



STOCKPORT
METROPOLITAN BOROUGH COUNCIL

REVENUES & BENEFITS SERVICE

**DISCRETIONARY
SUPPORT
POLICY**

***Additional help for rent
and council tax costs***

Document Control

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DISCRETIONARY POLICY **HELP TOWARDS RENT AND COUNCIL TAX COSTS**

POLICY GUIDELINES:

1. Background

On 2nd July 2001, a Discretionary Housing Payment (DHP) scheme was introduced, giving Local Authorities power to provide financial assistance to claimants with their housing costs. Funding for this assistance is provided by the Department for Work and Pensions (DWP) and ring fenced.

From 1st April 2013, the scheme no longer includes help towards Council Tax payments but will continue to provide discretionary support where the claimant demonstrates a need for further financial assistance towards their rent and they are in receipt of Housing Benefit or Housing Costs element of Universal Credit.

The legislation governing Discretionary Housing Payments can be found in:

- The Child Support, Pensions and Social Security Act 2000
- The Discretionary Financial Assistance Regulations 2001
- Council Tax Benefit Abolition (Consequential Amendments) Regulations 2013
- The Welfare Reform Act 2012 (Consequential Amendments Regulations 2013)

Stockport Council will provide a local Discretionary Payment Fund to help with Council Tax in exceptional circumstances where claimants are affected by the differences in The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 and Stockport Council's Local Council Tax Support Scheme. This will be reviewed on an annual basis as part of any proposed changes to the local Council Tax Support Scheme that is currently in place. Funding will be cash limited.

Both the Discretionary Housing Payment Scheme and the Local Council Tax Support Discretionary Payment Schemes are discretionary; customers do not have a statutory right to a payment.

Section 13A(1)(c) of the Local Government Finance Act 1992 provides the Council with the discretionary power to reduce a Council Tax liability. This provision can be used in exceptional circumstances and where financial hardship is evidenced. It can also be used in cases where a Discretionary Council Tax payment cannot be awarded.

This provision also allows the Council the discretion to provide assistance to taxpayers affected by Stockport's Local Council Tax Empty Property Discount Scheme and those who, through no fault of their own, receive an increased bill due to receiving too much Council Tax Support. Charge payers will need to show that paying their account will cause financial hardship. Regard will be given to the Policy Aims, Objectives and Awarding Criteria when considering a request for a Section 13A(1)(c) discretionary reduction.

This policy sets out how the Council will use its discretionary powers to help customers with both their rent and Council Tax charges and the criteria that must be satisfied before a payment/reduction can be made.

2. Policy Aims

To ensure that Discretionary Payments/reductions contribute to the Council's aims and objectives for the Borough's development and promote social inclusion for all Stockport residents whilst not subsidising poor accommodation, not encouraging irresponsible behaviour or disadvantaging other charge payers in the borough.

To provide transitional support to claimants who require further assistance with their rent and/or Council Tax costs. A shared responsibility will be encouraged to enable the claimant to better themselves through their own actions.

3. Priority Groups

Following a Council motion on 30th March 2017, Care Leavers up to the age of 25 will have any outstanding Council Tax liability (arising from 1st April 2017 onwards) reduced to zero under Section 13A(1)(c) of the LGFA 1992, after deducting any Council Tax Support entitlement.

Since April 2013, the DWP has provided additional Discretionary Housing Payment funding towards housing costs so that Local Authorities can help customers manage the impact of Welfare Reforms. This additional funding is specifically aimed at:

Customers affected by Social Sector Size Criteria

- Disabled people who live in significantly adapted accommodation
- Foster carers, including those who need to keep an extra room when they are in between fostering.

Customers affected by the Benefits Cap

- Those in supported, exempt or temporary accommodation
- Individuals or families fleeing domestic violence
- Households moving to more appropriate accommodation
- Individuals or families who cannot move immediately for reasons of health, education or child protection.

Customers subjected to LHA restrictions

Priority will be given to these groups of people who claim a Discretionary Payment for help with their rent, where they can demonstrate they require additional financial assistance.

Each case will be treated strictly on its merits and all claimants will receive equal and fair treatment. The Revenues & Benefits Service is committed to joint working with other partners and organisations to increase entitlement to all Welfare Benefits and will reflect this in managing the Discretionary Payment Scheme.

Where the customer is not claiming a Council Tax discount or exemption to which they may be entitled or a welfare benefit or additional financial assistance, they will be advised to make such a claim and given details of other agencies that may be able to help.

4. Specific Policy Objectives

- To help members of the community who are unable to pay their rent to remain in their current home and safeguard their tenancy.
- To help members of the community who are unable to meet their rent payments for Temporary Accommodation to secure or safeguard permanent accommodation.
- To help members of the community who are unable to pay their Council Tax charge because they are not receiving as much support as they would under The Council Tax (Prescribed Requirements) (England) Regulations 2012, or, through no fault of their own, the amount of Council Tax Support is reduced.
- To provide transitional support to members of the community who are unable to pay their Council Tax charge because they are suffering hardship as a result of a reduced award under Stockport's Local Council Tax Empty Property Discount Scheme.
- To encourage social inclusion by ensuring that disadvantaged claimants can afford to live in communities that provide support, and enable the claimant to contribute to the borough
- To help residents who are unable to increase their income
- To help those who are trying to help themselves
- To encourage those in need of financial budgeting advice to access assistance
- To encourage and support people who are starting work
- To alleviate poverty
- To keep families together
- To support care leavers under the age of 25
- To support the vulnerable and elderly in the local community
- To ensure that no claimant/charge payer suffers any undue short-term disadvantage resulting from circumstances beyond their control.
- To help claimants through personal and difficult events
- To ensure that assistance is available and accessible to those most in need
- To re-profile Council Tax instalments or set alternative payment arrangements where this would make them more affordable to the customer.
- To ensure Discretionary Payments/reductions are only awarded where no other means of assistance is available.

