

 <b>Executive: 10<sup>th</sup> July 2019</b>		<b>Agenda Item No.</b> <h1 style="text-align: center;">10</h1>
<b>Title</b>	WDC Discretionary Housing Payment Policy Review	
<b>For further information about this report please contact</b>	Stuart Brimsted Principal Benefits Officer Extension 3164	
<b>Wards of the District directly affected</b>	None	
<b>Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?</b>	No	
<b>Date and meeting when issue was last considered and relevant minute number</b>	Overview & Scrutiny Committee 10 December 2013	
<b>Background Papers</b>	WDC – The Benefits Section, Policy Statement: Discretionary Housing Payment Scheme	

<b>Contrary to the policy framework:</b>	No
<b>Contrary to the budgetary framework:</b>	No
<b>Key Decision?</b>	Yes
<b>Included within the Forward Plan? (If yes include reference number)</b>	Yes
<b>Equality Impact Assessment Undertaken</b>	Yes

<b>Officer/Councillor Approval</b>		
<b>Officer Approval</b>	<b>Date</b>	<b>Name</b>
Chief Executive/Deputy Chief Executive	08/06/19 09/06/19	Chris Elliott Andy Jones
Head of Service	18/06/19	Mike Snow
CMT	18/06/19	Andy Jones
Section 151 Officer	18/06/19	Mike Snow
Monitoring Officer	18/06/19	Mike Snow
Finance	18/06/19	Mike Snow
Portfolio Holder(s)	19/06/16	Richard Hales
<b>Consultation &amp; Community Engagement</b>		
N/A		
<b>Final Decision?</b>	Yes	
<b>Suggested next steps (if not final decision please set out below)</b>		

## 1. **Summary**

- 1.1 Discretionary Housing Payments (DHP's) allow WDC's Benefit Section financial discretion, independent of the law governing the entitlement calculation of Housing Benefit and the Universal Credit Housing Costs Element, to assist DHP claimants in meeting their housing costs.

## 2. **Recommendation**

- 2.1 It is recommended that the Executive agree the revised policy as the basis upon which DHP's are administered by WDC's Benefit Section.

## 3. **Reasons for the Recommendation**

- 3.1 DHP's are awarded by the Benefit Section to those in receipt of Housing Benefit (HB) or the Housing Costs Element of Universal Credit (UC) to help meet shortfalls in housing costs. The principal objectives of the award of DHP's is to seek to -

- Alleviate poverty.
- Encourage and sustain the Authorities residents in employment.
- Help those who are trying to help themselves.
- Keep families together.
- Prevent child poverty.
- Support the vulnerable in the local community.
- Help customers through a personal crisis/difficult event.
- Support households that are returning to work after a period of unemployment and provide assistance in the managing of their finances during the transition from coming off benefit and receiving wages and securing Working Tax Credit entitlement.
- Support those who are in affordable housing but at risk of becoming homeless due to being unable to meet their full rent liability due to severe financial difficulties from the effects of the current economic climate.

- 3.2 The Discretionary Financial Assistance Regulations 2001 (as amended) regulate the administration of the DHP scheme and they set out the basic requirements that must be met before an award can be made. Thereafter though they allow an authority wide discretion on the operation of the scheme, including how to claim, information requirements and the recovery of overpayments.

- 3.3 These regulations, and the Department for Work and Pensions (DWP's) DHP Guidance Manual and Good Practice Guide, are the law and guidance upon which WDC's current DHP Policy is based.

- 3.4 WDC's current DHP Policy has been revised and revised because of the changes wrought by Welfare Reform, which has affected both Housing Benefit and Universal Credit, since the original DHP Policy was written in 2012. In doing this, reference has been made to the DWP's DHP Guidance Manual, which itself was revised, as a result of these changes in 2018.

- 3.5 The principal changes in respect of Welfare Reform since 2012 are -

- The 2013 introduction of the under-occupancy charge for those renting in the social housing sector.
- The 2016 reduction in the Benefit Cap (£500 per week to £384.62 for couples and lone parents, and £350 to £257.69 per week for single adults).
- The 2016 removal of the Family Premium.
- The 2017 personal allowance limit to 2 children.
- The move to full service Universal Credit, which occurred within the WDC area in October 2018.

### 3.6 The Policy revisions are -

- An extended explanation as to what DHP's can assist with, inclusive of under-occupancy, the reduction in the Benefit Cap, the removal of the family premium, and personal allowance 2 children limit.
- An extended explanation as to what DHP's cannot cover, particularly in accounting for the increased range of sanctions that affect customers benefits.
- To define more precisely when DHP's may be used to assist with Rent Deposits, Removal Costs, and Rent in Advance. Rent in Advance being of particular note because Housing Benefit is payable from when a customer moves into a property. If a DHP for rent in advance is sought, this provides the potential for a DHP to be awarded for the same period Housing Benefit will also be awarded. The policy has therefore been amended to indicate this potential for duplication and to clarify that such requests will only be allowed in exceptional circumstances.
- To define more precisely when a DHP may be awarded when a customer is receiving Housing Benefit or Universal Housing Costs on two homes; this principally because the rules for HB and UC regarding this circumstance are slightly different.

