

## DISCRETIONARY HOUSING PAYMENTS POLICY

### Responsible Officer

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### 1. Summary

- 1.1 This paper presents the draft policy for the administration of the Discretionary Housing Payments Scheme within Shropshire Council.
- 1.2 DHPs are awarded to help customers who require assistance in paying shortfalls in their rent not covered by Housing Benefit. They can also be awarded to help people who require assistance with deposits and or rent in advance in order to secure a new tenancy.

### 2. Recommendations

- 2.1 Cabinet is requested to agree that the draft policy is published for consultation before being brought back to Cabinet for approval after any amendments have been made as a result of the consultation.

## REPORT

### 3. Risk Assessment and Opportunities Appraisal

- 3.1 We have identified that customers with disabilities may feel adversely impacted due to the inclusion of their disability income in our income and expenditure check when considering awards. This has been mitigated by the fact that we offset any adult care costs they have resulting from their disability. Our consultation process may help to confirm or otherwise assess the impact however we expect that there will be an overall positive impact across the nine protected characteristics groups and on social inclusion. Please refer to the attached ESIIA at Appendix B. This will be updated after the consultation exercise.

### 4. Financial Implications

- 4.1 The Government provides councils with an annual budget to make DHP awards. Any unspent money is returned to the Government.
- 4.2 The budget allocation for Shropshire Council for 2015/16 is £325,939. This is a reduction of £57,880 from the current year's allocation.

## **5. Background**

- 5.1 Discretionary Housing Payments (DHP's) are only available for people who are entitled to Housing Benefit or Council Tax Support. DHP's are expected to be awarded in unusual or extreme circumstances where additional help with rent or housing costs will have a significant positive impact in alleviating hardship and avoid deprivation particularly where people are vulnerable or where there is risk of homelessness or of family break up.

There are no prescribed resource tests for DHP's however, Local Authorities must satisfy themselves that the person making the application is in need of further financial assistance with their housing costs. DHP's are made entirely at the Local Authority's discretion and it is for them to decide what should be awarded and for what period in any particular case.

Recent changes to the Housing Benefit system have altered entitlements to help with social sector housing costs in the same way that earlier changes affected the private rented sector: the size of the household of working age clients is taken into account when deciding the appropriate level of rent to be met. The end of the "spare room subsidy" potentially affects more single people and smaller families. Working age people are also affected by the benefit cap, which restricts the weekly income that single people or couples can receive from certain benefits (subject to some exemptions).

Other changes that impact on the population are around the recent extension of allowing only the shared room rate of assistance to anyone aged under 35. This is lower than the assistance for a single bedroomed property and now affects a wider spectrum of younger people.

- 5.2 The Discretionary Housing Payments policy takes into account the recommendations of the Discretionary Housing Payments (DHP) Task and Finish Group. The work of this Group focussed on understanding the Shropshire approach to the award of DHPs and whether this could be improved both to meet the needs of the tenants and ensure that the allocation made to Shropshire is maximised.
- 5.3 It was previously planned that this policy would be brought to December, 2014 Cabinet. It seemed sensible to align this with the new Local Support and Prevention Fund (LSPF) policy and to take into account the DWP's recent announcement of the Universal Credit rollout plan for Shropshire. Originally, when the Task and Finish group met, we were not aware of the Government's plans for the rollout of Universal Credit in Shropshire and it seems pertinent to ensure that our welfare support plans are aligned with this programme. A report went to the 28<sup>th</sup> January, 2015 Scrutiny Committee regarding the findings and recommendations of the DHP Task and Finish Group. This was to introduce the draft policy together with a short presentation that added more details around the issues raised, particularly the issue of disability benefits and the additional risks that the roll out of the Universal Credit may raise. This provided Members with an opportunity to raise any concerns or issues before this Cabinet or to alternatively endorse our approach.

## 6. Draft Policy

- 6.1 This policy shows how the council administers the Discretionary Housing Payment funding that it receives from the Government.
- 6.2 It demonstrates what the fund can pay for, what it cannot pay for, the claiming process, the treatment of income and expenditure, the things we take into consideration when making our decisions, how the awards are made and it explains how people can ask us to look at our decision again if they disagree with it. It also shows how we will signpost people to work opportunities where possible.
- 6.3 We are asking for permission to consult on this policy so that partners and individuals can:
- comment on the fairness of the policy
  - make observations on whether income from Disability Living Allowance, Personal Independence Payments and Attendance Allowance should be taken into account when considering these award requests.

<p><b>List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)</b></p>
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<p><b>Cabinet Member (Portfolio Holder)</b></p>
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<p>Portfolio Holder for Resources, Finance and Support Councillor M Owen</p>
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<p><b>Local Member</b></p>
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<p>All</p>
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<p><b>Appendices</b></p>
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<p>Appendix A – The Discretionary Housing Payments (DHP) Draft Policy Appendix B – The ESIIA for the DHP policy Appendix C – The report of the DHP Task and Finish Group</p>
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