

Report To: Cabinet

Date of Meeting: 24th March 2015

Lead Member / Officer: Julian Thompson-Hill / Paul McGrady

Report Author: Rod Urquhart

Title: Discretionary Housing Payments (DHP) Policy

1. What is the report about?

To adopt a new all wales policy framework dealing with Discretionary Housing Payments.

2. What is the reason for making this report?

To introduce the new framework, this takes account of best practice across the UK and is being adopted in 20 of the Welsh Local Authorities.

3. What are the Recommendations?

Members approve the revised 'Discretionary Housing Payments Policy' framework as shown in Appendix A to this report.

4. Report details.

Background

The Department of Work and Pensions (DWP) allocates grant funding annually to Local Authorities so they can assist claimants with shortfalls in their Housing Benefit on a temporary basis or protect the most vulnerable groups of citizens on a longer term basis.

The amount of funding increased for a couple of years to offset some of the changes made under the Welfare Reform Act 2012. Examples of this include:

- The Benefit Cap
- Under Occupancy Room Restriction (also known as the Bedroom Tax)
- Local Housing Allowance Rate changes

However the DWP had indicated the amount of increased funding would be temporary and that with the implementation of Universal Credit the amounts available would diminish at a greater rate.

Denbighshire County Council received the following funding amounts

- 2013/14 £217,914
- 2014/15 £202,519

- 2015/16 £158,793

Concerns had been raised by Welsh Government that Local Authorities were not applying a common framework to the application and assessment of DHP claims and suggested that the Welsh Local Authorities should consider creating a national framework. It should be noted Denbighshire County Council has used the guidance issued by the DWP when it has assessed DHP claims

4.1 Issues for consideration

Denbighshire County Council joined 19 other Welsh Local Authorities, the Welsh Local Government Association and Welsh Government. As a collective an external organisation (The Welfare Reform Club) was appointed to undertake a review on Discretionary Housing Payments and the way they are administered.

This review researched the way in which the scheme is administered currently and any future changes that are planned. The Welfare Reform Club then collated this information and produced a series of documents. Following reviews by the Local Authorities the final documents have become the All Wales framework.

All the other 19 participating Local Authorities have, or will be adopting this framework, which makes the process of claiming, administering and understanding Discretionary Housing Payments more transparent.

With the levels of funding for Discretionary Housing Payments being reduced by Central Government it is essential that we have a robust framework and policy in place to deal with the excess demand we are likely to have, which is fair, transparent and takes into account all claimant events in a standard way, but still allows the flexibility to make local decisions.

5. How does the decision contribute to the Corporate Priorities?

By adopting a pan wales policy framework there is transparency and fairness to the customers from most of the Welsh Councils in terms of how their entitlement to Discretionary Housing Payments are calculated.

6. What will it cost and how will it affect other services?

There was a cost of £1,500 per Local Authority for the work of the Welfare Reform Club which was paid for within existing budgets. The framework and reduction in funding will have a direct impact both for our Housing Services and Customer Services.

7. What are the main conclusions of the Equality Impact Assessment (EqIA) undertaken on the decision? The completed EqIA template should be attached as an appendix to the report.

Not applicable as an EQIA was undertaken by the Department of Works and Pensions on both Discretionary Housing Payments and the Welfare Reform Act

8. What consultations have been carried out with Scrutiny and others?

The policy and framework has been shared with other local authorities, Welsh Government and the third sector. Any changes and suggestions have been incorporated within the framework

9. Chief Finance Officer Statement

There are no financial implications directly related to this policy framework, however with the reductions in funding some difficult decisions will need to be taken in assessing customers' entitlement to Discretionary Housing Payments

10. What risks are there and is there anything we can do to reduce them?

Not applicable

11. Power to make the Decision

- Department of Work and Pensions Circular S1/2015.
- Housing Benefits Regulations.