

<b>This report is public</b>	
<b>Discretionary housing Payments Policy</b>	
<b>Committee</b>	Executive
<b>Date of Committee</b>	7 April 2025
<b>Portfolio Holder presenting the report</b>	Portfolio Holder for Finance, Regeneration and Property, Councillor Lesley McLean
<b>Date Portfolio Holder agreed report</b>	20 February 2025
<b>Report of</b>	Assistant Director for Finance (Section 151 Officer), Michael Furness

## Purpose of report

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

### 1. Recommendations

The Executive resolves to:

- 1.1 Note the contents of the reviewed policy for Discretionary Housing Payments.
- 1.2 Approve the policy for Discretionary Housing Payments.

### 2. Executive Summary

- 2.1 The DHP policy was last reviewed in 2024. 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 2024/25 total funding amount paid to Cherwell District Council by the Department for Work and Pensions is £187,383.00 and the funding amount for 2025/26 is unchanged and remains at £187,383.00.
- 2.4 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.

2.5 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.

## Implications & Impact Assessments

Implications	Commentary
<b>Finance</b>	<p>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.</p> <p>Comments checked by – Michael Furness Assistant Director of Finance 20 February 2025</p>
<b>Legal</b>	<p>The Discretionary Policy has been reviewed having consideration to 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>Comments checked by Denzil Tuberville Head of Legal, 20 February 2025</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, 10 February 2025</p>

<b>Impact Assessments</b>	<b>Positive</b>	<b>Neutral</b>	<b>Negative</b>	<b>Commentary</b>
<b>Equality Impact</b>	X			This proposal has been developed in line with our Equalities, Diversity and Inclusion Framework, and it will potentially have a positive impact on upon the lives of our residents within areas of deprivation. Celia Prado-Teeling, Performance Team Leader, 10 February 2025
<b>A</b> Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		
<b>B</b> Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?	X			
<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 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.
- 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 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.
- 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 DHP 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 DHP.
- 4.6 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).
- 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 DHP funding not awarded by the end of the financial year must be paid back to the DWP.
- 4.8 For the financial year 2024/25 Cherwell District Council has been allocated £187,383; funding amounts equal to 2024/25 for 2025/26 has now been confirmed by the DWP and will be £187,383 and there is no match funding agreed by Oxfordshire County Council.

4.9 The table below details the spend to date and at the time of writing this report was data as at 1 January 2025, spend will continue until 31 March 2025.

<b>Benefit Cap</b>	<b>Removal of spare room subsidy</b>	<b>LHA Reform</b>	<b>Combination</b>	<b>Other (no welfare reform)</b>
£8225.81	£12425.54	£17752.51	£3882.56	£218,787.78

## 5. Alternative Options and Reasons for Rejection

5.1 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 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.

### 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>	Discretionary Housing Payments Policy
<b>Background Papers</b>	None
<b>Reference Papers</b>	None
<b>Report Author</b>	Sandra Ganpot – Benefit Services and Performance Manager

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<b>Corporate Director Approval (unless Corporate Director or Statutory Officer report)</b>	Report of statutory officer – S151 Officer