



**Gloucester
City Council**
Cabinet

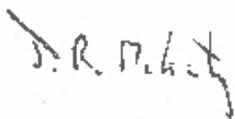
Meeting: Wednesday, 3rd April 2019 at 6.00 pm in Civic Suite - North Warehouse, The Docks, Gloucester, GL1 2EP

Membership:	Cllrs. James (Leader of the Council and Cabinet Member for Regeneration and Economy) (Chair), Watkins (Deputy Leader and Cabinet Member for Communities and Neighbourhoods), Cook (Cabinet Member for Environment), Noakes (Cabinet Member for Culture and Leisure), H. Norman (Cabinet Member for Performance and Resources) and Organ (Cabinet Member for Planning and Housing Strategy)
Contact:	Democratic and Electoral Services 01452 396126 democratic.services@gloucester.gov.uk

AGENDA

1.	APOLOGIES To receive any apologies for absence.
2.	DECLARATIONS OF INTEREST To receive from Members, declarations of the existence of any disclosable pecuniary, or non-pecuniary, interests and the nature of those interests in relation to any agenda item. Please see Agenda Notes.
3.	MINUTES (Pages 5 - 10) To approve as a correct record the minutes of the meeting held on 6 th March 2019.
4.	PUBLIC QUESTION TIME (15 MINUTES) The opportunity is given to members of the public to put questions to Cabinet Members or Committee Chairs provided that a question does not relate to: <ul style="list-style-type: none"> • Matters which are the subject of current or pending legal proceedings, or • Matters relating to employees or former employees of the Council or comments in respect of individual Council Officers

<p>5.</p>	<p>PETITIONS AND DEPUTATIONS (15 MINUTES)</p> <p>To receive any petitions or deputations provided that no such petition or deputation is in relation to:</p> <ul style="list-style-type: none"> • Matters relating to individual Council Officers, or • Matters relating to current or pending legal proceedings
<p>6.</p>	<p>LEADER AND CABINET MEMBERS' QUESTION TIME (15 MINUTES)</p> <p>Any Member of the Council may ask the Leader of the Council or any Cabinet Member any question without prior notice, upon:</p> <ul style="list-style-type: none"> • Any matter relating to the Council's administration • Any matter relating to any report of the Cabinet appearing on the summons • A matter coming within their portfolio of responsibilities <p>Only one supplementary question is allowed per question.</p>
<p>7.</p>	<p>DISCRETIONARY HOUSING PAYMENTS (Pages 11 - 78)</p> <p>To consider the report of the Cabinet Member for Performance and Resources seeking approval for a policy for Discretionary Housing Payments that takes into account relevant changes in the Department for Work and Pension's Discretionary Housing Payment guidance and has consideration to the Council's key objectives.</p>
<p>8.</p>	<p>PROPOSED EXTENSION TO CIVICA ITO CONTRACT (Pages 79 - 82)</p> <p>To consider the report of the Cabinet Member for Performance and Resources seeking approval to extend the Civica UK Limited Information Technology Outsourcing (ITO) contract for a period of 11 months to the 31st March 2021.</p>
<p>9.</p>	<p>ANNUAL REPORT FOR ENERGY COSTS AND ENERGY REDUCTION PROJECTS (Pages 83 - 86)</p> <p>To consider the report of the Cabinet Member for Environment informing Members of the Council's energy costs and projects to reduce energy usage.</p>



Jon McGinty
Managing Director

Date of Publication: Tuesday, 26 March 2019

NOTES

Disclosable Pecuniary Interests

The duties to register, disclose and not to participate in respect of any matter in which a member has a Disclosable Pecuniary Interest are set out in Chapter 7 of the Localism Act 2011.

Disclosable pecuniary interests are defined in the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 as follows –

<u>Interest</u>	<u>Prescribed description</u>
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	Any payment or provision of any other financial benefit (other than from the Council) made or provided within the previous 12 months (up to and including the date of notification of the interest) in respect of any expenses incurred by you carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract which is made between you, your spouse or civil partner or person with whom you are living as a spouse or civil partner (or a body in which you or they have a beneficial interest) and the Council (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged
Land	Any beneficial interest in land which is within the Council's area. For this purpose "land" includes an easement, servitude, interest or right in or over land which does not carry with it a right for you, your spouse, civil partner or person with whom you are living as a spouse or civil partner (alone or jointly with another) to occupy the land or to receive income.
Licences	Any licence (alone or jointly with others) to occupy land in the Council's area for a month or longer.
Corporate tenancies	Any tenancy where (to your knowledge) – (a) the landlord is the Council; and (b) the tenant is a body in which you, your spouse or civil partner or a person you are living with as a spouse or civil partner has a beneficial interest
Securities	Any beneficial interest in securities of a body where – (a) that body (to your knowledge) has a place of business or land in the Council's area and (b) either – i. The total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or ii. If the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, your spouse or civil partner or person with

whom you are living as a spouse or civil partner has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

For this purpose, "securities" means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

NOTE: the requirements in respect of the registration and disclosure of Disclosable Pecuniary Interests and withdrawing from participating in respect of any matter where you have a Disclosable Pecuniary Interest apply to your interests and those of your spouse or civil partner or person with whom you are living as a spouse or civil partner where you are aware of their interest.

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Any recording must take place in such a way as to ensure that the view of Councillors, Officers, the Public and Press is not obstructed. The use of flash photography and/or additional lighting will not be allowed unless this has been discussed and agreed in advance of the meeting.

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- You should proceed calmly; do not run and do not use the lifts;
- Do not stop to collect personal belongings;
- Once you are outside, please do not wait immediately next to the building; gather at the assembly point in the car park and await further instructions;
- Do not re-enter the building until told by a member of staff or the fire brigade that it is safe to do so.



CABINET

MEETING : Wednesday, 6th March 2019

PRESENT : Cllrs. James (Chair), Watkins, Cook, Noakes, H. Norman and Organ

Others in Attendance

Cllrs Hilton, Wilson, Haigh (not present for items 98-104) and Coole (not present for items 98-104)

Managing Director

Corporate Director

Corporate Director

Head of Policy and Resources

Head of Place

City Growth and Delivery Manager

Principal Planning Officer

Democratic Services and Elections Officer

APOLOGIES : None

93. DECLARATIONS OF INTEREST

There were no declarations of interest.

94. MINUTES

RESOLVED that the minutes of the meeting held on 6th February 2019 be confirmed as a correct record and signed by the Chair.

95. PUBLIC QUESTION TIME (15 MINUTES)

There were no public questions.

96. PETITIONS AND DEPUTATIONS (15 MINUTES)

There were no petitions or deputations.

97. LEADER AND CABINET MEMBERS' QUESTION TIME (15 MINUTES)

Cllr Hilton referred to agenda item 11 (Regeneration Sites Update) and the Council resolution of 21st May 2018 (minute 9.4) that noted the poor condition of 67-69 London Road and that asked the Leader of the Council to consider acquiring the

CABINET
06.03.19

site for regeneration. Cllr Hilton sought clarification on the progress being made to redevelop the site. The Leader of the Council responded that both he and the Head of Place had been meeting with the owners of the site and explored potential partners with whom a deal may be struck. Cllr Hilton reminded Members that the Overview and Scrutiny Committee of 25th February 2019 (minute 147.3) had requested a progress update for 3rd June 2019 and further asked if the option to acquire the site was to be implemented. The Leader of the Council replied that he hoped a deal would be done before the expensive and uncertain process of compulsory purchase might become necessary as a last resort.

Concerning agenda item 12 (Public Consultation for Draft Supplementary Planning Documents for Podsmead and Matson Estates Regeneration) Cllr Haigh drew Members' attention to her submission to the Overview and Scrutiny Committee of 25th February 2019 (minutes appendix) that outlined a series of issues and aspirations for the Matson Estate and asked if they would be considered by Cabinet. The Cabinet Member for Planning and Housing Strategy stated that they would be taken into account. Cllr Haigh further sought reassurance that Cabinet would consider the recommendation of the Committee (minute 149.19) that Cabinet urgently examine provision for independent advice once funding for the tenancy advisory service ceases. The Cabinet Member for Planning and Housing Strategy stated that he recognised the importance of continuing the funding and confirmed that the recommendation would be addressed when Cabinet considered the matter later in the meeting.

Cllr Coole informed Members that he had been contacted by a number of residents concerned about the quantity of overflowing litter bins in White City and asked how frequently they are emptied. The Cabinet Member for Environment requested the details of the comments to pursue the matter.

98. CAPITAL STRATEGY

Cabinet considered the report of the Cabinet Member for Performance and Resources that sought the Capital Strategy to be formally recommended to Council.

RESOLVED it is recommended to Council that the Capital Strategy be approved.

99. TREASURY MANAGEMENT STRATEGY

Cabinet considered the report of the Cabinet Member for Performance and Resources that sought recommendation to Council that the Treasury Management Strategy and the prudential indicators be approved and that the Treasury activities be noted.

The Cabinet Member for Performance and Resources summarised the key features of the report.

RESOLVED it is recommended to Council that the Treasury Management Strategy be approved.

100. FINANCIAL MONITORING QUARTER 3 REPORT

Cabinet considered the report of the Cabinet Member for Performance and Resources that sought Members to note year-end forecasts, and progress made against agreed savings targets for the 3rd quarter ended 31st December 2018.

The Cabinet Member for Performance and Resources highlighted the position for each portfolio and commented that positive progress was being made. The Cabinet Member for Communities and Neighbourhoods advised Members that they would soon see the benefits of innovative work being undertaken with housing to help people and families with complex needs, particularly around homelessness prevention. The Cabinet Member for Culture and Leisure acknowledged that the report reflected the challenges of the transitions over the past year in her portfolio but assured Members that the coming year would see exciting opportunities from those developments such as the transfer of the Life Museum to Gloucester Historic Buildings Ltd and a focus on the Guildhall. She took the opportunity to announce that entry to the Museum of Gloucester would be free, only charging for special exhibitions, from the 1st of April 2019 and that it would incorporate the Tourist Information Service and no longer be closed on Mondays from that date as well. The Cabinet Member for Environment thanked officers at the crematorium for managing the extra work arising from difficulties at Cheltenham Borough crematorium which had contributed to the financial performance (10.4). The Cabinet Member of Regeneration and Economy commented that more realistic targets and developments, such as securing a new operator for the markets, would have a positive impact next year. The Cabinet Member for Planning and Housing Strategy emphasised the importance of looking at the context of the strengths and weaknesses revealed in the report and stated that overall the picture looked good for the year end.

RESOLVED that it is noted that:

- (1) The savings achieved in year to date total £150k with a further £197k in progress.
- (2) The forecast year end position is currently for an increase to the Council's General Fund balance of £95k against a budgeted increase of £163k.
- (3) The details of specific budgetary issues identified by officers and the actions being taken to address those issues
- (4) The current level of Capital expenditure as shown on Appendix 2 of the report.

101. PERFORMANCE MONITORING QUARTER 3 REPORT

Cabinet considered the report of the Cabinet Member for Performance and Resources that informed Members of the Council's performance against key measures in Quarter 3 of 2018/19.

The Cabinet Member for Performance and Resources highlighted areas where improvement had taken place or was needed and placed the apparent trends into a wider context. The Cabinet Member for Culture and Leisure advised Members that

CABINET
06.03.19

she was working to produce new indicators for Cultural and Trading Services (VE1-3) to give a more accurate picture of performance as they no longer reflected the ways in which these services are delivered.

RESOLVED that the Quarter 3 Performance Report 2018/19 at Appendix 1 of the report be noted.

102. REGENERATION SITES UPDATE

Cabinet considered the report of the Cabinet Member for Regeneration and Economy that updated Members on progress made in delivering certain regeneration sites, commonly referred to as the 'Hit-List' that have been identified by the Regeneration Advisory Board as requiring intervention to ensure they are either physically improved or brought back into active economic use.

The Cabinet Member for Regeneration and Economy outlined the background to this and previous Hit-Lists. He reminded Members of achievements made since the first was produced with examples of sites no longer listed due to successful intervention. The Cabinet Member for Planning and Housing Strategy commented on the importance of continuing to monitor progress and of including small as well as large sites across the whole of the city. The Cabinet Member for Communities and Neighbourhoods commended the form of the report and advised Members that she intended to adopt a similar approach to monitoring work being undertaken with property owners to bring long-term empty homes back into use.

RESOLVED that:

- (1) progress made on a number of the sites identified in the Regeneration Sites Update attached at Appendix 1 of the report be noted, and
- (2) the latest position in relation to 67-69 London Road and 100 Northgate Street continues to be monitored, and in the absence of any genuine progress a further report is brought back to Cabinet to explore the options open to Cabinet to bring about their regeneration.

103. PUBLIC CONSULTATION FOR DRAFT SUPPLEMENTARY PLANNING DOCUMENTS FOR PODSMEAD ESTATE REGENERATION AND MATSON ESTATE REGENERATION

Cabinet considered the report of the Cabinet Member for Planning and Housing Strategy that sought approval to undertake a public consultation on the draft Supplementary Planning Documents (SPDs) produced by Gloucester City Homes (GCH).

The Cabinet Member for Planning and Housing Strategy summarised the background to the consultation and emphasised the importance of a meaningful engagement with residents. He drew Members' attention to the recommendation of the Overview and Scrutiny Committee Meeting of 25th February 2019 (Appendix 3) that asked Cabinet to urgently examine provision for independent advice once funding for the tenancy advisory service ceases. He stated that officers would be working with Gloucester City Homes and residents of Matson and Podsmead to

**CABINET
06.03.19**

examine options to continue the provision of independent advice once Government funding for the Tenant Participation Advisory Service (TPAS) ends on 31st March 2019 in order that both communities continue to be supported throughout the regeneration process. The Cabinet Member for Communities and Neighbourhoods reminded Members that it was very important that tenants retained an independent voice from the outset in what would be a long process. She further commented on the strong community spirit within Matson and Podsmead and its potential to enrich the regeneration and form the basis of pioneering academic study. The Cabinet Member for Planning and Housing Strategy reiterated that community participation was vital to success and took the opportunity to urge residents to join the community advisory groups and engage with the regeneration process.

RESOLVED that:

- (1) the draft Supplementary Planning Document – Podsmead Estate Regeneration set out at Appendix 1 of the report be approved for public consultation.
- (2) the draft Supplementary Planning Document – Matson Estate Regeneration set out at Appendix 2 of the report be approved for public consultation.

104. STATEMENT OF COMMON GROUND FOR GLOUCESTERSHIRE

Cabinet considered the report of the report of the Cabinet Member for Planning and Housing Strategy that informed Members on progress being made in respect of a strategic planning framework for Gloucestershire to 2050 and beyond, and that sought to secure the Council's support for the preparation of a non-statutory 'Statement of Common Ground'.

The Cabinet Member for Planning and Housing Strategy outlined the principal benefits of the proposal. The Cabinet Member for Policy and Resources welcomed the opportunity for more 'joined up thinking' between authorities and commented on the particular advantages for the communities that straddle the City boundaries.

RESOLVED that the Council works in partnership with the five other Local Planning Authorities, Gloucestershire County Council and the GFirst LEP to develop a Strategic Planning Framework for Gloucestershire, to 2050 and beyond, via the preparation of a 'Statement of Common Ground'.

