

# TEWKESBURY BOROUGH COUNCIL

<b>Report to:</b>	Executive Committee
<b>Date of Meeting:</b>	30 March 2022
<b>Subject:</b>	Discretionary Housing Payments Policy
<b>Report of:</b>	Head of Corporate Services
<b>Corporate Lead:</b>	Chief Executive
<b>Lead Member:</b>	Lead Member for Finance and Asset Management
<b>Number of Appendices:</b>	One

## **Executive Summary:**

The Council has a discretionary power to award Discretionary Housing Payments (DHPs) to provide additional assistance towards housing costs where claimants are receiving housing benefit or the housing element of universal credit.

This report proposes an updated policy to incorporate internal audit recommendations and ensure that consistent decisions are made.

## **Recommendation:**

**That the Discretionary Housing Payments Policy at Appendix A is ADOPTED with effect from 1 April 2022.**

## **Reasons for Recommendation:**

The DHP policy has been updated to reflect recommendations made by internal audit and to ensure that we continue to be able to give targeted help to residents who need further assistance with their housing costs.

Discretionary housing payments (DHPs) are short-term awards administered by local authorities to help residents with housing costs. They can play a significant role in sustaining tenancies, preventing homelessness and enabling tenants to move to more affordable accommodation.

## **Resource Implications:**

The government has confirmed that the Council's discretionary housing payments allocation for the financial year ending March 2023 is £69,061.

In addition to the central government contribution, English local authorities can top up DHP funding to a maximum of two and a half times the allocation using their own funds.

**Legal Implications:**

The Discretionary Housing Payment scheme is set out in the Discretionary Financial Assistance Regulations 2001 and subsequent amendments. Whilst the regulations give local authorities an extremely broad discretion, the Council must act in accordance with the ordinary principles of good decision making. The Council has a duty to act fairly, reasonably and consistently. Each case must be decided on its own merits and decision making should be consistent throughout the year.

**Risk Management Implications:**

Having a DHP policy makes the process of claiming and awarding a discretionary housing payment transparent. The policy supports the Council's aim to assist those who are most vulnerable in the community and to reduce the risk of homelessness.

**Performance Management Follow-up:**

For each financial year, initial estimates and mid-year estimates of expenditure must be submitted to the Department for Work and Pensions (DWP). In addition to this, returns must be submitted to DWP with reasons for awards made. Monitoring also takes place monthly to ensure that awards are made fairly and in accordance with policy.

**Environmental Implications:**

None.

**1.0 INTRODUCTION/BACKGROUND**

**1.1** Discretionary Housing Payment (DHP) funding is available for those residents, entitled to housing benefit or the housing element of universal credit, who require further financial assistance with their housing costs.

**1.2** The DHP policy supports the decision-making process, enabling fair and consistent decisions to be made in a timely manner.

**1.3** This report seeks to update the Discretionary Housing Payments Policy to incorporate recommendations following an internal audit review and updated guidance provided by the Department for Work and Pensions. As some of the recommendations relate to process, they are not referred to in the updated policy but have been implemented as part of the revised assessment process.

**1.4** The recommendations made by internal audit are summarised below:

**Recommendation 1 – a checklist should be developed to support the collection and assessment of DHP information.**

**Recommendation 2 – the inclusion of non-essential items should be considered as part of the scheduled review of the DHP policy.**

**Recommendation 3 – consideration should be given to introduce performance reporting in respect of DHPs. This should be in consultation with the Lead Member for Finance and Asset Management.**

**Recommendation 4 – an independent verification check should be carried out on a sample of DHP applications (10% of total applications received). This check should include a recalculation of the income and expenditure spreadsheet used by the assessors.**

## **2.0 DISCRETIONARY HOUSING PAYMENTS**

- 2.1** Discretionary housing payments (DHPs) are short-term awards administered by local authorities to help residents with housing costs. They can play a significant role in sustaining tenancies, preventing homelessness and enabling tenants to move to more affordable accommodation.
- 2.2** Local authorities receive an annual contribution from government to award discretionary housing payments and can top up funding from their own funds.
- 2.3** Since 2011, government has made additional funding available to mitigate the impact of welfare reforms on the most vulnerable. The funding can help in a variety of ways if it relates to housing costs.
- 2.4** It is good practice to review the DHP policy on a regular basis. The proposed new policy considers internal audit recommendations and places greater emphasis on the actions the applicant needs to take to avoid long term reliance on discretionary housing payments. The Benefits team work closely with the Housing Advice team to provide help and support where needed.
- 2.5** It is acknowledged that suitable alternative housing may not be available due to scarcity of supply or due to the severe health, welfare and other needs of some households. It remains important, however, that we are targeting the funding such that it goes to someone who needs it for as short a time as possible whilst we collaborate with them to explore alternative support and accommodation.

## **3.0 OTHER OPTIONS CONSIDERED**

- 3.1** Members could choose not to agree the discretionary housing payments policy; however, it is important that we use our discretionary powers to support residents.

## **4.0 CONSULTATION**

- 4.1** Formal consultation is not required for the adoption of this policy. The Revenues and Benefits Service regularly consults on an informal basis with its major stakeholders regarding the availability of the scheme.

## **5.0 RELEVANT COUNCIL POLICIES/STRATEGIES**

- 5.1** None.

## **6.0 RELEVANT GOVERNMENT POLICIES**

- 6.1** Department for Work and Pensions' Discretionary Housing payments guidance manual, February 2021.

## **7.0 RESOURCE IMPLICATIONS (Human/Property)**

- 7.1** None directly associated with this report other than officer time.

## **8.0 SUSTAINABILITY IMPLICATIONS (Social/Community Safety/Cultural/ Economic/ Environment)**

- 8.1** None.

**9.0 IMPACT UPON (Value For Money/Equalities/E-Government/Human Rights/Health And Safety)**

**9.1** None.

**10.0 RELATED DECISIONS AND ANY OTHER RELEVANT FACTS**

**10.1** None.

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**Background Papers:** None.

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**Appendices:** A – Discretionary Housing Payment Policy.