

**This report is public**

## **Housing Payments Policy**

<b>Committee</b>	Executive
<b>Date of Committee</b>	3 March 2026
<b>Portfolio Holder presenting the report</b>	Portfolio Holder for Finance, Regeneration and Property Councillor Lesley Mclean
<b>Date Portfolio Holder agreed report</b>	23 January 2026
<b>Report of</b>	Assistant Director of Finance (Section 151 Officer), Michael Furness

### **Purpose of report**

To inform Executive of the reviewed policy for Housing Payment (HP), formally known as Discretionary Housing Payments (DHP), and proposed updates.

### **1. Recommendations**

The Executive resolves:

- 1.1 To note the contents of the reviewed policy for Housing Payments.
- 1.2 To approve the policy for Housing Payments (Appendix 1).

### **2. Executive Summary**

- 2.1 The DHP policy was last reviewed in 2025. It is good practice to periodically review policies to ensure they remain relevant and in line with supporting the delivery of the Council's policies.
- 2.2 The DHP scheme was introduced on 2 July 2001 and allows councils the discretion to help people on a low income with their housing costs where Housing Benefit (HB) or Housing Costs (HC) included in Universal Credit (UC) alone does not meet all their needs.
- 2.3 As of 1 April 2026, the Discretionary Housing Payment (DHP) will be integrated into a new fund called the Crisis and Resilience Fund (CRF) in the UK. The Housing Payment name itself is not changing, but it will become part of a larger, merged scheme administered by local authorities and will be known as Housing Payments from 1 April 2026 onwards.
- 2.4 The Crisis and Resilience Fund will replace both the existing Household Support Fund and the Discretionary Housing Payments. The new fund aims to provide a

single, streamlined source of local crisis support, combining emergency assistance with preventative approaches to build long-term financial resilience.

- 2.5 There will be a phased approach, meaning that the Housing Payment (HP) element of the new fund will have its funding maintained at 2025/26 level and will continue to be administered by local authorities for the initial years 2026/27 and 2027/28
- 2.6 Detailed guidance on the full scope and operation of the new fund is still being developed by the Department for Work and Pensions (DWP) in consultation with local authorities. Therefore, while the existing DHP scheme will technically be part of the Crisis and Resilience Fund from April 2026, the term "Housing Payment" is still relevant as a specific component of the overall support mechanism during the transition period
- 2.7 For 2026/27 the total funding amount paid to Cherwell District Council by the Department for Work and Pensions is £187,383.00.
- 2.8 Cherwell District Council remains committed to identifying and assisting the most vulnerable residents through effective use of HP monies in order to offer one-off or ongoing support to families in exceptional need affected by the following changes to HB or UC housing costs:
- Benefit cap
  - Changes/restrictions to Local Housing Allowance for claimants who have private sector tenancies.
  - Removal of the Spare Room Subsidy for claimants who have social sector tenancies.
  - The roll out of Universal Credit Full Service where claimants move from claiming HB to UC housing costs.
- 2.9 Cherwell District Council is also committed to the Government's recommendation that Local Authorities should give priority consideration to households where substantial disabled adaptations have been undertaken to meet the disability needs for a household member, and where these households have also been adversely affected by Spare Room Subsidy restrictions and for whom it would not be reasonable to expect them move from their homes into smaller accommodation.
- 2.10 Whilst there are changes to the funding provision for discretionary housing payments through the CRF , there are no changes proposed in the reviewed policy and how Cherwell District Council will administer these for 2026-27.

## Implications & Impact Assessments

Implications	Commentary
<b>Finance</b>	The financial implications are set out within the report. HP is funded by grants received by the Council. The Council has budgetary provision to administer the grant funding within the Revenues and Benefits team. Rachel Ainsworth, Finance Business Partner, 22 January 2026

<b>Legal</b>	<p>The Housing Payment Policy has been reviewed having consideration for the following legislation.</p> <ul style="list-style-type: none"> <li>• The Child Support, Pensions and Social Security Act 2000.</li> <li>• Regulations: Discretionary Financial Assistance Regulations 2001.</li> </ul> <p>Amendments to the regulations are covered by the Council Tax Benefit Abolition (Consequential Amendments) Regulations 2013 (which came into force on 1 April 2013) and The Welfare Reform Act 2012 (Consequential Amendments) Regulations 2013, a further set of Universal Credit Consequential Amendment Regulations, which make amendments to the Discretionary Financial Assistance Regulations 2001 which are consequential upon the introduction of Universal Credit.</p> <p>Denzil Tuberville, Head of Legal, 23 January 2026</p>			
<b>Risk Management</b>	<p>There are no risk management issues arising directly from this report. Any arising risk will be managed through the service operational risk and escalated to the Leadership Risk Register as and when necessary.</p> <p>Celia Prado Teeling, Performance Team Leader, 19 January 2026.</p>			
<b>Impact Assessments</b>	Positive	Neutral	Negative	Commentary
<b>Equality Impact</b>				N/A
<b>A</b> Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		N/A
<b>B</b> Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?	X			N/A
<b>Climate &amp; Environmental Impact</b>				N/A
<b>ICT &amp; Digital Impact</b>		X		N/A
<b>Data Impact</b>				N/A
<b>Procurement &amp; subsidy</b>				N/A