Time of commencement: 6.00 pm

Time of conclusion: 6.40 pm

Chair

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Report to:	Cabinet	Date:	3 April 2019
Subject:	Discretionary Housing Payments		
Report Of:	Cabinet Member for Performance and Resources		
Wards Affected:	All		
Key Decision:	Yes	Budget/Policy Framework:	No
Contact Officer:	Alison Bell, Intelligent Client Officer		
	Email:	Alison.bell@gloucester.gov.uk	Tel: 396014
Appendices:	Appendix A – Discretionary Housing Payments – Guidance Manual		
	Appendix B – Discretionary Housing Payments Policy		
	Appendix C – Recommendations of the Overview and Scrutiny Committee		

FOR GENERAL RELEASE

1.0 Purpose of Report

1.1 Gloucester City Council have been operating a Discretionary Housing Payment scheme for a number of years. This report proposes a formal policy for that scheme which will take into account relevant changes in the Department for Work and Pension’s Discretionary Housing Payment guidance and will have consideration to the Council’s key objectives.

2.0 Recommendations

2.1 Cabinet is asked to **RESOLVE** that:

- (1) The Discretionary Housing Payments policy at Appendix B is the approved policy for Gloucester City Council.
- (2) The Discretionary Housing Payment policy is effective 01 April 2019.

3.0 Background and Key Issues

3.1 Discretionary Housing Payments (DHP’s) are additional financial assistance payments offered to claimants entitled to Housing Benefit or the housing element of Universal Credit, where a local authority considers that additional help with housing costs is justified

3.2 DHP’s are not benefit payments; they are intended as a short term financial support for housing costs during periods of genuine financial hardship

- 3.3 The Discretionary Financial Assistance Regulations 2001(as amended) allows such discretionary payments and the Department for Work and Pensions issues guidance on good practice for local authorities when considering DHP applications
- 3.4 An amount is allocated annually by the Department for Work and Pensions (DWP) to each local authority to fund successful DHP applications. The amount is to be used only for DHP applications. Any of the allocated budget which remains unspent by the local authority at the end of the financial year has to be returned to the DWP
- 3.5 There are many requests upon the budget and once it is spent there is no further funding in that financial year. It is therefore imperative that Gloucester City Council ensure that the fund is directed to those households in direct need of additional support with their housing costs
- 3.6 Cabinet is being asked to approve the Discretionary Housing Payment policy as outlined in appendix B

4.0 Progress

- 4.1 The Discretionary Housing Payments policy detailed at appendix B outlines potential situations in which Discretionary Housing Payments can be awarded, however, as the scheme is discretionary the examples contained within the policy are not exhaustive. Any other costs associated with housing will be considered providing the applicant is eligible to make a DHP claim
- 4.2 As the DHP scheme has been in place for some years, there is an application form, a formal application process and the relevant software requirements to ensure that the payments are processed and recorded accurately
- 4.3 The full eligibility criteria and arrangements for administering the scheme are detailed in appendix B
- 4.4 Local advice agencies have been consulted regarding this policy and, where appropriate to do so, their comments and suggestions have helped to form the policy

5.0 Reasons for Recommendations

- 5.1 Whilst Gloucester City Council has a procedure in place for operating the Discretionary Housing Payment there is currently no formal policy and this recommendation seeks to rectify that.

6.0 Future Work and Conclusions

- 6.1 The policy will be monitored and reviewed on an annual basis

7.0 Financial Implications

7.1 The cost of awarding Discretionary Housing Payments is fully funded by the Department for Work and Pensions via an annual award.

Once the allocated amount is spent, any additional amount would fall to be fully funded by the local authority, hence the strict controls over the awards and weekly monitoring of the budget.

(Financial Services have been consulted in the preparation of this report)

8.0 Legal Implications

8.1 The Discretionary Financial Assistance Regulations 2001 (as amended) set out the legal framework empowering the Council to make discretionary awards to assist residents with their housing costs

(One Legal have been consulted in the preparation of this report)

9.0 Risk & Opportunity Management Implications

9.1 If the Discretionary Housing Payment policy is not approved, then City residents eligible to claim and receive DHP's will not get the same level of housing costs assistance as other people throughout the Country

10.0 People Impact Assessment (PIA):

10.1 None.

11.0 Other Corporate Implications

11.1 The Discretionary Housing Payment policy will provide additional support to city residents – it is primarily intended as a short term solution while people and families make attempts to better their situation. The scheme also helps prevent homelessness, supports tenancy sustainment and helps those seeking alternative accommodation to move to more affordable housing. It can also help people remain in properties which have been adapted specifically for their needs and can help our customers through personal and difficult events

11.2 Sustainability

Not applicable

11.3 Staffing & Trade Union

Not applicable

Background Documents:

Discretionary Financial Assistance Regulations 2001 -

<http://www.legislation.gov.uk/ukxi/2001/1167/contents/made>

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Discretionary Housing Payments Guidance Manual

Including Local Authority Good Practice Guide

March 2018

Contents

Introduction	4
Purpose of this Guidance Manual	4
What are Discretionary Housing Payments?	4
What do we mean by 'housing costs'?	5
What do we mean by 'further financial assistance'?	6
Deciding whether to award a DHP	7
What are the criteria for award?	7
What types of shortfall can DHPs cover?	7
Rent deposits and rent in advance	7
What DHPs cannot cover	11
The level of a DHP award	11
Payment cycles	12
Applying for a DHP	13
The application process	13
Who can apply for DHPs	13
Who you can pay	13
Information a claimant must give	14
Telling the claimant of the decision	15
Backdating a DHP	15
Administering DHPs	17
Who can accept applications?	17
Who can administer DHPs?	17
When can a DHP application be made?	17
Method of payment	18
Contracting out	18
Maintenance of DHPs	19
Length of payments	19
Change of circumstances	19
When you can stop paying a DHP	20
Overpaid DHPs	20
Dispute procedures	21
Introduction	21
Reviewing the decision	21
Notifying the claimant	21
Assurance and Reporting Measures	22
Requests for information	22
DHP funding 2017/18	22
DHP claim form	22
DHP monitoring form	23
Former Grenfell Tower residents	24

Discretionary Housing Payments Good Practice Guide	25
Section 1: Support for claimants affected by the benefit cap.....	25
Background to the benefit cap.....	25
Changes in 2016/17	25
Exemptions.....	26
Support for those subject to the benefit cap	27
Section 2: Support for claimants affected by the removal of the spare room subsidy	30
Background to the removal of the spare room subsidy in the social rented sector	30
Support for disabled people living in significantly adapted accommodation	30
Support for disabled people who need an additional bedroom for an overnight carer	31
Support for disabled children and couples who cannot share a bedroom	33
Section 3: Support for claimants affected by Local Housing Allowance reforms	34
Background to the changes to LHA rates.....	34
Support for those subject to LHA restrictions	35
Section 4: Managing the DHP scheme	38
Overview	38
Objectives for DHP awards	38
Publicising DHPs.....	39
Administration of DHPs	40
Notifying decisions on DHPs	40
Disputes procedures	41
Section 5: Further examples of good practice	42
Prevention of homelessness	42
The tenancy.....	42
The household's financial circumstances	43
The household's medical circumstances, health or support needs	43
Other circumstances	44
Likely duration of award	45
Backdating of DHPs	45
Section 6: Profiling your budget and managing transition	46
Profiling your DHP budget.....	46
Managing the transition	47
Considering the DHP strategy to take account of increased demand	48
Appendix A: What DHPs cannot cover	51
Appendix B: DHP Monitoring.....	53
Examples.....	53

Introduction

Purpose of this Guidance Manual

- 1.0 This guidance manual is for local authorities (LAs) in England and Wales who are responsible for administering Discretionary Housing Payments (DHPs). It provides guidance and advice on good practices that should be taken into account when payment of a DHP is being considered. This manual updates the previous guidance issued in December 2016.
- 1.1 Since April 2013, the guidance has reflected amendments to the Discretionary Financial Assistance Regulations 2001 (the DFA regulations), which ensure the scheme covers the introduction of Universal Credit and also the abolition of Council Tax Benefit.
- 1.2 The guidance together with the good practice guide offers advice on how DHPs can be used to provide support to claimants affected by some of the key welfare reforms, including:
 - the benefit cap;
 - removal of the spare room subsidy in the social rented sector;
 - changes to Local Housing Allowance (LHA) rates, including the 4 year freeze.
- 1.3 To continue to assist claimants through the transitional period of these reforms. From 2011 the Government has provided around £900 million to date to local authorities to help support vulnerable people affected by different welfare reforms.
- 1.4 The good practice guide is intended to help LAs in their decision making process, however, they have overall responsibility for how DHPs are administered and paid, taking into account the impact of the welfare reforms and any other relevant factors. Due to the discretionary nature of the scheme it is important that LAs are flexible in their decision making.
- 1.5 This guidance also provides details on existing assurance arrangements that LAs are required to follow, including reporting measures that will help provide information about the use of DHPs.

What are Discretionary Housing Payments?

- 1.6 A DHP may be awarded when a LA considers that a claimant requires further financial assistance towards housing costs and is entitled to either Housing Benefit (HB) or Universal Credit (UC) with housing costs towards rental liability. Please note that while the housing costs of the UC award notification may refer to support for mortgage interest payments, owner-occupiers are not eligible to receive DHPs.

- 1.7 For the purposes of this guidance, any reference to UC is where the claimant meets the above criteria, i.e. housing costs towards rental liability are included in the UC award.
- 1.8 The DHP scheme is set out in the DFA regulations (S.I.2001/1167) as amended by the Council Tax Benefit Abolition (Consequential Provisions) Regulations 2013 (S.I. 2013/458), which came into force on 1 April 2013; and the Universal Credit (Consequential, Supplementary, Incidental and Miscellaneous Provisions) Regulations 2013 (S.I. 2013/630), which came into force on 29 April 2013. The DFA regulations as amended are referred to in this manual as 'the regulations'.
- 1.9 Although the regulations give LAs very broad discretion, decisions must be made in accordance with ordinary principles of good decision making i.e. administrative law. In particular, LAs have a duty to act fairly, reasonably and consistently. Each case must be decided on its own merits, and your decision making should be consistent throughout the year.
- 1.10 LAs can use their own funds to top up their Government contribution by an additional 150 per cent in England and Wales. Once an authority's overall cash limit is met, no additional DHPs can be awarded in that tax year. If you award above this limit, you are breaking the law. The legislation which specifies the overall limit on expenditure is Article 7 of the Discretionary Housing Payment (Grants) Order 2001 (S.I. 2001/2340).
- 1.11 Any unspent DHP funding from the Government contribution is returned to the Department at the end of the financial year.
- 1.12 From April 2017, the Scottish Government has responsibility for establishing its own DHP scheme for claimants in Scotland. The Guidance Manual reflects this change.
- 1.13 DHPs have been fully devolved from 1 April 2017, with the Scotland Act 2016 implementing the Smith Commission Agreement. DWP has transferred DHP funding to Scotland.
- 1.14 From 1 April 2017, the obligations for DHPs, and their allocations to Scottish LAs is now the responsibility of the Scottish Government.

What do we mean by 'housing costs'?

- 1.15 'Housing costs' are not defined in the regulations and this approach purposely allows broad discretion for interpretation. In general, 'housing costs' usually refers to rental liability, although the term can be interpreted more widely to include:
 - rent in advance;
 - deposits; and

- other lump sum costs associated with a housing need such as removal costs.
- 1.16 Council tax liability cannot be met by DHPs even where a claimant is receiving Local Council Tax Support.

What do we mean by ‘further financial assistance’?

- 1.17 The phrase ‘further financial assistance’ is not defined in law. LAs may interpret the phrase however they wish, taking into consideration the claimant’s financial circumstances and any other relevant factors. In most cases, however, a claimant will need to demonstrate that they are unable to meet housing costs from their available income or that they have a shortfall in rent as a result of the welfare reforms.
- 1.18 A DHP may cover all or part of a shortfall in rent or assist with the cost of taking up a tenancy.
- 1.19 See [Administering DHPs](#) and [The level of a DHP](#) later in this guidance.

Deciding whether to award a DHP

What are the criteria for award?

- 2.0 Before making a payment you must be satisfied that the claimant is entitled to:
- Housing Benefit (HB) *or*
 - Universal Credit (UC) that includes housing costs towards rental liability. This includes where the claimant would have been entitled to UC housing costs were it not for the fact that the person occupies specified accommodation or temporary accommodation.

and requires further financial assistance with housing costs.

- 2.1 A claimant who is receiving Local Council Tax Support **only** is not eligible for a DHP. This means a claimant who is receiving Local Council Tax Support but has not yet been awarded HB or UC is not eligible for a DHP.

What types of shortfall can DHPs cover?

- 2.2 The various shortfalls of HB or UC that a DHP can cover include (but are not limited to):
- reductions in HB or UC where the benefit cap has been applied;
 - reductions in HB or UC due to the removal of the spare room subsidy;
 - reductions in HB or UC as a result of LHA restrictions;
 - rent officer restrictions such as local reference rent or shared accommodation rate;
 - non-dependant deductions in HB, or housing cost contributions in UC;
 - rent shortfalls to prevent a household becoming homeless whilst the housing authority explores alternative options;
 - income taper reduction;
 - policy to limit benefit to two children; and
 - any other policy change that limits the amount of HB payable, for example the removal of the family premium.

Rent deposits and rent in advance

- 2.3 A DHP can be awarded for a rent deposit or rent in advance for a property that the claimant is yet to move into if they are already entitled to HB or UC at their present home. Regard should be given to the Court of Appeal's decision in *R v. LB Lambeth, ex parte Gargett* which sets out that any HB already paid towards 'housing costs' must be deducted when calculating the amount of a DHP to avoid duplicate provision.

- 2.4 The ‘Gargett’ case relates to rent arrears and specifically whether a DHP could be used to pay a lump sum towards rent arrears (the Court of Appeal found that a DHP could be used for this purpose). However, the case also discusses the issue of duplication of DHPs and HB. In relation to preventing duplication of provision, part of the decision states *“housing benefits already paid for past housing costs must also be deducted. This is implicit in the purpose for which DHPs may be made. Otherwise the applicant would be receiving DHPs for housing costs that have already been met by past payment of housing benefits. It would not be a case for a need for “further” financial assistance to meet “housing costs”*”.
- 2.5 The case does not prevent the use of a DHP for rent in advance but indicates that when making such a decision on whether DHP can be used, you may consider:
- whether there is likely to be a duplication of payments for the initial part of the tenancy if the DHP is made; and
 - If so, is there any means to avoid this.
- 2.6 If you decide that there is no way to avoid a duplication of the payment and the claimant is entitled to a DHP in respect of housing costs (specifically a rent payment in advance), then you may still award a DHP .
- 2.7 When awarding a DHP for a rent deposit or rent in advance, you may wish to be satisfied that:
- the property is affordable for the tenant; **and**
 - the tenant has a valid reason to move; **and**
 - the deposit or rent in advance is reasonable.
- It should be remembered that it may not always be possible for the claimant to seek the most affordable accommodation, for example, when someone fleeing the home due to domestic abuse needs to seek a place of safety such as a refuge service.
- 2.8 You may also wish to establish with the claimant whether they:
- are due to have a deposit or rent in advance in respect of their existing tenancy returned to them; or
 - have received assistance from another department within the LA towards a rent deposit, for example, a rent deposit guarantee scheme or similar.
- 2.9 It should be borne in mind, however, that tenants will typically not receive a returned deposit until they have vacated a property and begun a new tenancy. Therefore a refund may not be readily available at the time the DHP is requested.

