

## **NOTICE OF INDIVIDUAL EXECUTIVE MEMBER DECISION**

<b>ITEM NO.</b>	IMD 2015 - 15
<b>TITLE</b>	Approval of a Revised Discretionary Housing Payments Policy
<b>DECISION TO BE MADE BY</b>	Anthony Pollock, Executive Member for Economic Development and Finance
<b>DATE AND TIME OF DECISION</b>	Friday 24th April 2015 at 10.45am
<b>VENUE</b>	LGF3B, Shute End
<b>REPORT TO BE PUBLISHED ON</b>	Thursday 16 April 2015

**INDIVIDUAL EXECUTIVE MEMBER DECISION  
REFERENCE IMD: 2015 - 15**

<b>TITLE</b>	Approval of a revised Discretionary Housing Payments Policy
<b>FOR CONSIDERATION BY</b>	Executive Member for Economic Development and Finance
<b>ON</b>	Friday 24 April 2015
<b>TIME</b>	10.45am
<b>WARD</b>	None specific
<b>DIRECTOR</b>	Graham Ebers, Finance and Resources

**OUTCOME / BENEFITS TO THE COMMUNITY**

In July 2001 Local Authorities were granted new powers under the Financial Assistance Regulations 2001 to make discretionary payments in respect of Housing Rent and Council Tax liabilities, known as Discretionary Housing Payments (DHP). This was aimed to be short term support for those on Housing Benefit and Council Tax Benefit to assist with rental and council tax liabilities.

Due to abolition of Council Tax Benefit from 1<sup>st</sup> April 2013, help with council tax liabilities can no longer be claimed.

DHP are not payments of benefit and are outside of the Housing Benefit Regulations.

Under amendments to the Financial Assistance Regulations, from April 2013 DHP can be paid to cover other housing costs in addition to rent commitments. Expenditure falls within 4 broad areas:

- Local Housing Allowance Changes;
- Benefit Cap;
- Under Occupancy;
- General DHP awards.

The scheme is funded by the Government and the Council may top this up by two and a half times the government contribution from its own funds. Wokingham Borough Council was awarded £110,348 for 2014/15 and has a reduced grant of £81,779 For 2015/2016. The Council has elected not to make any top ups from its own budgets.

How such a Policy may be written or operated has not been defined by DWP. It is a matter entirely for each local authority to compile their own scheme reflecting local needs and priorities. Generally calls on this fund represent “exceptional situations” for each applicant. Support through this scheme remains likely to meet short term assistance to claimants to meet rental costs or assistance in obtaining housing. This may arise where some unforeseen event has occurred for which they have no funds. It may also include providing assistance where existing housing benefit support has been reduced by measures introduced by Government as part of their wider review of welfare

benefit provision. Although seen likely as being short term in nature, the proposed scheme is flexible enough to continue support in appropriate cases, for longer periods to potentially enable more permanent solutions to be found and implemented

A revised DHP policy was previously approved from 29th August 2014. This has been subject to review and some revisions that would apply from 24<sup>th</sup> April 2015 are now proposed for approval.

## **RECOMMENDATION**

That the draft Policy amendments to be implemented from 24 April 2015; be approved.

## **SUMMARY OF REPORT**

Wokingham Borough Council considers that it is in the best interests of the community to run a DHP Policy utilising the funding provided by the Department for Work & Pensions (DWP). Amendments to the existing scheme are proposed in light of the reduced level of grant for 15/16 received from the government. The only substantive changes proposed relate to a) the withdrawal of paying rent arrears, which based on this years spend would save approximately £20K (Section 3.1) and b) the introduction of a priorities list to be used as appropriate to limit spend when applicable (Section 3.4). Some other amendments include, job title changes, reference to other policies where they have changed name and reference to Universal Credit. The revisions proposed have come from:

1. analysis of the results of claims made over the last 12 month period;
2. feedback on changes from internal departments and external providers
3. discussions between key senior officers within the Council in carrying out the Policy review;
4. discussions with the Executive Member for Economic Development & Finance and the Leader of the Opposition;

This revised scheme will be continue to be known as the Discretionary Housing Payments scheme.

The purpose of this revised Policy is to detail the Council's high level objectives in respect of DHP and detail how the Council will operate the scheme, including the factors that will be taken into account when considering if a DHP award can be made. Each case will be treated strictly on its merits and all applicants will be treated equally and fairly when the scheme is administered.

