

**Report for:** Cabinet on 2 April 2019

**Title:** Discretionary Housing Payments Policy for 2019/20

**Report authorised by:** Richard Grice, Director for Customers, Transformation and Resources

**Lead Officer:** Amelia Hadjimichael, Head of Benefits  
Amelia.hadjimichael@haringey.gov.uk

**Ward(s) affected:** All

**Report for Key/ Non Key Decision:** Key

## 1. Describe the issue under consideration

- 1.1 Each year the Department for Work and Pensions (DWP) makes grants available to local authorities for Discretionary Housing Payment (DHP) purposes and a report is taken to Cabinet with an updated DHP policy to reflect the new funding allocation.
- 1.2 For 2019/20 the amount allocated to Haringey Council is £1,563,947, this is £30,398 less than the amount allocated in 2018/19 equating to a 1.9% reduction.
- 1.3 It is proposed that this £30,398 shortfall is made up.
- 1.4 The main objective of the DHP policy continues to be to prevent homelessness and to sustain tenancies, however the key changes to note are:
  - o The funding amount has been updated to £1,563,947
  - o The change in legislation affecting pension credit has been added.
  - o Applications need to be submitted electronically online via the Council's 'My Account' system, this will ensure that all the required information is captured and supporting evidence is uploaded.
  - o In exceptional circumstances we will accept printed version of the application form.
- 1.5 In 2017/18 a total of 1,890 awards were made to 986 different claimants, totalling £1.6m, the full allocation for that year.
- 1.6 In 2018/19 to date, a total of 1,608 awards have been made to 709 different claimants, totalling £1.5m
- 1.7 The following table gives a breakdown of the reasons for these awards. Whilst we cannot give any precise details on how these awards have helped individual families, anecdotal evidence shows that these groups were suffering financial hardship that could have led to them being made homeless without the support from the DHP.

	Benefit Cap	Bedroom Tax	Size Criteria	Other (including health reasons)	Total
2017/18 No. of awards	1258	156	206	270	1890
2017/18 No. of claimants	476	117	171	222	986
2018/19 No. of awards	1179	108	130	191	1608
2018/19 No. of claimants	383	76	102	148	709

## 2. Cabinet Member Introduction

- 2.1 Attacks by central government on the living standards and security of the least well off people continue to make the lives of Haringey's families on low incomes much harder. As the report notes, proposed benefit cuts due to take effect in 2019/20, including the lowered benefit cap, will significantly reduce the amount of Housing Benefit paid to households that are living in Haringey and/or in temporary accommodation. This will put significant pressure on Haringey's DHP budget in addition to the ongoing impact of previous 'welfare reform'.
- 2.2 It is clear that a 1.9% decrease in our DHP allocation will mean that there is even less funding to meet the scale of demand especially at a time when the Council's budget continues to be hit by the Government's austerity programme. Use of our DHP budget is an important means by which the Council aims to assist and protect families threatened with homelessness. We are seeking to focus on increasing financial resilience and reducing demand for crisis support, aligned with our objective of preventing homelessness and reducing our reliance on temporary accommodation. With the resources at our disposal, Haringey will ensure that the DHP policy for 2019/20 is administered in a fair and transparent way. We remain committed to doing everything we can to sustain tenancies, prevent homelessness and, where possible, ensure tenants secure more affordable accommodation.
- 2.3 We will therefore be topping up the funds available in our DHP budget to ameliorate the cut in our allocation made by central government.

### **3. Recommendations**

- 3.1 It is recommended that Cabinet approves Haringey's Discretionary Housing Payments Policy 2019/20 (see Appendix A) as the means by which the Council will determine how the DHP funds will be allocated during the 2019/20 financial year having regard to the Equalities Screening Tool (set out in Appendix B).
- 3.2 It is recommended that Cabinet agrees to make up the £30,398 shortfall from contingency funding.

### **4. Reasons for Decision**

- 4.1 The DHP Policy has to be reviewed and approved every year in line with the changing funding allocated by the DWP.

### **5. Alternative Options Considered**

- 5.1 Local Authorities can allocate their own resources to top up the overall DHP budget, however due to the significant financial pressures the Council is currently under, it is proposed to only make-up the £30,398 funding reduction.

