



Policy and Resources Committee – 20 January 2014

Discretionary Housing Payments

Purpose of report: To update Members on the Discretionary Housing Payments Scheme.

Attachment(s) None

1.0 Background

- 1.1 Since 2001, Discretionary Housing Payments (DHP) have given local authorities the discretion to develop their own policy to determine whom they will award further financial assistance with housing costs.
- 1.2 The Department for Work and Pensions (DWP) provides an annual grant to each local authority to pay DHP. Any element of the grant not spent must be returned in full to the DWP. A local authority may spend more than its DWP grant up to an upper limit 2.5 times the DWP grant. Any amounts paid over the DWP grant fall upon the Councils general fund to finance.
- 1.3 The DHP grant to East Northamptonshire for 2013/14 is £85,490.
- 1.4 Due to the number of Welfare Reform changes implemented from the 1 April 2013 it was anticipated that there would be an increase in applications for discretionary awards therefore to ensure the funding reached the right customers a review of the Councils DHP policy and procedure was undertaken.
- 1.5 The policy and procedure relating to this scheme were approved by the Policy and Resources Committee on the 11 March 2013. It was requested that officers report back to Committee once £50,000 of the grant had been spent (minute 442) to enable decisions to be made regarding funding of the scheme.
- 1.6 As at 31 December 2013 £52,371 of the grant had been spent.

2.0 Applications

2.1 The table below shows the number of applications received up to the 31 December 2013.

2.2

Month	Number of applications	Successful	Unsuccessful
April	31	28	3
May	10	9	1
June	15	13	2
July	12	8	4
August	14	9	5
September	16	10	6
October	16	11	5
November	15	5	10
December	7	6	1
Total	136	99	37

- 2.3 The number of applications received in 2013/14 has significantly increased compared to the 33 applications received in 2012/13.
- 2.4 As anticipated 68% of the applications received were from customers affected by the removal of spare room subsidy regulations that came into effect from 1 April 2013.

A breakdown of the reasons for the awards are as follows:

- 16 awards made for disabled adapted properties
- 41 awards made due to health related issues
- 4 awards made due to Local Housing Allowance reforms (age related)
- 38 awards made for various different reasons for example recent unemployment and future changes that would mean the customer would no longer be under occupying (baby due and reaching pensionable age).

3.0 Forecasting

- 3.1 There are no further Welfare Reform changes due to be implemented during the last quarter of the year therefore we do not expect to see an increase in the average number of applications received each month.
- 3.2 The Council, social landlords and the voluntary sector are continually working with customers with regards to money, debt and housing advice. This has been an important factor in making customers less reliant on DHP.
- 3.3 There are 23 customers that have been awarded DHP until the end of the financial year therefore they will not be making repeat claims. The amount committed has already been accounted for in the amount spent.

4.0 Funding for 2014/15

- 4.1 The Autumn statement confirmed a further £40 million of additional DHP funding in 2014/15.
- 4.2 As at the date of writing this report ENC has not received details of their grant for 2014/15, this information is due to be received shortly and a verbal update will be given at the meeting.

5.0 Equality and Diversity

- 5.1 An initial Equality Impact Assessment was carried out in April 2011 which resulted in no negative impacts being identified. The changes to the policy made in March 2013 were positive, because they broadened the scope of circumstances under which someone is eligible to be awarded DHP, and so a further Equality Impact Assessment has not been completed.

6.0 Legal Implications


- 6.1 DHP awards are made under the provisions set out in the Discretionary Financial Assistance Regulations 2001 (DFAR). These regulations require local authorities to administer a DHP scheme.
- 6.2 The regulations set out key qualifying criteria for making payments under the scheme and give details of when payments cannot be made.
- 6.3 Although the legislation gives the LA a very broad discretion, decisions must be made in accordance with ordinary principles about good decision making. In particular, LAs have a duty to act, fairly, reasonably and consistently.

7.0 Financial Implications

- 7.1 ENC's 2013/14 financial legal limit for DHP is £213,725, this means up to £128,235 could be allocated from the Council's general fund should the £85,490 grant from the DWP be exceeded.
- 7.2 Although there isn't the traditional appeals mechanism, limiting DHP paid to the amount of the DWP grant may lead to customers requesting a judicial review or contacting the local government ombudsman if there is an allegation of maladministration.
- 7.3 Since the DHP policy and procedure was approved in March 2013 there have not been any appeals, judicial reviews or contact with the local government ombudsman regarding DHP decisions made.
- 7.4 There is £33,118 of the DHP grant still remaining for applications made in the last quarter of the year there is a very low risk of the grant from the DWP being exceeded.

8.0 Recommendation

- 8.1 It is recommended that
- the report be received and Discretionary Housing Payment expenditure in 2013/14 be noted.
 - a further report be submitted to Policy and Resources Committee when 75% of the DWP Discretionary Housing Payment grant for 2014/15 is committed.

Legal	Power: The Discretionary Financial Assistance Regulations 2001					
	Other considerations:					
Background Papers: Policy and Resources Committee report 11 March 2013 Discretionary Housing Payments Policy and Procedure						
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