

<b>REPORT TO:</b>		Resources Overview & Scrutiny Committee	
<b>DATE:</b>		10 December 2024	
<b>PORTFOLIO:</b>		<b>Cllr Vanessa Alexander – Resources and Council Operations</b>	
<b>REPORT AUTHOR:</b>		Lee Middlehurst Head of Benefits, Revenues and Customer Contact	
<b>TITLE OF REPORT:</b>		Discretionary Housing Payment scheme	
<b>EXEMPT REPORT (Local Government Act 1972, Schedule 12A)</b>	<b>Options</b>	Not applicable	
<b>KEY DECISION:</b>	<b>Options</b>	If yes, date of publication:	

**1. Purpose of Report**

- 1.1 To provide Overview and Scrutiny with an overview of the Discretionary Housing Payment (DHP) Scheme and the Councils approach to the administration of this scheme.

**2. Recommendations**

- 2.1 That Overview and Scrutiny note the contents of the report and comment accordingly

**3. Reasons for Recommendations and Background**

- 3.1 Overview and Scrutiny have requested this report for information purposes only.
- 3.2 DHPs provide financial support towards housing costs and are paid by the Council when they are satisfied that the applicant needs further financial assistance with housing costs and is in receipt of either:
- Housing Benefit (HB) or
  - Universal Credit (UC) with housing costs towards rental liability

3.3 The regulations covering DHP's are the Discretionary Financial Assistance Regulations (2001). Hyndburns' DHP policy is based on these regulations, together with, DHP guidance provided by Department for Works and Pensions (DWP)

### **DHP – Eligibility Criteria**

3.4 The Council has a number of objectives in its administration of DHP's, which include:

- To alleviate poverty;
- To alleviate financial pressures created by Welfare Reform and changes made to statutory benefits on a national level;
- To encourage people to find and remain in employment;
- To safeguard housing and prevent homelessness;
- To support victims of domestic violence with new and/or temporary accommodation;
- To keep families together;
- To support the vulnerable;
- To support the elderly;
- To support young people transitioning to adult life;
- To support children and young people in education;
- To support foster carers in Registered Social Landlord properties;
- To support disabled people living in adapted accommodation.

3.5 A DHP can be awarded where the Council is satisfied that the applicant cannot meet their housing costs from their available income. The Council follows guidance provided by the DWP on the definition of 'housing costs':

- Reductions in Housing Benefit or Universal Credit where the benefit cap has been applied;
- Reductions in Housing Benefit or Universal Credit following the removal of the spare room subsidy in the social rented sector;
- Reductions in Housing Benefit or Universal Credit as a result of local housing allowance restrictions;
- Rent shortfall due to a rent officer restrictions such as local reference or shared accommodation rate;
- Rent shortfall due to non-dependant deductions in Housing Benefit or cost contributions in Universal Credit;
- Rent shortfall due to income tapers;
- Rent shortfall due to essential expenditure in other areas;
- Rent in advance;
- Rent deposits;
- Removal fees;

- Payments of rent on a second property in exceptional circumstances for example because of domestic violence.

3.6 Rent in advance, deposits and removal fees will be considered if the Council is satisfied that the property is affordable for the tenant, the tenant has a valid reason to move and the deposit, rent in advance or removal fees are reasonable. Exceptions may be made for those fleeing domestic violence and who may not be able to find affordable safe accommodation at short notice.

### **DHP – Amount and duration of the award**

3.7 The primary purpose of a DHP is to meet on-going rent liability in the short term; DHP's are not intended as a long term or permanent solution to a shortfall in income. The amount and duration of the award is at the Council's discretion however, the Discretionary Financial Assistance Regulations 2001 require that the level of DHP must not exceed the weekly or monthly eligible rent on the home.

3.8 When considering the amount of DHP to award, the following will be taken into consideration:

- The amount of Housing Benefit or Universal Credit in payment, however these benefit payments do not reduce the eligible rent limits for payments;
- Steps taken by the claimant to reduce their rent liability;
- Steps taken by the claimant to reduce their household expenditure;
- Steps taken by the claimant to increase their income;
- The household's medical circumstances, health or support needs;
- Whether the award would assist in the prevention of homelessness;
- Whether the award would support employment needs;
- Whether the award would support educational needs of the claimant or members of their household, specifically children and young people;
- Whether the award would support a vulnerable or elderly person;
- Any savings or capital held by the claimant or other member of their household;
- The level of indebtedness of the claimant and their family;
- Any previous DHP awards that have been made;
- The amount of money available in the DHP budget for that financial year.

3.9 The DWP provide funding to Local Authorities each year for the amount to be used for DHP awards, the table below shown the level of funding received over recent years, together with the value of awards made by Hyndburn Borough Council:

Financial Year	DWP funding (£)	Hyndburn awards (£)	DHP	Number of DHP awards made
2019/2020	179,061	179,061		402
2020/2021	253,753	250,509		392
2021/2022	181,601	181,601		329
2022/2023	126,098	126,098		305
2023/2024	128,711	128,711		313
2024/2025	128,711	62,445* (*to 30 September 2024)		161* (* to 30 September 2024)

3.10 During 2023/2024 (£28,000), and, 2024/2025 (£45,000) the Councils DHP scheme has been supplemented by additional funding from the Household Support Fund.

3.11 Any unspent DHP funding from the DWP contribution is returned to DWP at the end of the financial year.

#### 4. **Alternative Options considered and Reasons for Rejection**

4.1 N/A

#### 5. **Consultations**

5.1 N/A

#### 6. **Implications**

<b>Financial implications (including any future financial commitments for the Council)</b>	n/a
<b>Legal and human rights implications</b>	n/a
<b>Assessment of risk</b>	n/a
<b>Equality and diversity implications</b> <i>A <a href="#">Customer First Analysis</a> should be completed in relation to policy</i>	n/a

<i>decisions and should be attached as an appendix to the report.</i>	
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**7. Local Government (Access to Information) Act 1985:  
List of Background Papers**

- 7.1 A copy of the DWP guidance issued to billing authorities is available online –  
<https://www.gov.uk/government/publications/discretionary-housing-payments-guidance-manual/discretionary-housing-payments-guidance-manual#section-1-manual-purpose>
- 7.2 A copy of the Councils DHP policy is available online –  
<https://www.hyndburnbc.gov.uk/housing-benefit-and-council-tax-support-2/>

**8. Freedom of Information**

- 8.1 The report does not contain exempt information under the Local Government Act 1972, Schedule 12A and all information can be disclosed under the Freedom of Information Act 2000.