- 2.10 DHPs are not specifically linked to any rent deposit or rent in advance scheme and their discretionary nature allows them to be used for this purpose. There may be other local schemes that offer similar support towards rent deposits or rent in advance, such as local emergency support provided by LAs or charities. Each LA decides how they operate their local scheme.
- 2.11 Using DHPs to help with a rent deposit or rent advance may be particularly appropriate to help claimants move to alternative accommodation where their award of HB has been restricted following one of the welfare reforms. It may also be appropriate to consider using DHPs for this purpose if, for example, your LA rent deposit scheme is limited or exhausted.
- 2.12 The regulations are wide enough to permit this on the basis of a claimant's entitlement to HB or UC at their current home. A DHP can therefore be made towards housing costs for a property other than the one for which benefit has been awarded.
- 2.13 Regulation 4 places a limit on the DHP award (see [The level of a DHP](#) later in this section) so that it does not exceed the weekly or monthly eligible rent on the claimant's home. However, the limit only applies where the award is calculated as a weekly (HB) or monthly (UC) sum, for example, to meet an on-going rent shortfall.
- 2.14 In a case where you are awarding a DHP for rent in advance or a deposit, the weekly or monthly limit does not apply because a lump sum is being awarded to meet an immediate housing need.
- 2.15 When awarding a DHP for a deposit it may be prudent to include information in the award notification about landlords' legal obligations to protect any deposit paid in a Government approved tenancy deposit protection scheme. Compliance with this requirement may help reduce the need for future help with deposits. Further information can be found at: <https://www.gov.uk/tenancy-deposit-protection/overview>
- 2.16 When making a DHP to assist the claimant with securing a new tenancy you may wish to consider making the payment to the landlord rather than the claimant.
- 2.17 As a lump sum payment for a deposit or rent in advance is not made in respect of a period, you only need to be satisfied that the claimant is entitled to HB or UC at the point the award is made.
- 2.18 If the deposit or rent in advance is for a property outside of your area this does not prevent a payment being made if the claimant is currently in receipt of HB or UC within your area.
- 2.19 Once a DHP has been made to the claimant for a deposit or rent in advance, the regulations do not permit you to recover the DHP award at

the end of tenancy. A DHP may only be recovered from a claimant in specific circumstances – see [Overpaid DHPs](#) later in this guidance.

DHPs and two homes

- 2.20 The regulations allow a DHP to be awarded in respect of two homes when someone is treated as temporarily absent from their main home, for example, because they have had to leave their main home because they are a victim of domestic abuse. Please refer to the Housing Benefit Regulations 2006 (S.I. 2006/213) (HB regulations) or Universal Credit Regulations 2013 (S.I. 2013/376) (UC regulations) for the time restrictions on these provisions.
- 2.21 In such cases of temporary absence - if the claimant is treated as liable for rent on both properties, and in both cases there is a shortfall, it is possible to award a DHP in respect of both properties subject to the weekly or monthly limit on each property (see [The level of a DHP](#) later in this section).
- 2.22 If the claimant is only treated as liable for HB or UC on one home, but is having to pay rent on two, a weekly DHP could be made to cover costs of the second home; the HB or UC eligible rent for the main home is the maximum award. For example, a claimant may be temporarily absent from their main home to stay near a child receiving treatment in hospital. They are incurring costs on their temporary dwelling but their housing costs are covered for their main home. A DHP could be considered to help cover costs on the claimant's temporary dwelling.
- 2.23 In cases of domestic abuse the victim may have fled from, or to, another area to seek safety. It may be useful for respective LAs to collaborate in order to establish which authority should receive the DHP application (i.e. the authority where the main home is located or that of the refuge service or temporary dwelling where the victim is currently living).

What DHPs cannot cover

2.24 There are certain elements of a claimant's rent that the HB and UC regulations exclude so they cannot be included as 'housing costs' for the purposes of a DHP.

2.25 Excluded elements are:

- ineligible service charges
- increases in rent due to outstanding rent arrears
- certain sanctions and reductions in benefit.

See [Appendix A](#) for more details

The level of a DHP award

2.26 If the purpose of the DHP is to meet an on-going rental liability, it is entirely up to you how much you decide to meet. However, the regulations require that the level of DHP does not exceed;

- the weekly HB eligible rent in the case of an HB claimant, or
- the amount calculated in accordance with Schedule 4 of the UC regulations (i.e. the value stated for housing costs on a UC award notice) in the case of a UC claimant.

2.27 Regard should be given to the Court of Appeal's decision in *R v. LB Lambeth, ex parte Gargett* which sets out that any HB already paid towards 'housing costs' must be deducted when calculating the amount of a DHP to avoid duplicate provision [see above paragraph 2.3].

2.28 Regulation 12(1) of the HB regulations (and the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006 (S.I. 2006/214)) define which payments qualify as rent and therefore in respect of which HB may be paid.

2.29 In the case of a UC claimant, the maximum DHP award is also affected by reductions in the UC housing costs for items such as a maximum LHA rate or housing cost contributions as these form part of the housing costs calculation in Schedule 4 of the UC regulations.

2.30 Where a claimant is in receipt of UC, the maximum DHP award that can be made is established by looking at their UC award notification. Their UC award notice will identify housing costs, and this is the same as the maximum DHP that can be made when calculating a DHP as a monthly award.

2.31 You can decide on the level of a DHP under UC providing it does not exceed the housing costs, taking into consideration the claimant's overall

financial and personal circumstances. For example, a potential claimant's rent is £500 per month, they are in receipt of housing costs in UC and the claimant is affected by a 14 per cent reduction for a spare room, so the UC housing cost is £430 per month. The maximum DHP award is £430 per month as it is limited to the housing cost of UC (calculated under Schedule 4). In theory, you could award a DHP award of up to £430 per month, however in practice an LA would not make an award where the UC housing costs and the DHP together are of higher value than the rent liability. Additionally, regulation 2 of the DFA regulations states that DHPs are specifically for people who require further assistance with housing costs and it would be difficult to argue that an award of anything greater than the rent shortfall was necessary. Therefore, you could award £70 per month if it was considered appropriate taking into account the particular circumstances of the case.

Payment cycles

- 2.32 Payments to meet a weekly or monthly rental liability may be made at the same frequency as the HB or UC payment. It is up to you to decide. However you should consider the aims of UC when deciding a payment frequency for a UC claimant, with monthly payments designed to replicate the world of work and develop financial capability for claimants.

Applying for a DHP

The application process

- 3.0 The regulations require that there must be an application for a DHP before your LA can consider making a payment, which may or may not be in writing.
- 3.1 You can decide how the application process will operate. If you decide not to use a written form, other methods can be considered such as electronic, telephone or face to face customer interviews.
- 3.2 Although you can decide what constitutes an application, in each case, there must be something which triggers that application. This could be something as simple as a telephone call asking the claimant if they wish to apply for a DHP or a claimant declaring that they are having financial difficulties and are unable to meet their rent liability. Throughout the process LAs have a duty to act consistently. In addition, you might automatically invite claimants who have suffered a shortfall in their rent as a result of the welfare reform changes to make an application for a DHP while at the same time advising the claimant of mitigating actions.

Who can apply for DHPs

- 3.3 In most cases, the person who applies for a DHP will be the HB or UC claimant.
- 3.4 However, if it is reasonable in the circumstances, an application can be accepted from someone acting on behalf of the HB or UC claimant. This could be an appointee or advocate, for example, if the person is vulnerable and requires support; or the claimant may request that someone acts on their behalf.

Who you can pay

- 3.5 A DHP may be paid to someone other than the claimant if your LA considers it reasonable to do so. That could be an agent, an appointee or a landlord.
- 3.6 In the case of a person who is entitled to rent rebate, DHPs can be credited to the rent account.

Information a claimant must give

- 3.7 When someone applies for a DHP they must provide:
- information that you require in order to make a decision or look at a decision again; for example, details of income, capital and expenditure.
 - any other information you consider reasonably necessary in connection with their application.
- 3.8 In establishing if the claimant requires further financial assistance you can decide how to treat any expenditure, offsetting it against income intended to assist with such expenditure as appropriate.
- 3.9 When deciding how to treat income from disability-related benefits such as Disability Living Allowance (DLA) or the Personal Independence Payment (PIP), you must have regard to the decision of the High Court in *R v. Sandwell MBC, ex parte Hardy*. This decision places an obligation on LAs to consider each DHP application on a case by case basis having regard to the purpose of those disability related benefits and whether the money from those benefits has been committed to other liabilities associated with disability.
- 3.10 You can also take account of unavoidable costs that the claimant may have, such as fares for travel to work. This may include, for example, people who have had to move as a result of welfare reforms.
- 3.11 You will need to decide locally how you treat income and expenses when calculating the amount of the DHP. However, in all cases you should consider what is reasonable and not create a process that is too onerous for the claimant.
- 3.12 If a claimant is receiving HB, the information already held by your LA regarding a person's income and rental liability can also be used to assess DHP applications.
- 3.13 If a claimant is in receipt of UC, any information held for Local Council Tax Support may also be used to process a DHP application. If you do not hold this information, data sharing powers introduced on 2 July 2012 (the Social Security (Information- sharing in relation to Welfare Services etc.) Regulations 2012 (S.I. 2012/1483) provide a gateway for LAs to obtain relevant information from the Department.
- 3.14 Following the tragic terrorist attacks in Manchester on 22 May 2017 and London on 3 June 2017, compensation schemes ("We Love Manchester Emergency Fund" (WLMEF) and "London Emergencies Trust" (LET)) have been set up to help those affected. From 19 June 2017 regulations came into force which exempt these payments. Both WLMEF and LET are adopting similar principles to the London Bombings Relief Charity Fund (LBRFCF) set up in 2005.

- 3.15 From 19 June 2017 all payments made by either WLMEF or LET are fully disregarded for the purposes of calculating HB, and applies to existing and new claims. This covers the injured, deceased person and their spouse, partner, civil partner and child. Therefore you should be mindful that these payments may be made and not exclude any individuals who have been affected when considering any DHP applications.

Telling the claimant of the decision

- 3.16 You must inform the claimant of the DHP decision either in writing or electronically (if the claimant has agreed to this). This information should include appropriate explanations and/or any reasons for non-payment. This must be done as soon as is reasonably practicable. Your LA must be consistent and avoid unnecessary delay, taking into account that an application for DHPs is often to deal with an immediate need.
- 3.17 When issuing a decision, you should provide information about the process that you have in place for reviewing the decision. As DHPs are discretionary arrangements, there are no rights of appeal to a Social Security Tribunal, although the route of judicial review is available. See [Dispute procedures](#) later in this guidance.
- 3.18 You should also clearly distinguish the dispute/appeal rights that apply to HB, UC and/or Local Council Tax Support. It is important that claimants are not inadvertently led to believe that such appeal rights also apply to DHPs.
- 3.19 There is no legal requirement to notify landlords of a DHP decision, although you may wish to do so where the claimant has consented. However, you should be careful not to breach any obligations of confidentiality owed to the claimant, including:
- under Article 8 of the European Convention on Human Rights (ECHR) (right to respect for private and family life); and
 - data protection law.
- 3.20 If you are already paying HB to the landlord and later award a DHP, it may be appropriate to advise the landlord that the DHP is also being paid directly to them. This may equally apply where a person is receiving UC and some of that award of that is being paid to the landlord in respect of housing costs.

Backdating a DHP

- 3.21 When deciding whether or not to backdate a DHP, each application should be considered on its own merits. There are no restrictions on the length of the backdating period beyond a prohibition on awarding DHP for any date

prior to 2 July 2001, when the scheme began, but you do have a duty to act consistently.

- 3.22 DFA regulations require that a DHP can only be considered for a period where the linked HB or relevant award of UC is payable. This is of particular relevance to requests for a period of backdated DHP.
- 3.23 DHPs are usually made in respect of an immediate need rather than a past period, however, you may consider it appropriate to make a backdated DHP award in some cases. For example, where a claimant is subject to a rent shortfall due to welfare reforms and has accrued rent arrears during the transition period between a reduction in benefit and moving into employment. In this case it may be prudent for you to award a backdated DHP to meet those arrears so as not to undermine the claimant's move into employment. In other cases, a DHP could be used to facilitate a move of home (such as through a mutual exchange) where a landlord will not allow a move for someone who is in arrears.

Administering DHPs

Who can accept applications?

- 4.0. Only a LA can accept applications for DHPs but this can include any department within the authority, including departments dealing with claims for Local Council Tax Support.
- 4.1 As DHPs are not payments of HB or UC, provisions which allow designated offices such as Jobcentre Plus or Pension Centres to accept claims in certain circumstances, do not apply.

Who can administer DHPs?

- 4.2 Your LA has the choice of who, or which department, will administer, determine and award DHPs.
- 4.3 Where claimants have been placed outside of your local authority area, who administers the DHP will depend on whether a claimant is claiming HB or UC housing costs.
- 4.4 If your LA makes an out of borough placement and the claimant is entitled to HB, the placing authority will pay the HB and consider the DHP.
- 4.5 If your LA makes an out of borough placement and the claimant is required to make a claim for UC housing costs, within the area that they have been placed. The LA where the claimant is now living and claiming UC housing costs should consider the DHP. This is because the allocation of DHP funding is based on the caseload data within each LA area.

When can a DHP application be made?

- 4.6 There are no rules relating to when a person can apply for a DHP, but a payment can only be considered where there is a linked entitlement to HB or UC. You should ensure claimants are made aware of any time frame for applying and providing information in respect of a DHP application.
- 4.7 Where changes to benefit legislation are anticipated you may decide it is helpful to allow applications for DHPs in advance.
- 4.8 This may help you to manage the application process and avoid any potential surge in demand, as well as alleviate uncertainty for some claimants. You may then decide to inform the claimant of an award that could start at a future date, subject to any subsequent change in circumstances.

Method of payment

- 4.9 DHPs may be delivered via HB payment systems and may also be paid alongside HB payments. However there must be a clear audit trail that allows your LA to differentiate, in any given case, between HB and DHPs.
- 4.10 If a DHP is paid with HB, notifications to the claimant must clearly show how much is the HB and how much is the DHP.
- 4.11 When DHP is awarded to a UC claimant, you may consider paying it at the same time as the monthly UC payment.

Contracting out

- 4.12 A contractor can carry out all functions relating to the administration of DHPs. This includes making decisions on whether or not to award a DHP. However only your LA can accept DHP applications.

Maintenance of DHPs

Length of payments

- 5.0 The length of time over which a payment is made is at the discretion of the LA. The period of the award and, importantly, any specific end date, should be made clear to the claimant. You may also want to provide information on how to re-apply for a DHP if necessary.
- 5.1 There is no limit to the length of time over which a DHP may be made. A time-limited award may be appropriate when an impending change of circumstances will result in an increase in benefit. It may also be appropriate to make a short term award to give a claimant time to organise their financial or housing circumstances, particularly if they are trying to find alternative accommodation or gain employment. It should be remembered that if claimants have specific difficulties moving house without support you may wish to consider referring them to their Housing Options team.
- 5.2 Alternatively, you may wish to make a long term or indefinite award until the claimant's circumstances change. You should remember that it may be more appropriate to make a long term award in cases where a claimant's circumstances are unlikely to change, and making a short term award will cause them undue distress. An award could also be agreed in respect of a future period regardless of whether your LA's IT system can support a future award.
- 5.3 The start and end dates of an award are decided by LAs on a case by case basis. For example, where a DHP is awarded to a disabled claimant who lives in significantly adapted accommodation in the social rented sector and is subject to the removal of the spare room subsidy, you should consider making the DHP award on a longer-term basis, including an indefinite award, which is subject to a relevant change in their circumstances.
- 5.4 If the DHP is to meet a one off housing cost such as a deposit or rent in advance there is no requirement to specify the period of the award.

