

Report of	Meeting	Date
Chief Executive Introduced by the Executive Member for (Resources, Policy and Performance)	Executive Cabinet	21 March 2013

ADOPTION OF DISCRETIONARY HOUSING PAYMENTS POLICY

PURPOSE OF REPORT

1. To seek the approval of the Executive Cabinet for the revised Discretionary Housing Payment Policy.

RECOMMENDATION(S)

2. The Executive Cabinet is asked to approve the attached amended Discretionary Housing Policy which has been amended to meet the requirements of new Department for Work and Pensions guidance.

EXECUTIVE SUMMARY OF REPORT

3. The Council receives an amount of money from the Government each year to award Discretionary Housing Payments to residents of Chorley who are in receipt of Housing Benefit to meet additional housing costs that the customer may have. These costs may be weekly housing costs or one-off housing costs.
4. The awards of Discretionary Housing Payments are made at the discretion of the Council subject to the rules contained within the Discretionary Financial Assistance Regulations 2001 (SI/2001/1167) and the Council's Discretionary Housing Payments policy. The regulations give details of the qualifying criteria of when payments can or cannot be made and the Council's policy provides details of the aims of the scheme and items to be taken into consideration when considering a request for an award.
5. The awards that can be made are subject to a cash limit of 2.5 times the government funding with the liability for any payments made above the Government funding falling to the Council.
6. The Government contribution for 2013/2014 is £126,621.00 which is four times that allocated previously. The additional sum is in response to the anticipated increase in demand following the welfare reform changes. This means that the maximum that can be awarded is £316,552.00. In the event of awards exceeding the Government funding of £126,621.00 any awards above this amount would need to be funded by the Council, at this stage, no provision has been made in the Council's budget over and above the grant allocated.

Confidential report Please bold as appropriate	Yes	No
--	-----	----

Key Decision? Please bold as appropriate	Yes	No
--	-----	----

Reason Please bold as appropriate	1, a change in service provision that impacts upon the service revenue budget by £100,000 or more	2, a contract worth £100,000 or more
	3, a new or unprogrammed capital scheme of £100,000 or more	4, Significant impact in environmental, social or physical terms in two or more wards

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

- To update the Discretionary Housing Payment Policy (last updated May 2006) to reflect new guidance from the Department for Work and Pensions regarding what items Discretionary Housing payments can meet and to update the Council's priorities regarding who should receive Discretionary Housing Payments.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- Nil.

CORPORATE PRIORITIES

- This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	x
Clean, safe and healthy communities	x	An ambitious council that does more to meet the needs of residents and the local area	x

BACKGROUND

- The Department for Work and Pensions (DWP) has produced new draft guidance for the administration of Discretionary Housing Payments from 1 April 2013.

This guidance reflects the fact that Discretionary Housing payments can now be awarded for:

- Weekly shortfall's between Housing Benefit awarded and rent charged
 - Including rent shortfalls by way of general rent restriction, the applicants income or non-dependant deductions.
 - Support for those subject to the benefit cap (from summer 2013)
 - Support for those subject to the size criteria measure (from April 2013)
 - Support for those subject to local housing allowance restrictions (from April 2011)
- One-off payments for rent deposits/rent in advance
- One-off payments for rent on up to two homes
- One-off payments for lump sum costs associated with a housing need

DISCRETIONARY HOUSING PAYMENTS POLICY

- The Cabinet is asked to accept the attached background papers as the Council's Policy for considering applications for Discretionary Housing Payments.

8. The Cabinet is recommended to accept the following policy objectives set out in the Discretionary Housing Payments Policy:
 - Sustaining a tenancy for a period of time whilst other solutions can be put in place
 - Preventing homeless, for example delaying or prevention an eviction
 - Preventing families and young people living in temporary accommodation including B&B accommodation
 - Helping those who are trying to help themselves
 - Keeping families together
 - Supporting domestic violence victims who are trying to move to a place of safety
 - Supporting young people in the transition to adult life

9. All applications for Discretionary Housing Payments must be decided on their individual merits. However, the following categories of applicants will be considered favourably to prevent them becoming statutorily homeless:
 - A customer is pregnant or a person with whom they reside is pregnant
 - A customers with whom dependent children reside
 - A customer who is vulnerable as a result of old age, mental illness, disability or for some other reason
 - A person who is homeless or threatened with homelessness as a result of an emergency such as flood, fire or other disaster
 - A child aged 16 or 17
 - A young person under 21 who has been looked after, accommodated or fostered but who is not a student in full time education
 - A person over 21 who is vulnerable as a result of having been looked after, accommodated or fostered
 - A person who is vulnerable as a result of having served in the armed forces
 - A person who is vulnerable as a result of having been imprisoned
 - A person who is vulnerable as a result of ceasing to occupy accommodation because of actual or threatened violence

10. Discretionary Housing Payments for weekly rent liability can be made if the person claiming the payment is in receipt of Housing Benefit and has a shortfall between the level of that Housing Benefit award and the rent that they are charged. The exception to this is if the shortfall is caused by ineligible service charges (those charges included in the rent that are not eligible for Housing Benefit e.g. heating/lighting costs), provision of meals within the rent, or by the recovery of overpayments of Housing Benefit from the current housing Benefit entitlement.

11. The Cabinet is asked to accept that payments are only to be made in unusual or extreme circumstances where additional help with current rent will have a significant impact on alleviating hardship, reducing a risk of homelessness or alleviating difficulties experienced in moving from long-term unemployment to work. Examples of such circumstances would be:
 - Costs that are beyond the applicant's control.
 - Housing choices forced on the applicant by an emergency or serious health issue.
 - Extreme, temporary situations, which make it difficult to move in the short-term.
 - Imminent loss of the home where meeting some / the entire shortfall between benefit and rent will prevent the applicant from becoming homeless.

12. The Benefits Section recommends the criteria set out in the attached background papers (Discretionary Housing Payment Policy) is used to consider and decide applications for weekly awards of Discretionary Housing Payments.

13. Discretionary Housing Payments for one-off housing costs (rent in advance/deposits/other lump sum housing costs) can only be made if the person claiming the payment has current entitlement to Housing Benefit at any address.

14. The Benefits Section recommends the criteria set out in the attached background papers (Discretionary Housing Payment Policy) is used to consider and decide applications for one-off awards of Discretionary Housing Payments for one-off housing costs.
15. In the event that the annual Government funding of £126,621.00 was to be exceeded any application that was recommended for approval by the Benefits Section would be passed to the executive member for a delegated executive member decision.

IMPLICATIONS OF REPORT

16. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	x	Customer Services	
Human Resources		Equality and Diversity	
Legal	x	Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	

COMMENTS OF THE STATUTORY FINANCE OFFICER

17. The Government have recognised that the impact of welfare reform changes may impact on the level of discretion applied for, and have increased the funding accordingly. At present we are not able to forecast whether or not the sums awarded will be sufficient and whether there will be any call upon the Council's own funds. Members will be provided with an update through budget monitoring reports during the year and we will have to re-evaluate the position in the light of the first 12 months experience.

COMMENTS OF THE MONITORING OFFICER

18. The legal framework for the Policy is correctly contained within the body of the report.

GARY HALL
CHIEF EXECUTIVE

Background Papers

Document	Date	File	Place of Inspection
Discretionary Housing Payment Policy	12/02/2013		Attached

Report Author	Ext	Date	Doc ID
Keith Parkinson	5427	12/02/2013	***