

Discretionary Housing Payment Policy Update

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Purpose of the Report

To provide an update in relation to the progress made, and the analysis of results, following the implementation of the new Discretionary Housing Payment Policy that took effect from the 1 April 2017.

Actions Required

That members note the report.

Report Detail

Discretionary Housing Payments (DHPs) were introduced in 2001 and are designed to provide additional support to help top up the difference between Housing Benefit (HB) and the rent charged.

The roll-out of Universal Credit (UC) by the Department for Work and Pensions (DWP) means support for housing costs is shifting from Housing Benefit to Universal Credit. DHP's can be paid to UC recipients where their entitlement contains a housing cost element. Although UC is administered by DWP, DHP's will remain the responsibility of local councils to administer.

Government funding for DHP's is limited and while councils are permitted to top it up from its' own resources there is very limited scope to do so in the current financial climate. It is therefore important to ensure that support is effectively targeted.

The review sought to ensure there is a clear policy framework that enables officers to make consistent and objective decisions while retaining a sufficient degree of discretion in recognition of the unique circumstances of each applicant.

During the review we looked at the current SSDC Policy and practise and sought advice and guidance from other authorities and expert resources including Shelter and Citizens Advice South Somerset and MIND. We also looked at a number of anonymised case studies of previous DHP applications with members to demonstrate the various circumstances of customers within the SSDC area.

Members focused on establishing a basis for reasonable living expenses which have been detailed in the policy along with the multiplier based on the household factor.

The revised DHP policy was agreed by members in March 2017 and the policy came into effect on the 1 April 2017. It was agreed at this time that an update would be given to Scrutiny Committee on how the revised policy was operating.

Analyis of new policy impact

DHP Statistics

Below is analysis showing the number of Discretionary Housing Payments that have been received and assessed for each financial year from 2016 to date, most recent first. It shows the numbers received, those successful, un-successful and the total value of the awards in relation to the Government contribution. I have also included the breakdown of numbers received in paper format and E Form to show how the numbers received online through our Website is increasing. This percentage increase in those applying online is set to increase further through our channel shift work.

1 April 2017 to 31 December 2017 (9 months)

Total number DHP requests	344
For HB Claims	289
For UC Claims	55
HB DHP successful	238
UC DHP successful	48
HB DHP Un-successful	51
UC DHP Un-successful	7
Total Value of awards	£117,657.37 + £20,057.87 committed
HB DHP award total	£115,580.53
UC DHP award total	£2076.84
Government Contribution	£287,247.00
Paper Form	263 (76% of all applications)
E Form	81 (24% of all applications)

1 April 2016 to 31 March 2017 (12 months)

Total number DHP requests	500
For HB Claims	484
For UC Claims	16
HB DHP successful	396
UC DHP successful	10
HB DHP Un-successful	88
UC DHP Un-successful	6
Total Value of awards	£172,816.84
HB DHP award total	£169,510.60
UC DHP award total	£3306.24
Government Contribution	£217,431.00
Paper Form	458 (92% of all applications)
E Form	42 (8% of all applications)

How the new Discretionary Housing Payment Policy is working

The purpose of the new policy was to reassure the authority that the principles of equity and fairness can continue to be upheld and to introduce an evidence based approach as far as possible. It was acknowledged that those officers administering the DHP process are continually asked to make judgments on the expenditure choices of applicants. When applying for a DHP, applicants are asked to provide details of their expenditure and the officers then base their decisions on this information –

previously there were no guidelines as to what constitutes 'acceptable living allowances' and officers could make different judgements – each entirely valid, but not effectively contributing to consistent decision making. Members were also conscious of the strain this could potentially put on officers, asking them to effectively judge the lifestyle choices of applicants.

You will see from the analysis that since the new policy was introduced the officers have continued to award DHP's within the allocated level of funding and the amount of un-successful applications has remained at a similar ratio to successful claims.

The officers administering the DHP's have found the new policy easier to administer following the addition of the 'reasonable expenditure' and household multipliers to the scheme. Whilst also taking into account that they still have the discretion to exceed the trigger point, or actual expenditure where it is reasonable to do so. They have also continued to exercise their discretion meet the physical, psychological and social needs of an individual and to treat each case based upon the personal circumstances of the customer.

Another significant change for the administration of the DHP's has been around the claims from customers in receipt of Universal Credit. These awards have to be reviewed each month in line with the customers Universal Credit. Payments. This is to ensure that if there are any changes to their Universal Credit the DHP is adjusted accordingly. This is to ensure we continue to award the appropriate amount to which the customer is entitled to. This has created more work around the DHP scheme, however, the adoption of the new policy has made this process much simpler. The officers have continued to have support from the Benefits Team Leaders in this process where requested.

Summary

In summary the revised DHP policy has been implemented with great success for both the officers and customers.

We have updated the SSDC Website to include the revised DHP policy along with the online version of the DHP application form.

The outcomes of the DHP's will continue to be reported and closely monitored on regular basis to avoid any potential risk to SSDC finances or impact on the customers.

There is still some work to be done around ensuring all literature produced in connection with the DHP procedure meets the organisational standards in terms of Plain English and accessibility. This will be completed by the 31 March 2018 ready for the new financial year.

We are currently in communication with with Taunton Deane Borough Council and West Somerset District Council regarding the annual review of the reasonable living expense levels for 2018/19. They have indicated they are considering a move away from these in favour of officer judgement in each case. We propose to continue to use the reasonable costs methodology but will consider if an inflationary increase should be applied.
