

**To: Executive Member Adult Services, Health and Housing**  
**Date: 10<sup>th</sup> May 2024**

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**DISCRETIONARY HOUSING PAYMENT POLICY REVIEW**  
**Executive Director: People**

**1 Purpose of Report**

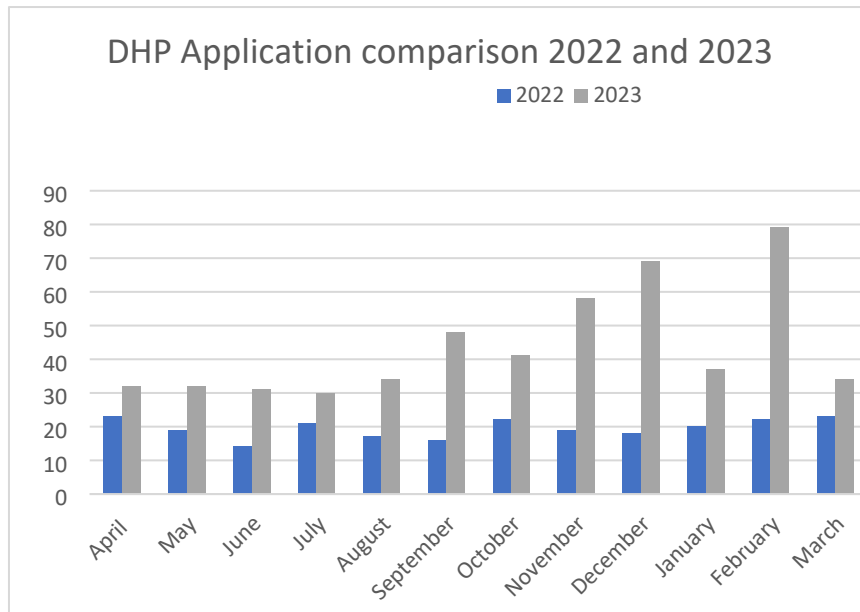
- 1.1 To seek approval from the Executive Member, Adult Services, Health and Housing to approve the new Discretionary Housing Payment policy developed to clarify use of the limited funding

**2 Recommendation(s)**

- 2.1 That the Discretionary Housing Payment Policy be approved by the Executive Member for Adult Services, Health and Housing**

**3 Reasons for Recommendation(S)**

- 3.1 Discretionary Housing Payments (DHP) may be paid to a resident who receives either Housing Benefit, or the Housing costs element within their Universal credit, and finds themselves with a shortfall between this and their rent charge.
- 3.2 DHP's are also available to support residents who have rent arrears which may be placing them at risk of homelessness, or in some cases, to assist with other housing related costs such as deposits for new, cheaper accommodation.
- 3.3 DHP is funded by the Department for Works and Pensions (DWP) on an annual basis with each authority receiving the full sum at the start of the year and thus necessitating careful use of this much needed resource which has been fully spent every year since 2013.
- 3.4 In 2022/23, DWP reduced the sum of the DHP grant by 30%, and funding has been frozen at that level since April 2022, with the DHP allocated to Bracknell being £143,414.00.
- 3.5 There is no lawful requirement to have a DHP policy but there is best practice published on an ad hoc basis by the DWP which forms the basis of the proposed DHP policy.
- 3.6 The DHP policy was last updated in 2021 and since that time, demand for the scheme has increased substantially and applications have risen by 44% against the same period in 2022/23.