Change of circumstances

- 5.5 A claimant receiving a DHP must notify you of any change of circumstances which may be relevant to their DHP application or award.
- 5.6 You must ensure that the claimant is aware of the changes they should report. There is no statutory timescale for notification; however claimants should be advised to notify changes as soon as reasonably practicable. It is for you to decide the means by which such changes are notified.

- 5.7 Many changes of circumstance that claimants have a duty to report for HB may also be relevant to their DHP application. As such, LAs may use such information to review the level of the DHP.

When you can stop paying a DHP

- 5.8 There are instances other than a change of circumstances when a DHP can be stopped. These are when:
- you decide that a DHP is being, and/or has been, made because a claimant has misrepresented or failed, fraudulently or otherwise, to disclose a material fact; and/or
 - a claimant has been paid as a result of an error.

Overpaid DHPs

- 5.9 You can only recover a DHP if you decide that payment has been made as a result of:
- a misrepresentation or failure to disclose a material fact by the claimant (either fraudulently or otherwise), or
 - an error made when the application was determined.

In these circumstances the DHP can be recovered because it is classed as being overpaid.

- 5.10 A DHP cannot be recovered from on-going HB or UC. This is unlike HB overpayments where there is a regulatory provision to allow recovery from on-going HB.
- 5.11 There are also no provisions for the recovery of overpaid DHPs from other prescribed benefits.
- 5.12 Therefore the only method of recovery, where a DHP is classed as overpaid, is to request repayment of the debt from the claimant or the landlord if the DHP is paid directly to them. This may be in the form of an invoice or any other method you choose, for example using debt collection agencies or via the courts. You may also consider offsetting overpaid DHPs if further DHPs are granted at a later date.

Dispute procedures

Introduction

- 6.0 The LA can review a DHP decision in the event of a dispute or where the claimant asks for a re-consideration.
- 6.1 A decision on a DHP does not carry a right of appeal to a Social Security Tribunal. The route of judicial review is available; and a complaint may be made to the Local Government Ombudsman if there is an allegation of maladministration.
- 6.2 There is flexibility in how you apply any dispute or re-consideration process. The decision may be looked at again in the light of representations made by the claimant (in whatever form you decide) or whenever you consider it appropriate.
- 6.3 You may also review a DHP decision in the event of a dispute either at the time of the initial rejection or following a cancellation or recovery. LAs may consider that a review may be appropriate in other circumstances but should be consistent in any approach.

Reviewing the decision

- 6.4 You may decide who in the authority reviews a decision. There is no requirement that the review arrangements take any particular format as long as the authority is consistent and the original decision maker is not involved.
- 6.5 To minimise the risk of legal challenge you are advised to ensure that the review is carried out by a more senior colleague than the person who made the original decision.

Notifying the claimant

- 6.6 The claimant should be notified of any review outcome in writing, including reasons, as soon as is reasonably practical.

Assurance and Reporting Measures

Requests for information

- 7.0 The Department currently requests two sets of information in relation to DHPs:
- the mandatory DHP claim form; and
 - the voluntary DHP monitoring form.

Both are outlined below and care should be taken to ensure the distinction is understood.

DHP funding 2017/18

- 7.1 Prior to 2011, the Government funding towards DHPs was £20 million per year. Following the introduction of the welfare reforms, this funding was increased to help LAs assist claimants affected by the welfare reforms including, where necessary, to make long term awards for those with on-going needs. In 2017/18, the total DHP central Government contribution for English and Welsh local authorities is £166.5 million.
- 7.2 LAs can use their own funds to top up their Government contribution by an additional 150 per cent in England and Wales.
- 7.3 DHP funding is allocated to LAs in respect of four funding streams based on the three welfare reforms (LHA, removal of the spare room subsidy and the benefit cap), as well as “core” funding based on overall HB expenditure. Funding from each stream is allocated to LAs based on their caseloads and average financial reduction, or in the case of core funding, HB expenditure.
- 7.4 LAs will continue to receive a single allocation that is not ring-fenced into categories. However, LAs are asked to provide the Department with some additional information on a voluntary basis to monitor DHP spending.

DHP claim form

- 7.4 The Discretionary Housing Payments (Grants) Order 2001 (S.I. 2001/2340) places a legal obligation on LAs to submit forms providing details of DHP expenditure. Three forms must be submitted each year, an initial estimate form by 1 April of the preceding year, a mid-year estimate form by 1 September and a final DHP claim form by 30 April of the following year. Your LA is required to complete and return the forms to DWP Housing Delivery Division.

- 7.5 The DHP claim and estimate forms contain a LA certificate which must be signed by the Responsible Finance Officer within your LA who is designated as such under section 151 of the Local Government Act 1972. Due to the increase in DHP funding and following discussions with the National Audit Office (NAO), the Department has strengthened its assurance arrangements by including additional requirements in the LA certificate.
- 7.6 In addition to providing details of DHP expenditure, the Responsible Finance Officer must certify that all entries on the forms are accurate and expenditure has been incurred in accordance with this guidance and the regulations governing DHPs.
- 7.7 The DHP claim and estimate forms are the mechanism by which funding is provided to LAs.
- 7.8 The deadline of 30 April for the DHP claim form is a critical deadline across Government; it allows for faster closure of accounts as required by HM Treasury.

DHP monitoring form

- 7.9 Since April 2013, when voluntary monitoring forms were introduced, the Department has looked at how DHPs are being used to support claimants affected by the welfare reforms. In addition to the DHP claim and estimate forms, LAs are asked to continue to provide supplementary data on a voluntary basis in October and in May.
- 7.10 A monitoring form to record this data will be provided, however the Department recognises that not all data is kept in the same manner. Therefore, if completing the monitoring form would result in an unnecessary burden on resources, we are content to receive this in other formats. Irrespective of the method used to provide this data it must be consistent with the total expenditure figure in the DHP claim form.
- 7.11 Following a successful application for DHPs, your LA is asked to record whether the claimant has been affected by one of the following:
- benefit cap
 - removal of spare room subsidy
 - local housing allowance restrictions
 - combination of reforms
 - none of the above
- 7.12 The Department also seeks the DHP amount actually paid to a claimant. For example, if a DHP of £10.00 per week for 10 weeks has been awarded, and the award runs for that whole period, you should record £100.00. If it is a one-off payment, simply record the amount paid. If there is a change of circumstances, and an award ceases your LA should record

the amount of the DHP award actually paid out to the claimant. ([See Appendix B for more details.](#))

7.13 You are also asked to record the intended outcome by value of payments made. The outcomes are broadly grouped into the areas that cover the policy intention of DHPs:

- To help secure and move to alternative accommodation (for example rent deposit)
- To help with short-term rental costs until the claimant is able to secure and move to alternative accommodation
- To help with short-term rental costs while the claimant seeks employment
- To help with short-term rental costs while the claimant seeks to increase their hours of employment enough to become exempt from the benefit cap
- To help with on-going rental costs for a disabled person/s in adapted accommodation
- To help with on-going rental costs for a foster carer
- To help with short-term rental costs for any other reason

7.14 The Department does not require details of individual applications. Only the total amounts spent under each category are requested.

Former Grenfell Tower residents

7.15 If a DHP application is received from a former Grenfell Tower resident, please ensure that you record:

- the number of former Grenfell Tower residents who have applied for a DHP; and
- whether they were awarded a DHP.

7.16 These details should be emailed to: hpdc consultations@dwp.gsi.gov.uk

Discretionary Housing Payments Good Practice Guide

Section 1: Support for claimants affected by the benefit cap

Background to the benefit cap

1.0 Since April 2013 the total amount of benefit paid to working-age claimants has been subject to a cap. The benefit cap is applied either through HB or UC, as appropriate. For the purposes of applying the benefit cap we define a household as a claimant, their partner and any children they are responsible for and who live with them.

1.1 The benefit cap is applied by LAs through HB payments. When a household's total benefit entitlement exceeds the cap level, the LA reduces the level of HB by the excess amount.

A minimum amount of £0.50 is kept in payment when the reduction of the excess would otherwise remove all payments of HB.

1.2 Where UC is in payment the benefit cap is applied through UC.

1.3 From April 2013, the total entitlement to benefit payments was capped at £500 per week for couples and lone parent households. The level of entitlement for single adults without children was capped at £350 per week.

1.4 For those getting UC the cap is applied for the assessment period, which is monthly. From April 2013 the monthly equivalent limits were £2,167 for couple and lone parent households and £1,517 for single claimants without children.

Changes in 2016/17

1.5 From 7 November 2016 the amount at which benefits are capped changed. Total entitlement to benefit payments is capped at:

- £23,000 in Greater London and £20,000 in the rest of Great Britain for couples and lone parents.
- £15,410 in Greater London and £13,400 in the rest of Great Britain for single childless households.

1.6 For those on HB, this equates to £442.31 per week in Greater London and £384.62 per week elsewhere in Great Britain for couple and lone parent

households. The levels for single adults without children are £296.35 per week in Greater London and £257.69 per week elsewhere in Great Britain.

- 1.7 For those getting UC, the cap is applied for the assessment period, which is monthly. From 7 November 2016 the monthly equivalent limits are £1916.67 in Greater London and £1,666.67 elsewhere in Great Britain for couples and lone parent households and £1,284.17 in Greater London and £1,116.67 elsewhere in Great Britain for single households without children.
- 1.8 LAs have been provided with bandwidths of the estimated number of HB households in scope for the benefit cap in 2016/17 and an indicative rollout date.
- 1.9 The LA benefit cap estimates have been published online at: <https://www.gov.uk/government/publications/benefit-cap-planning-estimates-of-number-of-households-in-scope-for-lower-benefit-cap-levels>.

Exemptions

- 1.10 There are some exemptions from the cap for certain benefit recipients. The benefit cap is about incentivising work and promoting fairness for working households, whilst continuing to support the most vulnerable. Households with a member who is entitled to Working Tax Credit (WTC) are exempt.
 - Lone parents can qualify for Working Tax Credit by working 16 hours or more per week;
 - Couples with children have to work 24 hours or more a week (including one working at least 16);
 - Those without children have to be 25 years old or above and work 30 hours or more a week.
- 1.11 The in work exemption in UC applies to claimants earning a set amount or more a month. Currently the in work exemption applies when a claimant or their partner earn £430 per month or more.
- 1.12 Households are also exempt from the cap when someone is in receipt of:
 - Industrial Injuries Benefit (and equivalent payments made as part of a War Disablement Pension or the Armed Forces Compensation Scheme);
 - Disability Living Allowance (DLA) or its replacement Personal Independence Payment (PIP);
 - Attendance Allowance;
 - Armed Forces Independence Payment;
 - Where a person is not receiving DLA, Attendance Allowance or a War Disablement Pension because they are in hospital or a care home, the exemption will continue to apply;

- Employment and Support Allowance with a support component. For those on UC this will be limited capability for work and work-related activity;
- Carer's Allowance (CA) or those who have an underlying entitlement or receive the UC equivalent;
- Guardian's Allowance (GA).

War widows and war widowers are also exempt.

- 1.13 There is a grace period of 39 weeks, or 9 months in UC, for those claimants who have been in work for the previous 12 months and find that their circumstances have changed because their job has ended. This allows people time to find alternative employment or consider other options to avoid the impacts of the cap.
- 1.14 HB paid to households in specified accommodation is disregarded from the benefit cap calculation. The disregard applies to benefit cap cases under both HB and UC. While this does not mean that these households are exempt from the benefit cap, by not including HB in the calculation the majority of these cases will no longer be affected by the cap.

Support for those subject to the benefit cap

- 1.15 The Government has provided additional funding for DHPs to support claimants affected by the benefit cap who, as a result of a number of complex challenges, cannot immediately move into work or more affordable accommodation.
- 1.16 The funding for DHPs is specifically aimed at a number of groups who are likely to be particularly affected by the benefit cap. These include (but are not limited to):
- Those in temporary accommodation;
 - Individuals or families fleeing domestic abuse;
 - Those with kinship care responsibilities;
 - Individuals or families who cannot move immediately for reasons of health, education or child protection;
 - Households moving to, or having difficulty finding more appropriate accommodation;
 - Those with dual liability for housing costs;
 - Women within 11 weeks of the expected week of childbirth;
 - Household contains a young child, specifically a child aged 9 months and under, or a child aged under 2 years of age where childcare is a barrier to getting work.
- 1.17 There will be a number of ways that claimants affected by the benefit cap may react to having their HB reduced. The intention is that the majority will move into work and so become exempt from the cap. Some may choose

to move whilst others may consider other means by which they might be able to meet any short fall such as trying to negotiate a reduction in their rent or meeting the shortfall from other income or capital.

- 1.18 Those that are affected by the cap will continue to have access to and receive support from Jobcentre Plus and, where appropriate, the Work Programme to help them find work. People in receipt of Working Tax Credit, or in UC who earn above the current earnings threshold, will be exempt from the cap.
- 1.19 DHPs can make an important contribution to managing the transition for claimants whilst they make the necessary changes to adapt to the application of the benefit cap. It is important to note that there will not be enough funding to meet every shortfall as a result of the benefit cap so your LA will need to target this funding at those who need it most. The allocation of this funding reflects the varying impact of this measure on different LA areas.
- 1.20 There may be circumstances when DHP is awarded and a subsequent successful application for an exempting benefit that is awarded retrospectively means the HB is paid again. The Department recommends that when deciding whether it is reasonable to make a DHP your LA considers the risk of eviction if arrears arise that may subsequently be covered by HB. For example, the risk may be very low for LA tenants and low for others with a good payment record but less so for claimants renting in the private sector.
- 1.21 The following examples show how your LA can use DHPs to assist those affected by the benefit cap.

Example

Mr and Mrs Smith rent a 3 bedroom property at £340.00 per week. They have two children, reside in Greater London and receive the following benefits:

Jobseekers Allowance: £114.85, Child Tax Credit: £116.83, Child Benefit: £34.40, HB: £340.00. **Total welfare benefits: £606.08.**

The benefit cap for Mr and Mrs Smith is £442.31 per week; therefore, their award of HB is reduced to £175.48 per week (reduction of £164.52). Mr Smith has been unemployed for some time and has found it difficult to find employment in his usual vocation; he is currently attending his local Work Programme provider for support to find work.

In addition, Mr and Mrs Smith's oldest child is 15 years old and in the process of completing her GCSEs at school. Mr and Mrs Smith have found a cheaper property that would take them below the benefit cap in another area but it would mean their oldest child would have to move schools. They believe this would have a negative impact on their child's education.

You may decide to award a weekly DHP of up to £164.52 until Mr or Mrs Smith move into work or their eldest child completes her GCSEs.

Example

Ms Martin has two children and is receiving HB for temporary accommodation where she has been living for three months waiting for a permanent move.

In addition to her Jobseekers Allowance, Child Benefit and Child Tax Credits, Ms Martin is receiving higher than average HB as a result of the cost of rent for temporary accommodation. This means the benefit cap will apply to her.

Ms Martin is struggling to move into work as she does not have any qualifications or work experience. She is participating on the Work Programme to develop her skills and try to find work.

