

Chichester District Council

CABINET

5 March 2019

Discretionary Housing Payments Policy 2019-2020

1. Contacts

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2. Recommendation

- 2.1. That the Cabinet approve the Discretionary Housing Payment (DHP) policy.
- 2.2. That Cabinet authorise delegated powers to the Director of Housing and Communities to approve future amendments to the DHP policy in consultation with the Section 151 Officer and the relevant Cabinet member.

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.
- 3.2. DWP allocated funding for 2019-2020 is £178,227, this is a reduction compared to the previous year. 2018-2019 DWP funding was £202,370 (of which £143,335 was spent as at the end of January 2019). Expenditure in 2017-2018 was £176,230. If spending for 2019-2020 follows a similar trend as for 2018-2019, with the additional burdens placed on the fund from both Universal Credit and Disabled Facility Grant dual liability costs, there is a strong possibility that the limit of the DWP funding will be reached.
- 3.3. The Council has in the past made provision to meet the gap between annual DWP funding and demand. This £142,000 provision is earmarked in reserves.

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 by decision makers when making an award.
- 4.2. The Department for Work and Pensions (DWP) allocate DHP funding to Local Authorities annually. The Council can increase this fund by a maximum of one and a

half times the DWP allocation. Since the introduction of welfare reform in 2013 expenditure has remained within the budget allocated by the DWP. However continued welfare reforms particularly the roll out of Universal Credit (full live service) across the District from July 2018 may mean that demand exceeds DWP annual funding.

5. Proposal

- 5.1. It is proposed that Cabinet approve the DHP policy for 2019 – 2020 detailed in appendix 1.
- 5.2. That in the event that the 2019-20 annual DWP funding for DHP's is overspent due to demand, the £142,000 set aside in reserves be utilised to meet any funding gap.
- 5.3. That delegated powers be granted to the Director of Housing and Communities to approve future amendments to the DHP policy in consultation with the Section 151 Officer and the Cabinet member Housing Services.

6. Alternatives that have been considered

- 6.1. There are no alternatives, the Council has to have a DHP scheme therefore having a Policy which details how awards are to be made and considered is necessary.

7. Resource and legal implications

- 7.1. DHP expenditure has consistently been within the limits of the funding provided by the DWP. Locally we have experienced the following trends;
 - A reduction in expenditure for awards related to the Social Sector Size Criteria (commonly referred to as the bedroom tax).
 - An increase in DHP expenditure as a result of the Benefit CAP. This is in line with National Trends and over the next year we may see a similar pattern.
 - An increased demand in requests for one off DHP's. This includes assistance with moving costs, which now equates to roughly 30% of total expenditure.
 - As Universal Credit roll out continues across the District and more individuals and families migrate across to this new benefit, we may see more circumstances where people are disadvantaged by this new benefit. This may place more of a demand on the scheme with short term awards to allow people time to adjust to their new financial circumstances or to compensate for the differences in assessment approach between Universal Credit and legacy benefits.
 - Disabled Facilities Grants, where in exceptional circumstances a DHP is awarded to cover additional housing decampment costs to allow building works to be carried out.

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 aims to detail the Council's aim to support those that are vulnerable in its communities and to reduce the risk of homelessness.

10. Other Implications

	Yes	No
Crime and Disorder		No
Climate Change and Biodiversity		No
Human Rights and Equality Impact		No
Safeguarding and Early Help	Yes	
General Data Protection Regulations (GDPR)		No
Health and Wellbeing	Yes	
Other (please specify)		No

11. Appendices

- 11.1 DHP Policy document

12. Background papers

- 12.1. <https://www.gov.uk/government/publications/discretionary-housing-payments-guidance-manual>