION		Assist by landlord to submit DHP claim to Council on grounds of hardship, caused by benefit cap	At week 13 claim DHP extension. Attended appointments at JCP with work coach to a search for job	DHP claim for extension under exceptional circumstances is made and awarded.	Tenant, Landlord sign agreement. Additional 52 weeks DHP awarded until youngest child becomes 3 years old and goes into nursery. This is on basis that claimant agrees to doing small bits of education/development when it is suitable for her during the week or at weekends. Confidence building, English language lessons, the use of computer technology etc. Can be 2 - 5 hours per week. Good relationship with landlord maintained.	Youngest child goes into nursery giving Mum some time to manage the overall household, engage fully with JCP re work and undertake short-term educational programs to improve employability. After 13 weeks picks up a job as a for 16 hours per week. The Benefit Cap is removed, full housing benefit restored and all the benefits of routine and work really help the family. Good relationship with landlord is maintained and with no legacy of debt and reduced levels of stress all members of the family have a fresh start and a better chance of success.
NEW DHP POLICY ACTIONS		DHP Paid week 1 to 13	DHP Paid week 13 to 26	DHP Paid week 26 to 52	DHP awarded for additional period of 13 weeks. Realistically this will be extended for at least a further year but full review to be undertaken each quarter to ensure continued engagement of tenant in the plan.	No DHP
LANDLORD ACTIONS	Council - Homeless	Assist tenant to claim DHP in order to avoid rent arrears accruing.	Assist tenant to claim DHP in order to avoid rent arrears accruing.	Assist tenant to claim DHP in order to avoid rent arrears accruing.	Support the tenant with coordinating educational support, support from social services where appropriate etc, record and monitor actions against agreement and provide feedback to Benefits for DHP reviews.	No rent arrears, good relationship with tenant, able to move the family into suitable more permanent tenancy with RSL with reduced risk of rent arrears accruing in the future.

## APPENDIX 3

Sections highlighted in **Yellow** are proposed changes.

### 6. PERIOD OF AWARD

The period of award of a DHP will normally be:

- for a minimum period of 13 weeks unless there are exceptional circumstances where it can be for a shorter period,
- for households subject to Benefit Cap restrictions the initial award of 13 weeks will be extended to 26 weeks where evidence is forthcoming from Job Centre Plus that the household has been actively engaging with them to try to move into employment. **Payment between 26 weeks to 52 weeks can be made in exceptional circumstances for benefit cap where a full review of the claim has been carried out prior to the extension. Payment beyond 52 weeks can be extended on a case by case basis. The claimant must sign a development agreement with the Council and comply with that plan to be paid an extended DHP award under the new DHP Homelessness Prevention Fund.**
- For not more than 26 weeks except where the claimant is subject to under-occupancy restrictions, or there are other exceptional circumstances,
- Where there are exceptional circumstances, a full review of the claim must be carried out prior to any extension. Such an extension may be for a further period of up to 26 weeks, making a total of a maximum of 52 weeks for any continuous award.
- For claimants subject to under-occupancy restrictions, an initial award can be made for up to a full 52 weeks if that appears appropriate and the award may also be backdated to 1 April 2013 or such later date when the under-occupancy restriction commenced. The award may be extended following a full review of the claim for a further period of up to 52 weeks.

### 7 AWARDING A DHP

In deciding whether to award a DHP, the Benefits Unit will work together with other key stakeholders (e.g. the Council's Housing and Welfare Rights Service and Registered Social Landlords) to consider the following main factors:

- The household's financial circumstances;
- The tenancy;
- Prevention of Homelessness;
- The household's medical circumstances;
- The priority group in which the applicant falls.

Each of these factors is considered in more detail below. These factors will be taken together and an overall assessment made which balances the degree of financial hardship and the likelihood that support will help to prevent homelessness and specific relevant tenancy factors. Using this overall assessment, applicants will be classed as high, medium or low priority within each priority group.

Each month there will be an assessment of which groups can be supported. In

general all high priority applicants will rank above medium priority applicants irrespective of which group A to E they fall into. Within a priority level (high, medium or low) applicants in group A would rank above group B and so on.

The intention would be to support all groups A to E high priority cases and as many of the medium priority cases possible. It is unlikely that any low priority cases will receive support.

#### **PRIORITY GROUP D**

- To help secure and move to lower-cost, alternative accommodation (e.g. rent deposit)
- To help with short-term rental costs while the claimant seeks employment
- Households within 12 months of the pension credit age and subject to under-occupancy restrictions.
- Households subject to benefit cap restrictions who have taken up an appointment with a DWP work coach to review the routes to work available to them **and/or have signed a support agreement with the Housing Options team**
- Claimants subject to LHA reforms

#### **PRIORITY GROUP E**

- To help with short term rental costs for any other reason