<b>Council Priorities</b>	Promote individual wellbeing and healthy communities. Work to prevent homelessness. Response to cost-of-living crisis.
<b>Human Resources</b>	N/A
<b>Property</b>	N/A
<b>Consultation &amp; Engagement</b>	There is no consultation process required

## Supporting Information

### 3. Background

- 3.1 The HP scheme was introduced on 2 July 2001 and allows councils the discretion to help people on a low income with their housing costs where Housing Benefit (HB) or Housing Costs (HC) included in Universal Credit (UC) alone does not meet all their needs.
- 3.2 Cherwell District Council is committed to the Government's recommendation that Local Authorities should give priority consideration to households where substantial disabled adaptations have been undertaken to meet the disability needs for a household member, and where these households have also been adversely affected by Spare Room Subsidy restrictions and for whom it would not be reasonable to expect them move from their homes into smaller accommodation.

### 4. Details

- 4.1 HP is an award that can be made to claimants who have a shortfall between rental liability and entitlement to HB or UC housing costs element. This would be paid as a weekly 'top up'. this weekly top up cannot exceed the eligible rental liability.
- 4.2 Eligible rental liability means all the payments specified in Regulation 12(1) of the Housing Benefit Regulations 2006 or the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006 except those specified in Regulation 12(3)(b)(i) to (iii) of those regulations, i.e. deductions in respect of certain service charges.
- 4.3 A HP award can also be made as a one-off payment to resolve an issue relating to housing costs.
- 4.4 Housing costs are not defined in the regulations, however, in general, housing costs means rental liability. This can also be interpreted more widely to include:
- Rent in advance
  - Rent deposits
  - Other lump sum costs associated with a housing need such as removal costs.

- 4.5 The claimant must be entitled to HB or UC housing costs at the time they apply for HP.
- 4.6 Local Authorities are allocated Central Government funding for HP. Local Authorities can also make an additional local contribution to the fund (up to 2.5 times the Government allocation).
- 4.7 The funding must be awarded to claimants in the financial year it is allocated and once the fund is exhausted no further funding will be available until the following financial year. Any HP funding not awarded by the end of the financial year must be paid back to the DWP.
- 4.8 For the financial year 2026/27 Cherwell District Council has been allocated £187,383; funding and this will be paid to Cherwell within the CRF for 2026/27 and 2027/28.
- 4.9 The table below details the spend to date and at the time of writing this report was data as of 1 December 2025, spend will continue until 31 March 2026.

<b>Benefit Cap</b>	<b>Removal of spare room subsidy</b>	<b>LHA Reform</b>	<b>Combination</b>	<b>Other (no welfare reform)</b>
£699.04	£3012.15	£21012.27	£1939.00	£102252.01

## **5. Alternative Options and Reasons for Rejection**

- 5.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: Returning the funds to Department for Works and Pensions has been rejected as this would not be in line with Cherwell's objectives of continuing to respond to the cost-of-living crisis and working to prevent homelessness.

## **6 Conclusion and Reasons for Recommendations**

- 6.1 Housing Payments are vital for residents in the current economic climate and help to support our most vulnerable residents with housing costs. It is recommended that the policy is endorsed by Executive to continue delivering support to these customers.

### **Decision Information**

<b>Key Decision</b>	No
<b>Subject to Call in</b>	Yes

<b>If not, why not subject to call in</b>	N/A
<b>Ward(s) Affected</b>	All

## Document Information

<b>Appendices</b>	
<b>Appendix 1</b>	Housing Payments Policy
<b>Background Papers</b>	None
<b>Reference Papers</b>	None
<b>Report Author</b>	Sandra Ganpot – Benefit Services and Performance Manager
<b>Report Author contact details</b>	<a href="mailto:Sandra.ganpot@cherwell-dc.gov.uk">Sandra.ganpot@cherwell-dc.gov.uk</a> 01295 221721
<b>Executive Director Approval (unless Executive Director or Statutory Officer report)</b>	Report of Statutory Officer, S151 Officer