

Chichester District Council

THE CABINET

3 October 2017

Discretionary Housing Payments Policy 2017 - 2019

1. Contacts

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2. Recommendation

- 2.1. **That the Cabinet approves the Discretionary Housing Payments (DHP) Policy for 2017-2018 and 2018-2019.**
- 2.2. **Any additional funding required for 2018-2019 to supplement the earmarked Welfare Reform Reserve will be considered during the forthcoming budget process.**

3. Background

- 3.1. The DHP scheme provides limited funding to support customers facing financial hardship situations where the normal Housing Benefit or Universal Credit awarded does not cover in full their liability to pay rent or other housing related costs. Welfare Reform has significantly impacted communities, the DHP scheme aims to alleviate poverty and to ensure that those that are vulnerable in the community are supported by this additional funding.

4. Outcomes to be Achieved

- 4.1. The Policy provides guidance to staff and stakeholders on how DHP claims are to be made and what factors are considered when making an award.
- 4.2. The DWP allocate DHP funding annually this amount can be increased by a factor of 1.5 by the Local Authority. In previous years expenditure has remained within the budget allocated by the DWP. However with further Welfare Reform, particularly the increase in the Benefit CAP in November 2016 and the roll out full service of Universal Credit from April 2018 it may mean that that Council will need to support the scheme. Therefore the Council need to ensure that it makes financial preparation to set aside sufficient funds to support the award of DHPs.

5. Proposal

- 5.1. It is proposed that Cabinet approve the DHP policy attached in appendix 1. This Policy will apply for the remainder of 2017-2018 and 2018-2019.

- 5.2. The Council need to make financial plans to ensure that the necessary funds are available in the event that the amount in the DHP fund provided by the DWP needs to be increased. However, the award criteria within the policy does contain consideration of budget availability, so the Council should be able to manage the budget within approved resources.
- 5.3. The Council currently holds an earmarked reserve allocation of £142,000 for welfare reform. This is available to supplement the current DWP allocation of £232,844.00 should this be necessary. Officers will review the need to increase this reserve as part of the 2018-2019 budget process and, if required, make appropriate recommendations to cabinet as part of the budget report.

6. Alternatives Considered

- 6.1. The Council has to have a DHP scheme therefore having a Policy which details how awards will be considered is necessary. Any decision as to whether to supplement the earmarked reserve, and therefore the total fund available will be subject to the budget process and therefore prioritisation against other budget pressures in the normal way.

7. Resource and Legal Implications

- 7.1. DHP expenditure has been within the funds granted by the DWP since 2010. This means that the Council has not had to make a direct contribution to the cost of making DHP payments. However since the introduction of various Welfare Reforms from 2013, particularly the Benefit CAP and social sector size restrictions (often referred to as the 'bedroom tax') expenditure has increased. It is anticipated that with the development of initiatives to support the transition into Universal Credit and the ongoing support for Benefit CAP cases that expenditure may increase above the level of grant allocated by the DWP. However, the existing reserve allocation of £142,000 is available to be called upon.

8. Consultation

- 8.1. Formal consultation is not required for the adoption of this Policy. The Benefits service regularly consults on an informal basis with its major stakeholders regarding the availability of the scheme and the considerations when making an award of DHP.

9. Community Impact and Corporate Risks

- 9.1. Having a DHP Policy makes the process of claiming and awarding a DHP transparent. The Policy supports the Council's aim to assist those that are vulnerable in the community and to reduce the risk of homelessness.
- 9.2. If the Council does not make financial plans to support the award of DHPs this could result in the limit of the DHP fund being reached. If this happened the consequence would be that those that are vulnerable and in need of additional support would not be assisted. In turn this would impact other services, particularly housing as the volume of homeless applications would increase. The Council would then potentially have the additional burden of funding temporary accommodation for vulnerable

households, the cost of which would far outweigh the cost of providing support through DHP's.

10. Other Implications

	Yes	No
Crime and Disorder		X
Climate Change		X
Human Rights and Equality Impact – Positive impact	X	
Safeguarding – Positive impact	X	

11. Appendices

11.1 DHP Policy document