You may decide to award a DHP until permanent accommodation can be found for Ms Martin or she is able to move into work so she no longer has the benefit cap applied.

Example

Mr Benn is claiming UC for himself, his partner and four children. Mr Benn is currently appealing the decision that he doesn't have limited capability for work and work-related activity. As no one in the household meets the criteria for an exemption the benefit cap will be applied.

Mr Benn does not want to adapt his circumstances to avoid the benefit cap until he is notified of the decision from his appeal. You may decide, subject to your assessment, to award a DHP until Mr Benn's appeal is heard and decided.

Example

Ms Jones has four children, aged 14, 12, 10 and the youngest aged 3 months and is receiving income support, child benefit, child tax credits and a higher than average HB for where she lives. This means the benefit cap will apply to her. Ms Jones was previously on Jobseekers Allowance and seeking work when, following a short term relationship, she became pregnant. She is seeking advice on managing her budget and perhaps finding cheaper accommodation.

You may decide to award a DHP due to the young child, until cheaper accommodation is found or until she finds work (when the cap will no longer apply).

Section 2:

Support for claimants affected by the removal of the spare room subsidy

Background to the removal of the spare room subsidy in the social rented sector

- 2.0 Since April 2013 working-age claimants living in the social rented sector have faced a reduction to their eligible rent if they are under-occupying their property. The level of under-occupation is determined by the LHA size criteria with the exception of the Shared Accommodation, which does not apply in the social rented sector.
- 2.1 The rates of reduction to the eligible rent for those affected by this policy are:
- 14 per cent where there is under-occupation by 1 bedroom; and
 - 25 per cent where there is under-occupation by 2 or more bedrooms.
- 2.2 The Department continues to expect that most claimants affected by this measure will find ways of making up the shortfall themselves, in order to remain in their existing home.
- 2.3 The Department would encourage all LAs to continue their work of engaging with affected claimants to identify effective ways of mitigating the effects of any reduction in entitlement.

Support for disabled people living in significantly adapted accommodation

- 2.4 The Government has committed £25 million to the DHP fund to continue to support disabled people living in significantly adapted accommodation, including any adaptations made for disabled children. This is included as part of the £60 million (for Great Britain) intended to support people affected by the removal of the spare room subsidy in 2017/18.
- 2.5 For claimants living in specially adapted accommodation, it will sometimes be more cost-effective for them to remain in their current accommodation rather than moving them into smaller accommodation which needs to be adapted. The Department therefore recommends that LAs identify people who fall into this group and invite an application for a DHP.
- 2.6 In addition, LAs should consider DHP awards for claimants living in properties that have been significantly adapted for other household members such as for a disabled child or non-dependant.

- 2.7 There is no definition of significantly adapted accommodation. It is up to your LA to decide what constitutes significantly adapted accommodation, based on local knowledge and individual circumstances.
- 2.8 The allocation of the additional funding for disabled people broadly reflects the impact of this measure and the additional funding needed to support this group. However, due to the discretionary nature of the scheme, your LA should not specifically exclude any group affected by the removal of the spare room subsidy or any other welfare reform. It is important that LAs are flexible, but consistent, in their decision making.

Example

Mr and Mrs Thom rent a four bedroom house from a registered housing provider. They have two children, a girl of 7 and a boy of 5. They receive HB to cover the full rent of £90 per week.

Under the size limit rules they are considered to be under-occupying the house by two bedrooms as the children are both under ten years old and would be expected to share a room. As the Thoms are under-occupying by two bedrooms a 25 per cent reduction of £22.50 would be applied to the eligible rent meaning they would now receive HB of £67.50 per week.

Mrs Thom is a wheelchair user and significant adaptations have been made to the property to make it more accessible. If the family moved to a smaller home, that property would then need to be adapted at considerable expense. Therefore, you should consider awarding a DHP of £22.50 per week to enable the family to meet their rent liability in full and consequently remain in their current adapted house.

Support for disabled people who need an additional bedroom for an overnight carer

- 2.9 Claimants or their partners who require frequent care from a non-resident overnight carer or team of carers are allowed an additional bedroom for that carer under the size criteria.
- 2.10 The Government has amended legislation to extend this easement to children and non-dependants.
- 2.11 The relevant provision is the Housing Benefit and Universal Credit (Size Criteria) (Miscellaneous Amendments) Regulations 2017 (S.I. 2017/2013) which came into force from 1 April 2017.
- 2.12 In cases that fall outside of these regulations, for example, under UC where the qualifying disability benefit is not in payment but the disabled person requires frequent care from a non-resident overnight carer or team of carers, you should consider whether a DHP award is appropriate.

Support for approved or prospective adoptive parents

- 2.13 You can award DHPs to help support the overall adoption process; In particular where claimants who have been approved as adopters are required to have a bedroom for an adopted child. Until the child forms part of the claimant's household, the removal of the spare room subsidy may apply and a DHP can be used to provide support in the interim period before the adopted child joins the family.
- 2.14 Similarly, people going through the approval process to become adoptive parents will need to show that they have a spare room for a child. If a DHP is paid on this basis it will be the responsibility of the claimant to inform their LA of any change of circumstances if, for example, they were not subsequently approved.
- 2.15 In some cases your LA will specify that an adopted child should have their own room, and not share with another child, which is in contrast to the size criteria rule. This is an example of where a DHP may be used on an on-going basis to provide support where an additional bedroom is not allowed for HB or UC purposes.

Example

Ms Roberts rents a 3 bedroom flat from her LA. She already has one daughter of her own, aged 7. She is matched with her new adoptive child, a 5 year old girl, and the child moves into the third bedroom. Under the size criteria rules, the family is considered to be under-occupying the home by one bedroom as the children are both under ten years old and expected to share a room.

However social workers have made it clear that this particular adopted child must be able to have a room of their own because of the nature of their early life experiences. You should therefore consider awarding DHP in order to maintain and support the adoption process.

Support for approved or prospective foster carers

- 2.16 Foster Carers are allowed **one** extra bedroom under the size criteria rules providing they have fostered a child or became an approved foster carer within the last 52 weeks. This also applies to formal Kinship Carers in Scotland.
- 2.17 Some claimants may be caring for siblings, or for two or more unrelated foster children, and require additional bedrooms. National minimum standards for Fostering Services state that a foster child over the age of 3 should generally have their own room. However, the size criteria rules only allow foster carers (or formal Kinship Carers in Scotland) to have one extra bedroom; therefore a DHP may be awarded to help cover any reduction in HB due the additional rooms that are required.

- 2.18 People going through the approval process to become foster carers will need to show that they have a spare room to be approved. If a DHP is paid on this basis it is the responsibility of the claimant to inform their LA of any change of circumstances if, for example, they were not subsequently approved.

Support for disabled children and couples who cannot share a bedroom

- 2.19 The Government amended legislation to allow an extra bedroom for a severely disabled child who is eligible for the middle or highest rates of DLA care who would normally be expected to share a room under the size criteria rules, but is not reasonably able to do so due to severe disability.
- 2.20 The relevant provisions are the Housing Benefit and Universal Credit (Size Criteria) (Miscellaneous Amendments) Regulations 2013 (S.I. 2013/2828) and the Rent Officers (Housing Benefit Functions) Amendment (No.2) Order 2013 (S.I. 2013/2827), which came into force from 4 December 2013.
- 2.21 The Government has now amended legislation to extend this easement to couples who cannot share a bedroom.
- 2.22 The relevant provision is the Housing Benefit and Universal Credit (Size Criteria) (Miscellaneous Amendments) Regulations 2017 (S.I. 2017/2013) which came into force from 1 April 2017.
- 2.23 In cases that fall outside of these regulations, for example, because the qualifying disability benefit is not in payment but they are unable to share a bedroom due to disability, you should consider whether a DHP award is appropriate. Consider especially those cases where a claim for a disability benefit has already been made but this has not yet been assessed.

Section 3:

Support for claimants affected by Local Housing Allowance reforms

Background to the changes to LHA rates

- 3.0 Since April 2011 there have been a number of changes to the way LHA rates are calculated, including restrictions on the amount that can be paid to claimants. It is likely these changes contributed to an increase in demand for DHPs, particularly as transitional protection finished at the end of December 2012. The changes were:
- The removal of the five bedroom rate.
 - Removal of the £15 a week excess.
 - Setting LHA rates at the 30th percentile of local rents in each Broad Rental Market Area (BRMA), rather than the median.
 - The introduction of weekly caps for each property size.
 - The extension of the age threshold for the Shared Accommodation Rate for single people from age 25 up to 34.
- 3.1 In April 2013 the procedures for anniversary renewal of LHA rates and monthly setting of rates ended and, instead, increases to LHA rates became integrated with the annual Consumer Price Index (CPI) inflation-based uprating process. This meant that for 2013/14, LHA rates were set at the lower of either the previous rate increased by CPI or the 30th percentile of local rents.
- 3.2 In April 2014 and April 2015, as part of a wider limitation on benefits uprating, increases to LHA rates were limited to 1 per cent, so rates were set at the lower of the 30th percentile of comparable market rents or the previous April's rate plus 1 per cent.
- 3.3 Alongside the measure to limit increases to LHA rate to 1 per cent, the Government made available 30 per cent of the savings from this policy to create Targeted Affordability Funding (TAF). The funding was used in 2014/15 and 2015/16 to increase some LHA rates by 4 per cent (subject to the national LHA caps) in areas where LHA rates had fallen farthest behind the 30th percentile.
- 3.4 From April 2016, in line with the freeze to uprating for some other benefits announced in the Summer Budget 2015, LHA rates have been frozen for 4 years. This means that rates will either remain at the April 2015 levels or will be set at the 30th percentile of market rents if this is lower.
- 3.5 There will be further TAF available to help prevent more areas in the private rented sector becoming unaffordable for HB tenants. The TAF will

- be drawn from estimated savings from the LHA 'freeze' and will be available from 2017/18 onwards. There was no funding available in 2016/17 as there were no savings from the measure due to zero inflation levels in the applicable month (September 2015). However, the majority of the LHA rates which previously increased by TAF in 2015/16 remained at those levels in 2016/17.
- 3.6 In 2017/18 the TAF is based on 30 per cent of the savings from the freeze and is being used to increase 48 LHA by 3 per cent. However further to the Budget announcement on 22 November 2017 additional TAF of £125 million will be made available in 2018/19 and 2019/20 and will be based on 50 per cent of the savings from the LHA freeze.
- 3.7 The LHA rates for each BRMA are published on the respective Rent Officer websites for England, and Wales.
- 3.8 The on-going impact of all of these measures depends on the choice of accommodation made by the claimant and other budgetary pressures they may be faced with. As there are variations in local rental markets across the country, some claimants may have a greater shortfall between their LHA and their rent than others.

Support for those subject to LHA restrictions

- 3.9 Following the changes to LHA from April 2011 a period of transitional protection was introduced to give existing claimants time to look for alternative accommodation or adjust to their revised award of HB.
- 3.10 Although transitional protection ended for the vast majority of claimants at the end of December 2012, some claimants may still need assistance with any shortfalls between their LHA and the amount of rent they have to pay. Additionally, the extension of the age threshold for the Shared Accommodation Rate (introduced from January 2012) may result in a greater demand for DHPs.
- 3.11 Limiting increases to LHA rates, such as the LHA 'freeze' from April 2016, could mean that some claimants have a greater shortfall between their LHA and their rent. This could increase the demand for DHPs in some areas, depending on the levels of local rent increases.
- 3.12 There are many ways in which your LA can help claimants deal with any shortfalls between their LHA and rent without reliance on DHPs. This includes assisting claimants with rent negotiations with their landlords, working with Housing Options teams and liaising with partners such as welfare rights teams for benefit maximisation, debt counselling or money advice. Helping claimants manage their money reduces the likelihood of re-applications for DHPs.

- 3.13 The following examples show how DHPs may be used to assist those affected by the LHA changes.

Example

Harry has to move from his bed-sit in central London as his landlord is increasing the rent and the shortfall between his UC housing costs will become unsustainable. His only income is from a part-time job with his net pay amounting to £520 per month.

With the assistance of his LA he finds a bed-sit in another borough within the LHA rate with a rent of £500 per month and he receives a direct payment of UC which includes rental housing costs totalling £380 per month. He now has bus fares of £80 per month instead of being able to walk to work. This leaves him struggling to pay his rent and meet his day-to-day living expenses.

He discusses his problems with the Citizens' Advice Bureau and they suggest he applies for a DHP. One of the LA's objectives is to use DHPs to help people maintain their employment.

The LA carries out an income assessment and establishes that Harry has the following monthly expenses.

Rent £500
Travel £80
Food £220
Heating £80
Debts £40
General Expenses £80
Total £1,000

This is £100 per month more than his combined income from UC and earnings of £900 per month. The local authority decides to award him £50 per month DHP as it considers that while he has shown a need for further financial assistance with housing costs, he could reasonably be expected to economise on some of his general expenses and food costs.

The LA makes a 6-month DHP award and also refers him to an advice agency to discuss his debt arrangements.

Example

Susan is a care leaver aged 21 and works part time, earning £120.00 per week. Her rent is £200.00 per week and she receives HB of £172.76 per week.

Upon reaching her 22nd birthday, she no longer qualifies for the 1-bedroom LHA rate and is instead entitled only to the Shared Accommodation Rate, which in her case is £120 per week. This results in her HB award reducing to £92.76.

The reduction in benefit means Susan is struggling to pay her rent, however she does not wish to leave her job where she hopes to gain full time employment in the near future.

She applies for a DHP and the LA awards £70 per week for 10 weeks.

The LA decides that although DHP cannot meet the full shortfall or be paid long term, it will make up most of the difference in the short term to allow Susan time to either find full time employment or move into more affordable accommodation.

Section 4: Managing the DHP scheme

Overview

- 4.0 These examples of good practice aim to support you in the DHP decision making process. First and foremost this is a discretionary scheme. Therefore you should consider each case on its own merits rather than on a set of rigid pre-defined criteria.
- 4.1 A policy that is too rigid will effectively prevent you from exercising your discretion properly in individual cases. This could make some decisions vulnerable to challenge by judicial review.
- 4.2 However, this does not mean that you cannot develop a policy at all; it simply means that any DHP policy must be flexible and allow for deviation for unusual cases, however rare.
- 4.3 The examples are simply ideas as to what you may wish to think about when considering a DHP award. You should bear in mind that in some cases there may be a good reason for varying the decision making process or outcome.

Objectives for DHP awards

- 4.4 Some authorities have certain objectives in mind when considering whether to make an award of DHP; these are at the discretion of LAs and are not mandatory requirements. The objectives include, but are not limited to:
- alleviating poverty;
 - encouraging and sustaining people in, and into, employment;
 - tenancy maintenance and homelessness prevention;
 - safeguarding residents in their own homes;
 - helping those who are trying to help themselves;
 - keeping families together;
 - ensuring that domestic abuse victims who are trying to move to a place of safety are supported;
 - supporting the vulnerable, including young children and the elderly in the local community;
 - helping claimants through personal and difficult events;
 - supporting young people in the transition to adult life;
 - promoting good educational outcomes for children and young people;
 - supporting the work of foster carers;
 - supporting disabled people to remain in adapted properties;
 - supporting care leavers.