The responsibility for DHP is contained within the portfolio of the Executive Member for Economic Development and Finance. It falls under the provisions of an Individual Executive Member Decision for the proposed revised Policy to be adopted.

## **Background**

In developing this Policy, account has been taken of other forms of statutory and discretionary financial assistance that are available across the Council. These include:

- Local Welfare Provision;

- Rent Deposits & Rent in Advance (available through Housing Needs)

Normal practice for payments made under the scheme will be for the sums awarded to be paid either with current housing benefit using the current methods of payment, direct to the landlord or in the most appropriate way for assistance with moving costs or claimants in receipt of Universal Credit. Only in exceptional circumstance are payments made direct to claimants.

In developing the initial Policy in 13/14 an extensive consultation was undertaken involving the Corporate Leadership Team and many internal Departments/Services. External agencies such as welfare rights advisors (e.g. CAB; Reading Welfare Rights), support agencies (e.g. Age UK; Transform) as well as service providers (e.g. JobCentre Plus; Food Banks) were also consulted. All comments received were taken in to account. A full Equality Impact Assessment was completed at the time of the original approval in April 2013. This assessment is not affected by these proposed changes.

As the main change this year is to stop making awards to assist with rental arrears, Housing Needs Team, Tenant Services, Income & Payments, Housing Solutions and Transform were all given the opportunity to comment on this change. All comments received, where considered and if appropriate, have been included in the policy. For information the paying of arrears was something that Wokingham Borough Council decided to do when the grant was higher, not something that is recommended in the DWP Best Practice Guide

DHPs continue to be administered within the Financial Assessments Service of Finance. It therefore sits alongside the administration and determination of similar financially based claims for housing costs support (rent and council tax), as well as wider welfare benefits advice and Local Welfare Provision support. Therefore, the Service can determine whether there is any likely other funding that a claimant may access as an alternative source of assistance.

Existing funding streams already available locally have been identified and where appropriate claimants will be signposted to other forms of financial assistance, local or national, if that is deemed more suitable for their needs, This should help maximise the effectiveness and impact of DHP scheme.

#### **FINANCIAL IMPLICATIONS OF THE RECOMMENDATION**

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	The Council received £110,348 in government funding to cover the cost of awards made. (14/15)	Yes. No further awards will be made if funding is exhausted in year. These funds expired on 31 <sup>st</sup> March and a very small figure of £152 was left	Revenue
Next Financial Year (Year 2)	The Council will receive £81,779 in government funding to cover the cost of awards	Yes. No further awards will be made if funding is exhausted in year.	Revenue

	made. (15/16)		
Following Financial Year (Year 3)	Not yet known (16/17)	DWP advises LA's of grant amount in the January prior to the start of each financial year	

**Other financial information relevant to the Recommendation/Decision**

The Council has not been provided with any specific administration grant for this scheme. All applicants must be entitled to Housing Benefit or the Housing element of Universal Credit in order to qualify for a Discretionary Housing Payment. Therefore administration is undertaken by the Customer Welfare Team in order to minimise any cost implications to the Council. This team have successfully carried out the assessment of claims and monitoring of spend since 13/14

**Cross-Council Implications** (how does this decision impact on other Council services and priorities?)

During development of the initial Policy other Council service areas were consulted to ensure that this scheme was complimentary to but did not overlap with any similar provision in those service areas. The suggested amendments outlined above do not change that position.

Provision of a revised Policy to use the specific funding provided by Government for its intended purpose is seen as a way to maximise support for the most vulnerable residents in the borough. This should help mitigate or reduce calls for other statutory support services via the Council which may otherwise result in higher costs being faced.

**SUMMARY OF CONSULTATION RESPONSES**

<b>Director – Finance and Resources</b>	Director and Head of Service reviewed the 15/16 policy, as did other internal services and specific external providers were given the opportunity to review and comment. Also Lead members were involved in discussions about the changes.
<b>Monitoring Officer</b>	No comments made
<b>Leader of the Council</b>	To be confirmed

**Reasons for considering the report in Part 2**

None

**List of Background Papers**

DWP Best Practice Guidance 2014;  
DWP Circular S1/2015;  
Revised WBC DHP Policy & Priorities List;

<b>Contact</b> Nicky Thomas	<b>Service</b> Assessments
<b>Telephone No</b> 0118 974 6590	<b>Email</b> nicky.thomas@wokingham.gov.uk
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