

Cherwell District Council

Executive

3 July 2023

Discretionary Housing Payments Policy reviewed 2023/2024

Report of Assistant Director of Finance

This report is public

Purpose of report

To inform Executive of the reviewed policy for Discretionary Housing Payment (DHP) and proposed updates.

1.0 Recommendations

The meeting is recommended to:

- 1.1 Note the contents of the reviewed policy for Discretionary Housing Payments.
- 1.2 Approve the policy for Discretionary Housing Payments (appendix one).

2.0 Introduction

- 2.1 The DHP policy was last reviewed in 2021. 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 In 2023/24 total funding amount paid to Cherwell District Council by Department for Works and Pensions is £187,383.
- 2.4 Oxfordshire County Council has also agreed to contribute £187,383 match funding to the Discretionary Housing Payments fund.
- 2.5 £28,000 of remaining Covid Outbreak Management Funds (COMF) have also been added to the fund taking the total available funds to £402,766

- 2.5 Cherwell District Council remains committed to identifying and assisting the most vulnerable residents through effective use of DHP 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.
- 2.4 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.

3.0 Report Details

- 3.1 DHP 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
- 3.2 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.
- 3.3 A DHP award can also be made as a one-off payment to resolve an issue relating to housing costs.
- 3.4 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.
- 3.5 The claimant must be entitled to HB or UC housing costs at the time they apply for DHP.
- 3.6 Local Authorities are allocated Central Government funding for DHP. Local Authorities can also make an additional local contribution to the fund (up to 2.5 times the Government allocation).
- 3.7 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 DHP funding not awarded by the end of the financial year must be paid back to the DWP.

4.0 Conclusion and Reasons for Recommendations

- 4.1 Discretionary 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.

5.0 Consultation

- 5.1 There is consultation process required.

6.0 Alternative Options and Reasons for Rejection

- 6.1 Returning the funds to Department for Works and Pensions and Oxfordshire County Council has been rejected as this would not be in line with Cherwell's objectives of responding to the cost of living crisis and working to prevent homelessness.

7.0 Implications

Financial and Resource Implications

- 7.1 The financial implications are set out within the report. DHP is funded by grants received by the Council. The Council has budgetary provision to administer the grant funding within the Revenues and Benefits team.

Comments checked by:

Michael Furness, Assistant Director – Finance (S151 Officer), 01295 221845,
michael.furness@cherwell-dc.gov.uk

Legal Implications

- 7.2 The Discretionary Policy has been reviewed having consideration of the following legislation:

The Child Support, Pensions and Social Security Act 2000.

Regulations: Discretionary Financial Assistance Regulations 2001.

These regulations were amended in 2012 to cover the introduction of Universal Credit and the abolition of Council Tax Benefit from April 2013.

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.

Comments checked by:

Shahin Ismail Legal Services Manager

Shahin.ismail@cherwell-dc.gov.uk

Risk Implications

- 7.4 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

Comments checked by:

Celia Prado-Teeling, Performance and Insight Team Leader, 01295 221556

Celia.Prado-Teeling@cherwell-dc.gov.uk

Equalities and Inclusion Implications

- 7.4 No further changes have been made to the existing policy, as such there is no need for a new Equalities Impact Assessment to be completed.

Comments checked by:

Celia Prado-Teeling, Performance & Insight Team Leader, 01295 221556

Celia.Prado-Teeling@Cherwell-dc.gov.uk

8.0 Decision Information

Key Decision

Financial Threshold Met: Yes

Community Impact Threshold Met: Yes

Wards Affected

All

Links to Corporate Plan and Policy Framework

Promote individual well being and healthy communities

Work to prevent Homelessness

Response to the cost of living crisis

Lead Councillor

Councillor Adam Nell, Deputy Leader and Portfolio Holder for Finance

Document Information

Appendix number and title

- Appendix 1 – Discretionary Housing Payments Policy

Background papers

None

Report Author and contact details

Jacey Scott, Head of Revenues and Benefits,
01295 221548, Jacey.scott@cherwell-dc.gov.uk