### 3.7 Since the introduction of DHP's, this year is the first that the DHP Budget has been reduced. As a result conditions on awarding a DHP have been added to the policy, and represent the only entirely new addition to the Policy. DHP's are intended to assist claimants with a short term need. The introduction of conditionality helps ensure that the claimant, particularly when reapplying for further DHP assistance knows what steps to take to improve their situation and so reduce their reliance on DHP's. Such steps should help reduce the claimant's rental liability, help them find alternative accommodation, increase their income or reduce their expenditure. Examples include –

- Proactively looking for work; with or without the support of the Local Authority and could incorporate attending work related coaching.
- Registering for housing and actively bidding for suitable properties; potentially looking for mutual exchanges.
- Making regular payments to clear/reduce rent arrears.
- Acting on debt advice from an appropriate organisation to increase income and reduce outgoings; prioritising debts accordingly.
- Engaging on advice provided by a speciality support services.

Should a claimant fail to show reasonable efforts have been made to meet the conditions a further DHP award may be refused.

3.8 If there is no ongoing DHP policy in place some of our most vulnerable citizens will have reduced recourse to meet rental liabilities, and thereby be further exposed to the issues outlined above. This will then place further burden on WDC and indeed wider support services.

#### 4. Policy Framework

##### 4.1 Fit for the Future (FFF)

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects. This report shows the way forward for implementing a significant part of one of the Council's Key projects.

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal if any in relation to the Council's FFF Strategy.

<b>FFF Strands</b>		
<b>People</b>	<b>Services</b>	<b>Money</b>
<b>External</b>		
<b>Health, Homes, Communities</b>	<b>Green, Clean, Safe</b>	<b>Infrastructure, Enterprise, Employment</b>
<u>Intended outcomes:</u> Improved health for all Housing needs for all met. Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/productivity of local economy Increased employment and income levels
<b>Impacts of Proposal</b>		
Alleviate poverty, adult and child. Support the vulnerable. Encourage and sustain residents in employment. Sustain tenancies, reduces homelessness. Support the stability of families through temporary issues e.g. job loss.	Alleviate poverty and the impact of this on other services. Reduces requirement for alternative temporary accommodation and permanent more affordable accommodation. Reduces requirement for supporting family breakdown.	Encourage and sustain residents in employment.
<b>Internal</b>		
<b>Effective Staff</b>	<b>Maintain or Improve Services</b>	<b>Firm Financial Footing over the Longer Term</b>
<u>Intended outcomes:</u> All staff are properly trained	<u>Intended outcomes:</u> Focusing on our customers' needs	<u>Intended outcomes:</u> Better return/use of our assets

All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	Continuously improve our processes Increase the digital provision of services	Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
<b>Impacts of Proposal</b>		
The DHP Policy provides detailed guidance on the administration of DHP's. This ensures best practice is observed in awarding a DHP.	The DHP Policy ensures the ongoing needs of our citizens are met. And that changes in law that might result in a need for a DHP are properly considered, understood and addressed.	

#### 4.2 **Supporting Strategies**

Each strand of the FFF Strategy has several supporting strategies and the relevant ones for this proposal are People, external principally, in assisting our citizens meet their housing costs but also Services, by reducing the impact on additional support services which would result without DHP support.

#### 4.3 **Changes to Existing Policies**

The DHP Policy does not alter the Council's broader policy framework, but rather, ensures that the administration of DHP's remains relevant to the changes in Law and Welfare Reform that are affecting WDC's Citizens, so as to meet their need, as required by Fit for the Future.

### 5. **Budgetary Framework**

- 5.1 The Section for Work and Pensions (DWP) allocates funds to Council's on an annual basis for DHP's. For 2019/20 WDC's fund is £160,835. WDC can pay additional money towards DHP but this must be funded from its own finances. The Benefit Section will, as in prior years, endeavour to ensure the sum allocated by the DWP is not exceeded.

### 6. **Risks**

The risk to the business in not affirming the new DHP Policy, and not operating a DHP Scheme is negligible. The allocated DWP funds will be returned.

The risk in not affirming the new DHP Policy lies with those the DHP Policy is designed to assist.

### 7. **Alternative Option(s) considered**

- 7.1 The alternative, as stated above is to not operate a DHP Scheme and utilise the available funds in assisting citizens.