- 3.7 The current policy includes mention of financial assistance with the cost of removals, deposits or rent in advance for some customers, and this area in particular has seen a large increase in enquiries and applications. Since April 2023, 20% of applications received and refused, were requests for rent deposits, removal costs or rent in advance. In the main, these were rejected as customers did not receive the benefits to qualify for a DHP, had not lined up another property but wanted to have the money “just in case”, or where there was no pressing need to move such as imminent homelessness, or a move out of domestically abusive relationship.
- 3.8 Mention has been removed from the policy, of removal costs. For those who may need this assistance, support may be provided with these costs via the Local Welfare scheme and DWP funded schemes such as the Household Support Fund whilst that remains in force. Additional advice and guidance is also offered to residents seeking to join the housing register, or approaching as homeless, about the need to put aside funds for moving costs where possible.
- 3.9 The support offered with rent deposits and rent deposits has also been amended to ensure that only where the award would discharge a homelessness duty on behalf of Bracknell Forest Council, will be considered, and not in cases where the property being considered is unaffordable at the outset or where the DHP would not sustain the tenancy

#### **4 Alternative Options Considered**

- 4.1 As previously mentioned, there is no lawful requirement to have a specific DHP policy and so the current policy could be discarded. However, as there is a significant demand for this fund, the need to have a fair and transparent policy to guide the assessment of applications is considered appropriate.
- 4.2 The reference to rent in advance and deposit, could be removed fully and this support could be offered via other means and by other services such as Housing. The demand facing housing services has been considered and already, other funding streams are explored before customers are directed to a DHP. As such, it is considered appropriate to offer this ring fenced grant for this purpose as it comes at no cost to the organisation.

- 4.3 Leaving the policy as it is would risk duplicate provision with removal costs as the local welfare scheme does support with those, whilst also encouraging applications with no realistic prospect of success.
- 4.4 In light of the very significant increase in demand for the scheme, and a forecast showing at the current rate of spend, the 2023 fund was exhausted before the end of March 2024, the first time in over 6 years that this has happened, there is a need to refine the policy in year to ensure the funding can cover the maximum need.

## **5 Supporting Information**

## **6 Consultation and Other Considerations**

### Legal Advice

- 6.1 The circumstances in which the Council might award a Discretionary Housing Payment (DHP) on a case by case basis and the considerations, checks and balances to be applied in determining the process, eligibility and availability for such awards are as set out in the report and proposed updated DHP policy. The proposed updated policy both takes in to account the referred-to relevant regulations and the Government's Discretionary Housing Payments Guidance Manual, last updated 31st May 2022. Having such a DHP policy not only publicly demonstrates how the Council's DHP scheme operates and is applied on an eligibility and priority need basis but also demonstrates how the Council seeks to fulfil its public law duty to ensure legality, procedural fairness and rationality in determining DHP applications, including by setting out what the Council's key DHP policy objectives are and thus what will potentially be eligible for DHP award assistance, what will not and what is unlikely to be, so as to seek to assist as many applicants as possible who meet the eligibility criteria and the Council's key DHP policy objectives and when considering the limited annual budget that is available to the Council to award any such DHPs due to the ultimate limitation of the annual DHP funding available from the Central Government Grant coupled with any available discretionary Council "top up" funding that itself is subject to the stated and regulated maximum permitted Council DHP scheme "top up" funding limit that can be provided to the scheme by the Council in any given tax year.

### Financial Advice

- 6.2 Due to the reduction in grant and the increasing needs, the refresh of policy is timely to ensure the grant is spent in a equitable way.

### Other Consultation Responses

- 6.3 N/A

### Equalities Impact Assessment

- 6.4 Attached

### Strategic Risk Management Issues

- 6.5 There are no strategic risk management issues

## 6.6 Climate Change and Ecological Impacts.

The recommendations in Section 2 above are expected to slightly reduce emissions of CO2. Whilst this will not be a direct impact, supporting residents to retain accommodation, is likely to result in less moves and therefore, there would be less removals as a result of the financial challenges.

### Health & Wellbeing Considerations

- 6.7 The aim of the policy is to ensure that ring fenced funding, is applied in a clear and transparent way, to seek to reduce financial hardship for households in rented accommodation. There is a direct link between financial hardship and health and wellbeing. These recommendations seek to reduce hardship and therefore this is anticipated to have a positive impact on residents' health and wellbeing.

### Background Papers

Proposed DHP Policy

DWP DHP Guidance Manual

DHP EQIA

### Contact for further information

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