Publicising DHPs

- 4.5 It is important to publicise the existence of DHPs as they are a key element of the Government's strategy for managing reductions to HB or UC arising from welfare reform. We recommend that LAs point to the availability of DHPs when contacting claimants who are due to be potentially affected by a particular welfare reform.
- 4.6 For a cash-limited scheme such as this it is important that organisations which support individuals, as well as individuals themselves, are aware of the help available. The Government has increased the DHP budget to assist with the transition of welfare reforms and it is important that the increased funding is made available to those who most need it. It is good practice to publicise DHPs for vulnerable groups, such as people affected by domestic abuse or those leaving care services.
- 4.7 In order to raise awareness of DHPs, you may wish to consider various methods of communication such as
- including information on all HB decision notices where there is a shortfall;
 - leaflets and posters;
 - giving advice on DHPs when people contact your LA to discuss a claim;
 - proactively assisting vulnerable claimants to make applications by, for example, visiting them in their own homes;
 - ensuring that domestic abuse victims who are trying to move to a place of safety through contact with external welfare organisations and refuges are supported
 - informing external and internal bodies that give advice (money advice, welfare rights, homelessness, housing etc.) of the existence of DHPs;
 - establishing and maintaining links to ensure awareness of the scheme among staff working in housing options, homelessness and adult and children's services;
 - including DHP advice as part of general welfare advice services;
 - making landlords aware of the scheme (private landlords, housing associations and Registered Providers);
 - establishing links with social housing tenants and residents' organisations to ask them to help raise awareness of the scheme;
 - raising awareness by having information of the scheme available at tenants and residents' forums;
 - information on your LA website or arranging to include information on partner housing association websites;
 - information on Choice Based Lettings scheme websites;
 - information within literature or communications relevant to housing allocations policies or placements;

- raise awareness through interviews with local radio, including stations targeting different ethnic groups;
- targeted communications aimed at those likely to be affected - by telephone, text message or social media such as Twitter.

Administration of DHPs

4.8 The administration of DHPs remains the responsibility of your LA. It is entirely up to you how you administer DHPs but you may wish to consider the following suggestions:

- Would using the same payment cycles as the claimant's HB or UC make the system easier to operate?
- A second member of staff could check the decision to ensure consistency.
- Some LAs find a partnership approach between HB departments and other housing departments such as Housing Options, Housing Strategy and private rented sector access schemes highly effective in making best use of DHPs.
- To ensure awards are reviewed and monitored, a system for example a spread-sheet, could be utilised.
- It may be appropriate to visit claimants in their own home as it helps to confirm their circumstances and establish what further help or advice they require.
- When a change of circumstances means that an award of HB or UC is reviewed the DHP award should be reviewed at the same time. This is because the change of circumstances could mean that the conditions for the DHP no longer met, or a different amount may be appropriate.
- You could identify, at the time of the first award, that a second award might be appropriate. As such you could issue a review form prior to the end of the first award to ask for relevant information.
- Paying DHPs from the date on the application form would be more transparent for both LAs and claimants, although backdating and paying in advance is allowable.
- Claimants normally have to arrange their finances quickly so you could ensure that decisions on DHP applications are made within four weeks.
- To ensure a DHP award remains necessary and fit for purpose, you could incorporate a review mechanism for longer term awards.

Notifying decisions on DHPs

4.9 Claimants will need clear information about the decision on their DHP application. You can include information about the DHP decision on the HB notification form but you should make it clear that a DHP is not HB and does not attract appeal rights. You should also specify the amount of the DHP. With UC, you will have to notify applicants separately to UC communications.

- 4.10 Where you have made a decision on the award claimants will need the following information:
- The reasons for an award decision (be it positive or negative), the start and end dates of the award and the reason for those dates,
 - Their dispute rights (if you have a disputes procedure) and
 - Information on who to contact if they need further help or advice.

Disputes procedures

- 4.11 It is good practice to have a disputes procedure. This could also help to reduce the probability of a legal challenge. Examples of good practice are:
- involve an officer other than the one who made the original decision;
 - depending on resources, have a panel of senior officers review the application;
 - the decision letter should clearly state the reasons for a negative decision;
 - claimants know who they can complain to in the first instance;
 - claimants are given some idea how long the process will take;
 - if they disagree with the first decision, claimants should know where they may go next.

Section 5: Further examples of good practice

- 5.0 The following are further examples of good practice that may be helpful when considering a DHP award. What questions you decide to ask and any decision based on the responses remains the discretion of your LA. Each case should be treated individually.

Prevention of homelessness

- 5.1 Homelessness can have a negative impact for the household concerned in terms of health, education and employment prospects. Also, temporary accommodation used to house homeless people can be expensive. Therefore, early intervention to prevent homelessness should be a key issue for LAs. You may wish to consider how DHPs could help where:

- a DHP would prevent the household from being evicted and becoming homeless;
- an award of DHP would be central to the person being able to access or maintain employment, education or training and so they are less likely to become homeless;
- paying DHPs to households, who have previously been homeless, would help to increase the long-term sustainability of their accommodation;
- paying DHP to care leavers, where additional support is needed, as they move into their home to increase the long-term sustainability of their accommodation.

The tenancy

- 5.2 You could consider the following issues concerning the tenancy:
- Is there scope for the landlord to reduce the rent?
 - Can the housing options or homelessness prevention team help the claimant to negotiate a lower rent if the claimant feels unable to attempt to do so themselves?
 - Does the claimant have a fixed term tenancy and if so when does this end?
 - Can the tenant leave the tenancy without incurring a financial penalty?
 - Could the tenant afford the tenancy before they took it on?
 - Could a DHP enable the accommodation to become affordable in the interim, allowing the tenant time to find alternative accommodation or improve their work or earning prospects?

The household's financial circumstances

5.3 Although there are no rules on the financial issues to be taken into account when considering the award of DHPs, you may wish to consider the following:

- Does the claimant have other debts to pay?
- Have they sought advice on how to clear their debts?
- Can the claimant re-negotiate non-priority debts, such as credit card agreements?
- Is the claimant entitled to other welfare benefits that they are not claiming?
- Do they have any capital or disregarded income that they could use to make up the shortfall (bearing in mind its intended purpose)?
- Is there anyone else willing to make up the shortfall?
- Is it reasonable to expect any non-dependants to make an additional contribution to meet the shortfall?
- Can the claimant change their spending pattern on non-essential items?
- Is the claimant taking long-term action to help their problems in meeting their housing costs?
- Could the claimant afford the rent when they moved in?
- Can the claimant increase his or her hours or do any overtime?
- Is the claimant in work but with high travel costs, because of distance from work or split shifts for example?
- Has the claimant or a member of their family been affected by either the Manchester bombing on 22 May or London attack on 3 June and is receiving compensation payments from the schemes

The household's medical circumstances, health or support needs

5.4 You may wish to consider whether the following apply.

- Does the household have health or support needs which require them to remain in a particular property (including the needs of children)?
- Does the household have a health problem which means that the choice of housing is restricted either temporarily or permanently?
- Does the claimant require an extra room because of a physical, or mental, health problem that affects them or a member of their household?
- Does the household have to live where they do because of the need for access to medical or support services; for example a particular hospital?
- Does the household have extra health-related expenses, such as the need for therapeutic classes or non-prescription medicine?

- Does the household have a member who has been affected by the terrorist attacks in Manchester and London who are in receipt of compensation from the compensation schemes?
- Does the household have a member who is a victim fleeing from domestic abuse and require support?

Other circumstances

5.5 There may be other circumstances applying to the claimant or a member of their household which you may wish to take into account:

- Is the claimant fleeing domestic abuse? This may mean they need safe accommodation on an emergency basis so the concept of having time to shop around for a reasonably priced property is not appropriate.
- Is the claimant in a sanctuary scheme?
- Is the claimant or a member of their family a victim of human trafficking?
- Have they been a victim of the Grenfell Fire in 2017?
- Does the household have a member who has been affected by the 2017 terrorist attacks in Manchester and London?
- Does the household have to live in a particular area because the community gives them support or helps them contribute to the district?
- Is the claimant expecting a child and had her HB restricted to that of smaller accommodation until the child is born?
- Is the claimant a single person living in an area where there is a shortage of shared accommodation?
- Is the claimant a care leaver who has a reduction in their LHA rate after becoming 22 years old?
- Is there a particular reason that the claimant chose to live in this accommodation?
- Is the claimant or a member of their family an offender or ex offender and currently under the supervision of a Community Rehabilitation Company or National Probation Service as part of a court order or sentence?
- Is the property the cheapest available in the area for the household's needs?
- Does living in the area mean a better chance of employment?
- Would it be helpful to pay a DHP when a training scheme is almost, but not yet complete?
- Would it be helpful to pay DHP where the household contains children at a critical point in their education?
- Is someone in the household undertaking care duties for relatives in the neighbourhood?
- Does the claimant have a child who is temporarily living away from home, but is expected to return home shortly?
- You could consider paying the DHP to those returning to the workplace as an encouragement for others to do the same.

Likely duration of award

5.6 Your LA can consider making longer term awards where appropriate, for example where a claimant has on-going needs, such as a disabled person living in specially adapted accommodation. However, the length of time over which an award of DHPs can be paid is your decision, but it may be helpful to consider the following:

- Is any need likely to be short-term?
- Is the claimant likely to require assistance in meeting their housing costs for as long as they remain in the property?
- You could consider paying a DHP until the earliest opportunity that cheaper accommodation could reasonably be sought.
- A DHP could be paid until a particular milestone, such as the end of training or first possible break clause in a tenancy.
- Is it in the best interest of the claimant, and financially prudent, to award a DHP to allow the claimant to continue to live in their current home?

Backdating of DHPs

5.7 When backdating an award you may wish to consider:

- the claimant's age, health and personal circumstances;
- make-up of the household;
- the local housing market;
- whether the claimant has taken up a mitigating option.

Section 6: Profiling your budget and managing transition

Profiling your DHP budget

- 6.0 As the DHP scheme has been in place for some years you are likely to have built up expertise and local knowledge enabling the DHP budget to be profiled to meet demand over the course of the year.
- 6.1 Following welfare reform changes you may be able to use information currently held to predict when demand is going to increase and the likely scale of the shortfalls. In particular, when the new lower benefit cap levels from 7 November 2016 are implemented in your area.
- 6.2 It may be helpful to gather and analyse information held on your LAs benefit systems to help profile the DHP budget.
- 6.3 You may need to work with partner housing associations or registered providers as well as the department responsible for the LA's own stock, to profile the impact of the welfare reforms.
- 6.4 You may want to profile your caseload to identify certain groups among those potentially affected by the changes, and establish the level of demand among those groups in relation to their scheme's objectives (see paragraph 6.15 below for a list of groups you may wish to target for DHPs).
- 6.5 Although the Department has already carried out various Equality Impact Assessments in relation to HB reform, available on GOV.UK, you may want to carry out a more detailed assessment for your area.
- 6.6 In considering the likely demand for DHPs, you may also want to explore what other funding is available for providing assistance in your local area where there may be some overlap with DHPs in what it can be used for, such as help with removal costs.
- 6.7 You may wish to use information already held to predict where the demand for DHPs may be. For example account could be taken of the following:
- Is there information on the range of rents charged in the area?
 - Can volumes of claims be established that include people who are disabled or frail or families with school age children who may be less able to move?
 - Are you likely to use funding to pay for lump sum assistance for rent in advance and deposits?

- 6.8 You may also be able to reduce some demand by offering claimants alternative support and advice in advance of considering whether a DHP is appropriate. In many cases it may be possible for tenants to stay at their existing accommodation at a reduced rent. For example, it may be appropriate to pay HB directly to the landlord if they are prepared to reduce their rent to the level of the LHA rate.
- 6.9 By taking action in advance of the financial year to analyse their caseload, your LA will have useful information that will help with the profiling and prioritisation of budgets.
- 6.10 The DHP budget will need to be carefully monitored and managed, for example keep records on:
- amounts requested against amounts awarded;
 - type of accommodation;
 - reason for award;
 - duration of award;
 - claimant characteristics.

Managing the transition

- 6.11 It may be useful for your LA to include the following as part of their overall strategy on issues including the following:
- providing information on the welfare reform changes and ensuring that claimants have adequate time to consider their options;
 - making information on DHPs more available;
 - providing housing advice and help with negotiating reductions in rents with landlords;
 - providing housing options advice for those affected by changes to HB in the social rented sector;
 - how best the homelessness prevention, housing options teams or partner housing associations can work with the HB administration team to identify cases where a DHP may be appropriate, for example, can they:
 - help to collect evidence to inform DHP decisions;
 - negotiate with the landlord to reduce the contractual rent;
 - advise on length of awards if they are helping to find an alternative tenancy;
 - advise on length of awards if longer-term or indefinite periods may be appropriate;
 - whether assistance with rent in advance and deposits is likely to be needed or is there a local deposit guarantee scheme for people who might move;
 - whether Adult and Children's services or other external organisations can be involved in applications from disabled people to advise on their accommodation needs. You may find it helpful, if you don't do so already, to work closely and strengthen links with such services in your

LA to help inform decisions on DHPs (it is important to keep in mind whether claimant consent is needed to share information between services);

- whether additional resources for processing claims are needed;
- whether existing processes should be reconsidered and streamlined;
- whether to allow for DHP decisions to be made in advance of HB or UC changes coming into force.

6.12 It may be helpful to consider working with neighbouring LAs if claimants will be more likely to find accommodation in another area.

For example:

- agreeing that the exporting LA will meet the cost of rent in advance and deposit for a property, or help with removal costs (if there is a need to do so through DHPs);
- having mechanisms in place to ensure that the new LA is aware that such an award has been made;
- discussing availability of accommodation and other services such as school places;
- involving homelessness prevention teams, other housing advice teams or partner housing associations in these discussions;
- agreeing that the importing LA might make DHPs to help with fares to work if these are increased as a consequence of the move.

6.13 If people from neighbouring areas are likely to be moving into your LA area - have discussions taken place with other departments on possible increases in demand, for example, on school places or social services support?

Considering the DHP strategy to take account of increased demand

6.14 Given the numbers of people affected by the welfare reform changes, awarding DHPs to meet all shortfalls is not a viable option. Therefore you will need to consider how best to target the funding within priority groups, whilst remembering that each case must be considered on its own individual merits.

6.15 You may wish to assist certain groups to stay in their home, for example:

- Families with children at a critical point in their education;
- Young people leaving LA care until they reach the age of 35;
- Families with kinship care arrangements. Children who go into the care of family and friends are often extremely vulnerable and will usually benefit from the stability of remaining in a familiar area and continuing to attend their local school;
- Families with a child temporarily in care but who is expected to return home. What constitutes temporary will be at the discretion of your LA;

- Families with a social services intervention, for example highly dependent adults, children at risk or involvement in a family intervention project;
- Families with a disabled child not in receipt of upper or middle rate DLA but whose condition makes sharing a bedroom difficult;
- Couples who are unable to share a bedroom due to disabilities but are not in receipt of a qualifying benefit;
- Families who are providing long term care to a disabled child or non-dependant;
- People with shared care arrangements who are limited to the shared accommodation rate;
- People who are providing a room for an adult placement;
- People who have had to flee domestic abuse or have moved because of the threat of violence in another area;
- People affected by domestic abuse who remain in a property which has been adapted under a sanctuary scheme;
- People who are victim of human trafficking;
- Where someone in the household is expecting a baby (including those currently in shared accommodation or subject to an under-occupation reduction);
- Where a household contains a young child, specifically a child aged 9 months and under, or a child aged under 2 years of age where childcare is a barrier to getting work;
- Where a child in the household is due to reach a significant birthday which means an additional bedroom will be allowed under the size criteria;
- Claimants or their partners who are due to reach state pension credit age which means they will no longer be subject to an under-occupation reduction;
- People who have experience homelessness being supported to settle in the community;
- People with health or medical problems, either physical or mental, who need access to local medical services or support that might not be available elsewhere;
- Disabled people who need, or have had, significant adaptations made to their property, or where they are living in a property particularly suited to their needs. This includes properties which have been adapted for other members of the household, such as disabled children or non-dependants;
- Where the claimant or someone in their household has an impairment, which requires them to have a larger property than would usually be the case for the size of their household due to, for example, where a bedroom is used for storage of medical equipment or used to support their disability e.g. sensory room;
- Disabled people who receive informal care and support in their current neighbourhood from family and friends, which would not be available in a new area. In this respect, you may also consider families who have a child with an impairment who rely heavily on local support networks;

- The elderly or frail who have lived in the area for a long time and would find it difficult to establish support networks in a new area;
- People who need to live near their jobs because they work unsocial hours or split shifts; or where moving home may mean living in an area where public transport would be inadequate to enable them to sustain their current job.