- Discretionary Payments/reductions towards Council Tax costs should not undermine the purpose and nature of the Local Council Tax Support Scheme or the Local Empty Property Discount Scheme, nor should they support irresponsible behaviour.

5. Decision Process

The Council will provide an on-line application form for claimants to complete when requesting a Discretionary Payment. Paper forms will also be made available where required. A request for a discretionary reduction in accordance with Section 13A(1)(c) must be made in writing.

The claimant will detail all income, expenses and capital. The claimant will also be given the opportunity to provide details of any circumstances they wish to be considered by the Council.

The decision to award a Discretionary Payment and/or reduction will be made at a senior level by Adjudication and Appeals Officers or Senior Benefit Officers. The application will be checked to ensure that the appropriate criteria are met. Decisions will be taken in line with legislation, policy objectives and awarding criteria.

The Council will aim to notify the applicant of the outcome in writing, as soon as reasonably practicable.

6. Awarding Criteria

Each case will be considered on 'its merits', no blanket decisions will be made in common situations as this will fetter the application of discretion. All the following criteria should be satisfied before an award will be made:

I. The claimant must:

- be entitled to Housing Benefit **or** Universal Credit that includes a housing element towards rental liability, in the benefit week for which a Discretionary Payment is to be made

and/or

- be liable for Council Tax at an address in Stockport

AND

- evidence hardship that justifies a Discretionary Payment award and/or reduction.
- have taken reasonable steps to resolve their situation prior to application.
- engage with debt advice where deemed appropriate.
- not have access to other assets that could be realised and used to pay the rent and/or Council Tax.
- have claimed all other eligible benefits, discounts and reliefs that are available.

- be experiencing difficulties that prohibit them from being able to meet their rent and/or Council Tax liability; account will be taken of the likely length of time this difficulty will exist.

II. Overall cash limits, the effect on other charge payers and the Council's financial situation will be valid elements of the decision-making process.

7. Amount payable

There are no prescribed time limits for making a claim for a Discretionary Payment and/or reduction.

The maximum level of Discretionary Housing Payment for help with rent shall not exceed the maximum amount of housing costs within Universal Credit or the difference between the Housing Benefit award and the eligible rent on the home.

Both the amount and the duration of a payment/reduction towards Council Tax will be determined at the discretion of the Council and will be done so based on the evidence supplied and the circumstances of each case.

8. Overpayments

The Council has the discretion to revise, reduce or withdraw a Discretionary Payment and/or reduction if it is found that the circumstances of the applicant have changed, and the award is no longer appropriate.

The recovery of any overpaid Discretionary Payment will be decided taking account of all relevant circumstances, including the claimant's current financial circumstances. Where appropriate, an overpaid Discretionary Payment made towards rental payments will be recovered via an invoice; and an overpayment towards Council Tax will be recovered by means of debiting the amount from the Council Tax account.

Where a discretionary reduction in liability has been granted incorrectly or in error, either due to a failure to provide the correct or accurate information to the Council or some other circumstances, the Council may decide to reverse all or some of the discretionary reduction on the charge payer's account.

9. Appeals

Under the Local Government Finance Act 2012 and Discretionary Financial Assistance Regulations 2001, there is no right of appeal against the Council's use of discretionary powers regarding a payment from the Discretionary Payment Funds. The claimant can however, make representations to the Council if they disagree with a decision, which will then be reviewed. The Council can also review a decision itself where it is considered to be appropriate.

Where a decision is refuted, this will be considered by a Senior Officer who was not involved in the original decision. If this is upheld and the claimant still refutes the decision, the Benefits & Local Taxation Manager will undertake a review of the case.

The outcome of the review will be communicated to the claimant in writing, as soon as reasonably practicable.

Although there is no appeal procedure within the regulations for Discretionary Housing Payments, claimants can pursue the matter to Judicial Review but would be advised to seek independent advice in the first instance.

An Appeal against a decision under Section 13A(1)(c) of the Local Government Finance Act 1992 may be made in accordance with Section 16 of the Local Government Finance Act 1992.

The Council Taxpayer must first write to the Council outlining the reason for their appeal. Once received, the Council will reconsider its decision and notify the Council Taxpayer accordingly.

If the decision remains unchanged, and the charge payer is still aggrieved, they can appeal to a Valuation Tribunal. They can only do this if they have asked us to look at the decision first and they still disagree with our reply, or the Council does not reply to their letter within 2 months.

10. Fraud

The Revenues & Benefits Service is committed to the fight against fraud in all its forms. A claimant who tries to fraudulently claim a Discretionary Payment and/or reduction by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under the Theft Act 1968. Where the Revenues & Benefits Service suspects such a fraud may have occurred, the matter will be investigated, and this may lead to the instigation of criminal proceedings.

11. Joint Working

The Housing Benefit Service will work closely with front line services, partners and other organisations by providing Discretionary Payment training on policy objectives and qualifying criteria in order to promote take up and awareness in appropriate circumstances. This will ensure vulnerable groups and individuals are targeted effectively.

12. Recording of Expenditure/Reductions

The Benefits & Local Taxation Manager will monitor Discretionary Payment/reduction decisions to ensure that payments are made within budget, qualifying criteria has been met and that expenditure is correctly profiled to ensure fair distribution of the Discretionary Payment Fund throughout the year.

Applications received and outcomes will be analysed in order to review policy, methodology and target resources.