

Agenda Item IMD18

INDIVIDUAL EXECUTIVE MEMBER DECISION REFERENCE IMD: 2016/18

TITLE	Approval of 16/17 Discretionary Housing Payment Policy.
DECISION TO BE MADE BY	Anthony Pollock, Executive Member for Economic Development and Finance.
DATE AND TIME	22 April 2016 at 8.30am
WARD	non specific
DIRECTOR	Graham Ebers, Director of Finance and Resources
REPORT TO BE PUBLISHED ON	14 April 2016
VENUE	Room GF3, Council Offices, Shute End

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 1st 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 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 £81,779 for 2015/16 and has an increased grant of £128,195 for 2016/2017 due to expected increase in spend as a result of other welfare changes, such as revised benefit cap. The Council has at this time elected not to make any top ups from its own budgets.

How the DHP 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. However there is a document produced by the DWP called "Discretionary Housing Payments Guidance Manual" February 2016, to assist LA's in the administration of any scheme. 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. 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 24th April 2015. This has been subject to review and some small revisions made to update relevant financial information and other minimal changes. There have been no fundamental changes to the criteria for award or the process itself. The updated scheme would apply from 22nd April 2016 and is now proposed for approval.

RECOMMENDATION

The Executive Member for Economic Development and Finance approves the draft Policy amendments to be implemented from 22 April 2016.

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 to reflect changes to legislation and funding. There are no substantive changes proposed and the scheme itself remains the same as the one previously approved. Amendments include, job title changes, reference to Universal Credit and up to date funding data.

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

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. Job Centre 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.

Other changes were made in 14/15 to reflect feedback received from other services.

Further consultation was held with Housing Needs Team, Tenant Services, Income & Payments, Housing Solutions and Transform in connection with 15/16 changes, as the main proposal was to stop assisting with rental arrears. All were given the opportunity to comment on this change and included if appropriate. 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

As the changes to this year's scheme have no impact on the claim process, award criteria or general administration of the scheme no further consultation has been sought.

DHPs continue to be administered within the 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 continue to 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

The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.

	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 will receive £128,195 in government funding to cover the cost of awards made. (16/17)	Yes. No further awards will be made if funding is exhausted in year	
Next Financial Year (Year 2)	Not yet known	DWP advises LA's of grant amount in the January prior to the start of each financial year	
Following Financial Year (Year 3)	Not yet known	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, including property and priorities?)

During the initial development of this 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

Director – Finance and Resources

No major changes to policy that required public consultation. Changes include updating of roles, financial years,

	finances/funding. Director and Head of Service have reviewed policy changes and had the opportunity to comment on.
Monitoring Officer	Made aware but no specific comments
Leader of the Council	"I fully support these updated proposals."

List of Background Papers
DWP DHP Guidance Manual February 2016; DWP Circular S1/2016; Revised WBC DHP Policy.

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