Appendix A: What DHPs cannot cover

- 1.0 Legislation precludes the following elements of rent, and shortfalls in HB or UC, from being met by a DHP.
- 1.1 **Ineligible charges:** service charges which are ineligible for HB cannot be covered by a DHP. These are as specified in Schedule 1 to the Housing Benefit Regulations and Schedule 1 to the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations. Nor can a DHP cover charges for water, sewerage, and environmental services – as defined and calculated under the HB provisions. The service charge rules for UC can be found in the UC Regulations 2013, Schedule 1.
- 1.2 **Increases in rent due to outstanding rent arrears:** under Regulation 11(3) of the Housing Benefit Regulations and Regulation 11(2) of the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations, where a claimant's rent is increased on account of outstanding arrears owed by the claimant in respect of their current or former property, the shortfall cannot be covered by a DHP.
- 1.3 **Sanctions and reductions in benefit:** DHPs cannot meet these because to do so would undermine the effectiveness of the sanctions or reduction in benefit. These are any:
 - reduction in Income Support (IS) or income-based Jobseeker's Allowance (JSA(IB)) due to a Reduced Benefit Direction (RBD) for failure to comply with the Child Support Agency in arranging maintenance. The RBD is a reduction in benefit of 40% of the personal allowance and only applies to IS or JSA(IB);
 - reduction in benefit as a result of non-attendance at a work-focused interview. This applies both where the person's HB is reduced and when any other benefit that the person is receiving (such as IS) is subject to a sanction;
 - reduction or loss of benefit due to a JSA employment sanction. JSA is not payable for the period of sanction if they have contributed towards their unemployment status, for example, by leaving employment voluntarily or failing to attend a prescribed training scheme. In such cases it may be possible for a reduced rate of JSA to be paid under the JSA hardship provisions;
 - reduction in benefit due to a JSA sanction for 16/17 year olds – for certain young people who receive JSA under a Severe Hardship Direction. JSA is not payable for the period of the sanction if they have contributed towards their unemployed status, for example, by leaving employment voluntarily or failing to attend a prescribed training scheme;

- restriction in benefit due to a breach of a community service order, or
 - reduction in UC due to a sanction as specified under regulations 100 to 114 of the UC Regulations 2013
- 1.4 **Benefit suspensions:** HB or UC can be suspended either because there is a general doubt about entitlement or because a claimant has failed to supply information pertinent to their claim. In such cases, a DHP cannot be paid. One of the intentions of the suspension provisions is to act as a lever to ensure that the claimant takes the necessary steps to provide the authority with the required information/evidence - paying a DHP could reduce the effectiveness of this lever.
- 1.5 **Rent, when the person is getting Local Council Tax Support but not HB or help with housing costs in UC:** in other words, when a person is only getting local Council Tax support, you cannot award a DHP towards a rental liability.
- 1.6 **Shortfalls caused by HB or UC overpayment recovery:** when recovery of an HB or UC overpayment is taking place, such shortfalls should not be considered for a DHP.

Appendix B: DHP Monitoring

- 1.0 Since April 2014 the Department has asked LAs to report the amounts of DHPs actually made during each half of the financial year to support people affected by the welfare reform changes.
- 1.2 From April 2017 we only require information from English and Welsh LAs as DHPs are now devolved to Scotland.
- 1.3 These monitoring returns are voluntary and intended to provide intelligence on how local schemes are operating. They are separate from the formal DHP claim form used for subsidy purposes, which is mandatory and therefore still required.
- 1.3 Reporting periods span 1 April - 30 September for the half yearly return, and 1 April – 31 March for the end of year return. Your LA will be asked, each October, to return the reports for the first half of the year; the report for the full year will be asked for in April of each year.
- 1.4 The key to recording the DHP expenditure must reflect when the payment, rather than the decision, is actually made to the individual. Expenditure should be recorded in the year in which it actually occurs.
- 1.5 Where an award is paid over more than one reporting period, it needs to reflect the expenditure period(s), as opposed to assigning all expenditure to the point in the year when the first DHP payment of an on-going award is made.
- 1.6 At the end of year reporting stage LAs are asked to only provide monitoring information in respect of awards paid in that financial year. **The summary of the total expenditure supplied should be consistent with the total figure submitted on the mandatory DHP claim form.** Therefore LAs are asked to reconcile the total expenditure reported on the monitoring return with their final DHP claim form. Where the amounts differ, LAs are asked to provide an explanation.
- 1.7 Returns and any queries regarding the monitoring form should be sent to dhp.monitoringinbox@dwp.gsi.gov.uk

Examples

1.8 Example 1: One-Off Payment

A DHP is awarded on 01/09/2018 as rental deposit for £300. You should record £300 in their report for April-September 2018/19 as this is the amount paid.

1.9 **Example 2: A full, unbroken award**

A claimant is paid DHP of £300 on 02/08/2018 for a period of 6 weeks at a rate of £50 per week to help with short-term rental costs while the claimant seeks employment.

The payment covers the whole period of 6 weeks. You should record £300 in their report for April-September 2018/19.

1.10 **Example 3: Change in Circumstance**

DHP is paid on 01/09/2018 at £10 per week covering the period from 01/09/2018 to 26/10/2018, a period of 8 weeks. The claimant subsequently moves to suitably sized accommodation causing DHP to cease on 28/09/2018, after 4 weeks. The amount to be reported for the April – September period is the amount paid out to the claimant, £40 (£10pw X 4 weeks), not £80 amount committed at the start of the award.

1.11 **Example 4: Six month reporting stage**

At the 6 monthly reporting stage the Department asks that you only return how much of an award has been paid out as of **30/09/2018**. For example, where a DHP was paid on 01/09/2018 at £10 per week covering the period from 01/09/2018 to 26/10/2018, a period of 8 weeks, you should record the amount paid out from 01/09/2018 to 30/09/2018 (i.e. 4 weeks and 2 days at £10 =£42)

Gloucester City Council

Discretionary Housing Payments (DHP's) Policy

Background

Since July of 2001, local authorities have been able to make Discretionary Housing Payments (DHP's) to provide additional financial assistance to claimants entitled to receive Housing Benefit, (or the Housing Element of Universal Credit) where the local authority considers that additional help with housing costs is justified.

The Council has formulated this policy having regard to the Discretionary Housing Payments Guidance Manual (including Local Authority Good Practice Guide) published by the Department for Work and Pensions in March 2018 – a copy of which is attached to this policy at appendix A.

DHP's are not benefit payments; they are made at the discretion of the council, having regard to this policy and government guidance.

The Department for Work and Pensions decide how much each Local Authority can spend annually on DHP awards. Once we have spent the DHP budget, we will not award any more DHP's in that financial year.

Purpose

Gloucester City Council intends that its DHP scheme is

- **Accessible** – the service will be equally accessible to all users who qualify to make an application
- **Transparent** – the reasoning behind each decision will be clear
- **Consistent** – decision making will be consistent and in line with this policy framework
- **Targeted** – assistance will be directed at those considered to be most in need

It has been operating a procedure for the payment of DHP's for a number of years and is now updating the procedure to take into account changes in guidance – which can be found at appendix A

Statement of Objectives

Gloucester City Council's objectives include:

- Alleviating poverty
- Encouraging and sustaining people in employment
- Tenancy sustainment
- Homelessness prevention
- Helping people remain in properties which have been adapted for their specific needs
- Supporting those who are trying to source alternative accommodation
- Keeping families together
- Supporting domestic violence victims who are trying to move to a place of safety
- Supporting the vulnerable or the elderly in the community
- Helping customers through personal and difficult events
- Supporting young people in the transition to adult life
- Promoting good education outcomes for children and young people

What DHP's can cover:

A Discretionary Housing Payment can be made for:

- Reductions in Housing Benefit or Universal Credit (Housing Element) where the benefit cap has been applied
- Reductions in Housing Benefit or Universal Credit (Housing Element) for under-occupation in the social rented sector
- Reductions in Housing Benefit or Universal Credit (Housing Element) as a result of local housing allowance restrictions
- Rent shortfall to prevent a household becoming homeless whilst alternative options are explored
- Rent arrears accrued due to welfare reforms which are preventing a household moving to a property more suited to their needs
- Non-dependant deductions
- Moving costs
- Rent in advance and Rent deposits where the customer is already entitled to Housing Benefit or Universal Credit (Housing Element) in their present home
- Two homes where someone is treated as being temporarily absent from their main home
- This list is by no means exhaustive and other associated housing costs will be considered as the very nature of the award is 'discretionary'

What DHP's cannot cover:

- Ineligible service charges included in rent
- Increases made in a rental charge due to outstanding rent arrears
- Certain sanctions and reductions in benefit

Application process

An application for a DHP must be made to Gloucester City Council on its designated DHP application form which can be downloaded from www.gloucester.gov.uk or obtained by telephoning 01452 396396. Should you have any difficulty in completing the form please contact us.

Any evidence to support the application must be supplied.

The application will be reviewed by the City Council's contractors (Civica) who will make a recommendation based on the application, the evidence supplied in support of the application and the background of the case.

The recommendation will be made to the City Council who will review the application and either approve or decline the recommendation having regard to all of the circumstances.

Backdating

Requests to backdate DHP's will be considered, but the customer will need to demonstrate that there were exceptional reasons for delaying making a claim to DHP. Examples of exceptional circumstances could be a period of illness (including mental health), a bereavement or personal trauma, hospitalisation or some fact which has left an applicant unable to deal with their personal affairs. Further evidence to support a backdate request, for example, from a medical professional may be required. All requests to backdate an award of DHP will be considered on their own merits.

Period of Award

A DHP will normally be awarded for a period of 13 weeks. This is to allow the recipient time to improve their circumstances, perhaps by seeking alternative accommodation or finding a more affordable way of remaining in their property. Repeat awards will only, therefore, be considered in exceptional circumstances

Awards can be made for a longer period if applicable and again this is at the discretion of the Council, having regard to the recipient's situation.

Method of Payment

Payments of DHP will normally be made to the customer, however, if an award is for rent arrears, rent deposit, rent in advance or where it considers it to be in the best interests of a customer, the Council may exercise its discretion and make payments directly to a third party (such as the landlord or Housing Association).

Notification

Customers will be advised in writing of the outcome of their application for a DHP within 14 working days of the Council receiving all of the necessary information to make a decision on the DHP application. Each application will be considered entirely on its own merits.

If their application is successful it will advise them of the value of any award, how long the award will be for and who the DHP will be paid to. It will also tell them what recourse they have to a review if they are unhappy with a decision.

If their application is unsuccessful the customer will be advised of the reasons why their application has been unsuccessful and again what recourse they have to a review if they are unhappy with the decision.

Dispute/Review of Decision

As DHP's are not payments of Housing Benefit they are not subject to a statutory appeals procedure, however the Council does have a review process.

A request for a review of a DHP decision must be made within 28 days of the date of the letter informing the customer of the decision.

An officer not involved in the original decision will review the case within 14 days of the request and will write to the customer with the review decision, which will clearly state the reasons for the decision made. The review decision will be final and binding and may only be challenged via the judicial review process or by complaint to the Local Government Ombudsman.

Fraud and overpayments

Gloucester City Council is committed to the fight against fraud. A customer who fraudulently tries to claim a DHP by falsely declaring their circumstances, providing a false statement or by giving false evidence in support of their application may have committed an offence under the Fraud Act 2006. Where it is alleged, or we suspect that such a fraud may have been committed, the matter will be investigated, and any overpaid monies will be recovered. Further action may be taken, and if appropriate, criminal proceedings may be instigated.

Monitoring / Review of the policy

The policy will be monitored and reviewed on an annual basis.

Should there be any major changes to the guidelines issued by the DWP in the preceding time then the policy will be reviewed accordingly.

Guidance for awarding Discretionary Housing Payments (DHP's)

CALCULATING DHP's

In most cases, a discretionary housing payment award will be based on the household's financial circumstances from the declared income and expenditure on the application form. Additional evidence may be required at times to establish accuracy, however, initially the declared breakdown will be used for the calculation.

Each award is based on a fully completed application form explaining reasons for the claim.

Certain income will normally not be used in the calculation of a DHP award. Attendance Allowance, Personal Independence Payment (PIP) and Disability Living Allowance (DLA) and certain components of War Pensions (consistent with Housing Benefit) will usually be disregarded when considering the household income, as it is generally accepted that these benefits are awarded as the recipient has greater needs which can incur additional financial costs. On occasion the Council may seek evidence to corroborate any additional expenditure in these areas.

The amount of the award will be based on the need, be that a rental deposit, rent in advance, or the shortfall between rent due and housing benefit / Universal Credit (Housing Element) award. Each ongoing award will usually be made for a period of 13 weeks, however the Council will use its discretion if it believes the award should be made for a shorter or, if justified, a longer period of time.

MULTIPLE AWARDS

A claimant is able to apply for a discretionary housing payment more than once, however, other circumstantial details must also be considered alongside the household's finances in order to establish whether or not it is avoidable.

The DHP fund is for short term support whilst people and families make attempts to better their situation. For example the fund can be utilised to:

- Help secure and move to alternative accommodation (for example, rent deposit / rent in advance / moving costs)
- Help with short term rental costs until the claimant is able to secure and move to alternative accommodation
- Help with short term rental costs while the claimant seeks employment
- Help with on-going rental costs for a disabled person in adapted accommodation
- Help with on-going rental costs for a foster carer
- Help with short term rental costs for any other reason
- Prevent homelessness

These criteria must be considered alongside the financial circumstances, and whether or not the claimant has made, or intends to make attempts to improve their situation. This should help determine whether or not the claimant is eligible to receive a repeat discretionary housing payment.

If a claimant cannot demonstrate that they are taking reasonable steps to improve their circumstances (for example, actively seeking to downsize their accommodation on Homeseeker, seeking debt advice through advice agencies such as Citizens Advice Bureau, Gloucester Law Centre or Money Advice at GL Communities, or getting help to budget their finances) a refusal can be made based on these grounds – regardless of the claimants financial circumstances. The normal review procedures would apply if a claimant disputed the decision.

NON DEPENDANTS

Non dependant deductions are made from housing benefit and the housing element of Universal Credits if there is an adult living in the household who is not a partner, or who is liable for rent. These deductions are made regardless of whether or not that person does in fact contribute to the household costs. However, for the consideration of DHP's the deduction should not generally be considered as a shortfall in the rent as contributions should be made by the non dependant from their own income. This is not always the

reality, so if evidence can be provided which clearly demonstrates that contributions are not being made by the non dependant, along with the reason why such contributions are not being made, then DHP can be considered.

HOUSING BENEFIT OVERPAYMENTS

If an application is made for a DHP and previous housing benefit overpayments are reducing the maximum entitlement to housing benefit or the housing element of universal credit, it must be considered what is reasonable to allow a DHP to cover.

An example would be - an overpayment has been created due to an act of fraud, and that overpayment is being recovered from the claimant's ongoing housing benefit by instalments. The claimant makes an application for a DHP as they need to downsize to a more affordable property. The DHP application is processed in the normal way, however, the amount of benefit that is being recovered by instalments is treated as though the claimant still had that money and included in the claimant's finances.

OVERALL DISCRETION

It must be stated that discretionary housing payments are available to those who are in financial hardship and require short term extra support. Gloucester City Council accept that it is not always possible for a household to change their circumstances within a set period of time (e.g. 13 weeks) and so the funding can support those who continue to demonstrate their need for extra support.

It remains at the discretion of Gloucester City Council to award/refuse claims for DHP however, as it is working with Civica, the recommendation process enables applications to be thoroughly checked before a decision is made.

Discretionary Housing Payments are to be treated as short-term financial support and cannot be considered as part of the claimant's regular income and relied upon as an income stream.

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Appendix C Recommendations of the Overview and Scrutiny Committee

In respect of agenda item 7 – Discretionary Housing Payments:

At its meeting on 25th March 2019, the Overview and Scrutiny Committee **RESOLVED** to **RECOMMEND** to Cabinet that: -

- (1) Para 2.2 be amended to have the policy operative from 4th April 2019;
- (2) War Pensions to be disregarded in their entirety for the purposes of calculating income for DHPs;
- (3) Cabinet be requested to consider disregarding War Pensions in their entirety for the purposes of calculating income for House Benefit;
- (4) To clarify the appeals process in the policy;
- (5) If on first application it is apparent that the individual's circumstances are not likely to change within the 13 week period, a longer period will be awarded subject to an annual review;
- (6) Where residents have ineligible services charges that cannot be covered by the scheme and which may make residents at risk of eviction, the Council assist them in accessing services to manage their finances.

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Gloucester City Council

Meeting:	Cabinet	Date:	3 April 2019
Subject:	Proposed Extension to Civica ITO Contract		
Report Of:	Cabinet Member for Performance & Resources		
Wards Affected:	All		
Key Decision:	No	Budget/Policy Framework:	No
Contact Officer:	Jon Topping – Head of Policy & Resources		
	Email:	jon.topping@gloucester.gov.uk	Tel: 396242
Appendices:	None		

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 This report presents the recommendation to extend the Civica UK Limited ITO contract for a period of 11 months to the 31st March 2021.

2.0 Recommendations

- 2.1 Cabinet is asked to **RESOLVE** that Civica UK Limited ITO contract be extended for a period of 11 months until 31st March 2021.

3.0 Background and Key Issues

- 3.1 The current outsourcing arrangement for Information Technology services commenced on 23rd April 2014 following a detailed procurement exercise and was awarded to Civica.
- 3.2 The arrangement with Civica is a contract for an initial 6 year period with the option to extend by two periods of up to 1 year.
- 3.3 With the move to Shire Hall, it makes sense to potentially undertake a joint procurement with the County Council for IT services. The County Council's contract for outsourced IT services is due to expire on 31st March 2021 and this proposed extension would allow both arrangements to come to an end on the same date.
- 3.4 A joint procurement with the County Council should be able to demonstrate both efficiencies in the provision of IT services and also lead to reductions in the cost of delivering services under the new arrangements. This is expected to be a joint procurement and will not tie the Council to entering a joint single contract. The option to procure separately will still be available.

4.0 Alternative Options Considered

- 4.1 The option to end the existing contract in 2020 has been explored. However with the current transformation programme in play this is not considered feasible as any change during the process could have a negative impact on the programme delivery.
- 4.2 The option to extend past 31 March 2021 and procure a contract itself has also been discarded, due to the expected benefits of a joint procurement with the County Council.

5.0 Reasons for Recommendations

- 5.1 As highlighted in the report.

6.0 Financial Implications

- 6.1 Due to the limited time associated with the proposed extension, Civica cannot unfortunately offer any further savings or time in which to redesign services. They will continue to work with the service desk on the progression of initiatives to improve the service capability and to support the Council's move towards automation and self-serve where possible.
- 6.2 The contract can be delivered at the same monthly price we have now (£51k), subject to annual indexation from April 2019, per the current contract terms.

(Financial Services have been consulted in the preparation of this report)

7.0 Legal Implications

- 7.1 The City Council has an existing contract for these Services with CIVICA UK Limited dated 23 April 2014. The Contract has an initial 6 year period with the option to extend by two periods of up to 1 year each. To exercise the extension option the City Council needs to give notice to such effect to Civica UK Limited no later than 12 months prior to the date upon which the contract would otherwise expire and Civica UK Limited would need to accept the proposed extension offered.
- 7.2 The Council's Contract Rules allow for joint procurement to take place when it is assessed to be most likely to achieve the purchasing objectives.

(One Legal have been consulted in the preparation of this report)

9.0 Risk & Opportunity Management Implications

- 9.1 As highlighted in the body of the report this extension provides the opportunity to deliver further efficiencies through a joint procurement with Gloucestershire County Council.

10.0 People Impact Assessment (PIA):

- 10.1 A PIA screening review was undertaken. It did not identify any potential or actual negative impact. For this reason, a full PIA is not required.

11.0 Other Corporate Implications

Community Safety

11.1 None.

Sustainability

11.2 None.

Staffing & Trade Union

11.3 None.

Background Documents:

Civica ITO contract

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Gloucester City Council

Meeting:	Cabinet	Date:	3 April 2019
Subject:	Annual Report for Energy Costs and Energy Reduction Projects		
Report Of:	Cabinet Member for Environment		
Wards Affected:	All		
Key Decision:	No	Budget/Policy Framework:	No
Contact Officer:	Mark Foyn Asset Management 01452 396271		
	Email: Mark.Foyn@gloucester.gov.uk		
Appendices:	None		

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 The purpose of the report is to inform Cabinet of the Council's energy costs and projects to reduce energy usage

2.0 Recommendations

- 2.1 Cabinet is asked to **RESOLVE:**

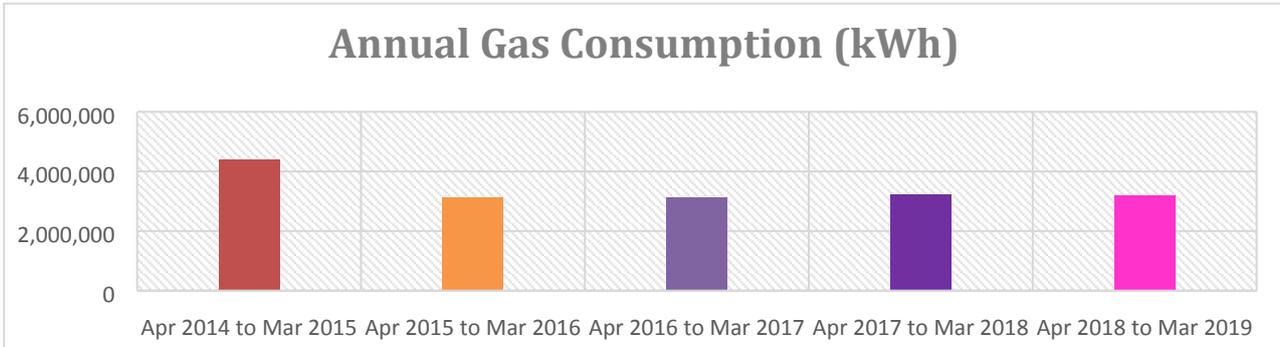
- (1) to note progress in the reduction of energy usage and consumption in the year 2018-19.
- (2) to support continued implementation of projects to save energy in the councils main buildings as set out in section 4 of this report.

3.0 Background and Key Issues

- 3.1 Gloucester City Council adopted a revised and updated Energy Management Strategy in 2012. One of the key objectives of this strategy was a commitment to reduce the Councils energy use across its buildings by 2% per year, along with a commitment to yearly monitoring of energy costs and consumption with an annual report to cabinet. The Council is also committed to reduce its annual spend on energy by £50,000 pa.
- 3.2 The councils various operational buildings and sites (including those operated by partners e.g. Aspire) consume significant quantities of gas and electricity. The total gas and electricity bills for the year to date 2018-19 for the net operational sites excluding our partners is £309,758 this equates to £1,012.28 per day. We will not receive the invoices for the full year for a couple of months but on our estimate it will amount to £370,000, which still equates to £1,012.28 per day. Costs have increased but consumption on the core operational properties has reduced, a reduction of 6.8% on the previous year's consumption for Electricity and 1.3% for Gas.

3.3 Gas Use

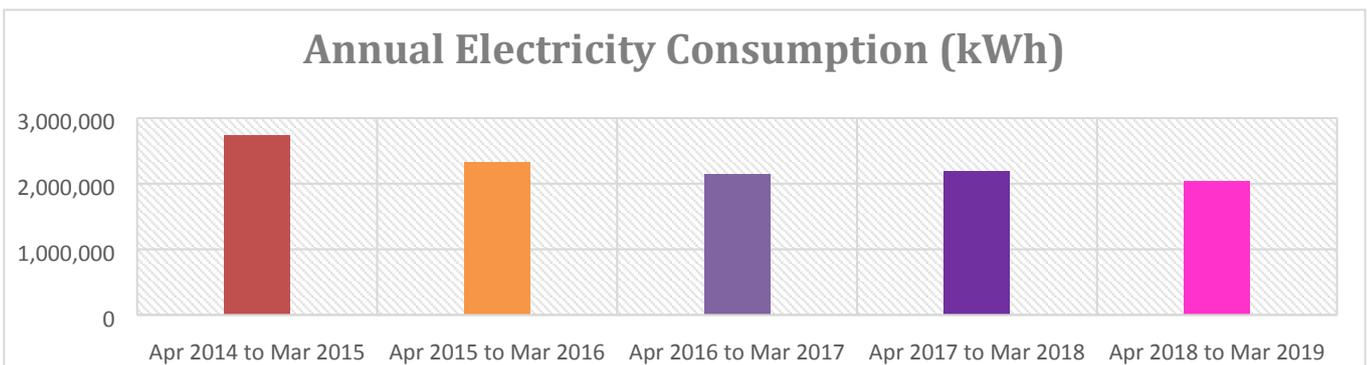
We now supply more buildings, arranging the utility supplies to addition sites e.g. the new sports complex at Plock Court and the new Bus Station. They are energy efficient but they do sway the figures, taking out the properties where we pass through the costs the estimated figures are shown below. Gas heats most of the council's buildings and is also used to cool HKP.



Yearly Gas consumption data (core buildings)		
Year	Months Included	Consumption (kWh)
Apr 2014 to Mar 2015	12	4,384,754
Apr 2015 to Mar 2016	12	3,142,147
Apr 2016 to Mar 2017	12	3,135,224
Apr 2017 to Mar 2018	12	3,231,316
Apr 2018 to Mar 2019	12	3,188,407

3.4 Electricity Use

Again we do not have full year figures but on the same basis as the gas the estimated annual comparison for electricity consumption is shown below.



Yearly Electricity consumption data (core buildings)		
Year	Months Included	Consumption (kWh)
Apr 2014 to Mar 2015	12	2,740,769
Apr 2015 to Mar 2016	12	2,334,291
Apr 2016 to Mar 2017	12	2,146,089
Apr 2017 to Mar 2018	12	2,195,579
Apr 2018 to Mar 2019	12	2,045,391

3.5 Water Use

The other main utility cost for the Council is water, currently supplied by Severn Trent. The monitoring of water resources are carried out under contract by Aquafund who both monitor our usage and at their own cost have installed water saving devices in our building the cost of which are cover by sharing the resulting drop in water costs with them.

3.6 Carbon Dioxide Emissions

The burning of fossil fuels generates greenhouse gases that contribute to climate change and the Council is committed to reducing its carbon footprint in line with Government targets through its Climate Change Strategy. The current UK emissions target is to reduce CO2 emissions by 80% by 2050 using 1990 as the baseline year. As we do not have detailed energy data from the year 1990 to present, our figures use the last ten years to track progress starting in 2003-4 when we launched our energy strategy. The councils CO2 emissions have reduced by year on year when compared with the baseline year 2003-4.

4.0 Energy Saving Projects

Since 2003 the City Council has brought forward a number of capital projects aimed at reducing energy use in all its main buildings. Selection of projects to take forward is based on payback in energy savings. In the year 2018-19 the main projects delivered were:

- *Installation of LED Lighting in Longsmith Street Car park*
- *Installation of outdoor LED flood lighting and personnel lighting around the City e.g. 43 external lights at Plock court, Flood Lighting at Bishop Hooper monument. Westgate Street reception project replaced lights with LED on PIRs. Although the individual savings produced are small the aggregation of a large number of marginal gains make significant contribution.*
- *Recommissioning and rebalancing of the City Museum boilers, the museum was running on 4 boilers we have got all 8 boilers working and balanced the system which will not only improve resilience but will make fuel savings.*
- *Photovoltaic panels and other energy efficiency measures were made an integral part of the new Bus Station design.*
- *The roll out of the Enterprise Car scheme this has resulted both in a reduction of car usage/journeys and budget savings on travel.*

4.1 A number of other energy saving projects are in the process of development and evaluation. These include; Oxstalls Tennis Centre lighting replacement scheme, Crematorium heat exchanger connection, GL1 Photovoltaic roof scheme and continued replacement of incandescent with LED lights for example North Warehouse flood lights and the Guildhall. These and any other projects that are worthy of pursuing will be reported in subsequent updates.

5.0 Asset Based Community Development (ABCD) Considerations

5.1 Although there is limited direct scope for ABCD in the management of the portfolio the disposal strategy seeks to encourage Community Asset Transfer of suitable property Assets which will produce opportunities for ABCD.

5.2 By adopting an Energy strategy in 2003 and continuing to work to improve the energy efficiency of its main buildings the City council is acting in a leadership role by setting an example of good practice that the community can follow.

6.0 Alternative Options Considered

6.1 The Strategy has been carefully considered and is an amalgam of good estate management and the Council's values.

7.0 Reasons for Recommendations

7.1 The Strategy will enable the Council to continue to make a significant contribution towards carbon reduction while cutting costs.

8.0 Financial Implications

8.1 There are no direct financial implications but the strategy will allow the Council to manage its property portfolio in a way that seeks to protect the returns on the property interests.

(Financial Services have been consulted in the preparation of this report)

9.0 Legal Implications

9.1 One Legal have been consulted and there are no legal implications at this stage.

(One Legal have been consulted in the preparation of this report)

10.0 Risk & Opportunity Management Implications

10.1 There are no adverse risks associated with the proposed Strategy it does not change the risk profile of the way our portfolio is managed.

11.0 People Impact Assessment (PIA):

11.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact, therefore a full PIA was not required.

12.0 Other Corporate Implications

Community Safety

12.1 No adverse impacts.

Sustainability

12.2 No adverse impacts.

Staffing & Trade Union

12.3 No adverse impacts.

Background Documents: None