### **6. Background Information**

- 6.1 DHPs are short-term awards administered by Local Authorities to help people with housing costs. They can play an important role in sustaining tenancies, preventing homelessness and, where needed, enabling tenants to move to more affordable accommodation. Increasingly DHPs are being given to assist those affected by welfare reform.
- 6.2 A Council's decision to award a DHP is discretionary but it must be made in accordance with the regulations which cover DHPs (the Discretionary Financial Assistance Regulations 2001) and with the ordinary principles of good decision-making i.e. administrative law. In particular, Local Authorities have a duty to act fairly, reasonably and consistently. The DHP policy should support the decision-making process, enabling fair and consistent decisions to be made across the year.

- 6.3 In 2018/19, the total DHP grant budget was £153 million, Haringey's share was £1,594,345. In 2019/20 the total DHP grant budget is £139.5 million, a reduction of £13.5 million from 2018/19. Haringey's DHP allocation for 2019/20 is £1,563,947, a reduction of £30,398. This report proposes that this £30,398 reduction is met corporately.

## 7. Contribution to Strategic Outcomes

- 7.1 The stated aims of the policy support a number of our corporate priorities, including:
- Sustaining tenancies and preventing homelessness
  - Ensuring residents can find and keep good quality employment
  - Supporting the vulnerable and elderly to live independent lives
  - Creating a fair and equal borough by tackling the underlying factors of poverty and disadvantage
  - Early help and intervention

## 8. Statutory Officers Comments

### Assistant Director of Corporate Governance

- 8.1 The Assistant Director of Corporate Governance has been consulted in the preparation of this report.
- 8.2 The Department of Work & Pensions Discretionary Housing Payments (DHP) Guidance Manual which includes the Local Authority Good Practice Guide was re issued in March 2018. This manual provides guidance and advice on good practice when a DHP is being considered.
- 8.3 The legislative framework to Discretionary Housing Payments (DHPs) is set out in sections 69 & 70 of the Child Support Pensions & Social Security Act 2000 and the Discretionary Financial Assistance Regulations 2001.
- 8.4 The regulations give local authorities a very broad discretion in framing a policy for administering DHPs. The authority has a discretion whether or not to make a DHP in a particular case, the amount of a payment, and the period for or in respect of which they are made. Decisions about DHPs must however be made in accordance with ordinary principles of good decision making and administrative law. There is a requirement to exercise discretion in individual cases, act fairly, reasonably and to apply a consistent approach in dealing with applicants for DHPs. Each case has to be assessed on its own merits and the policy must allow for unusual cases to receive proper consideration.
- 8.5 The discretion afforded to the Council allows for the policy to be amended when the council's priorities change.
- 8.6 In accordance with Article 7 of the DHP (Grants) Order 2001, the Council's total expenditure on DHP cannot exceed the overall cash limit of two and a half times the government contribution. To award DHP after this level has been reached would be unlawful. Any unspent DHP funding must be returned to the DWP at the end of the financial year.
- 8.7 This policy acknowledges the legal framework and the guidance, and takes account of public law duties when setting out how decisions about DHPs will be made.

### Equalities

- 8.8 The Council has a public sector equality duty under the Equalities Act (2010) to have due regard to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
  - Advance equality of opportunity between people who share those protected characteristics and people who do not

- Foster good relations between people who share those characteristics and people who do not.
- 8.9 The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status apply to the first part of the duty.
- 8.10 The purpose of Discretionary Housing Payments is to support residents who are facing housing problems and are vulnerable to becoming homeless. The 2019/20 DHP Policy is largely a continuation of previous policy, though with a reduction in overall funding coming from central government there will be less funding available to award to applicants.
- 8.11 Certain protected characteristic groups are more likely to make a DHP claim, and are therefore more likely to be affected by a reduction in available funding. However, eligibility criteria are applied in every case to ensure that no protected characteristic group is unfairly impacted by the reduction in funding, and that the most vulnerable residents receive DHP funds, regardless of the group they belong to. See the attached EqIA for more information.
- 8.12 The new policy is also moving the DHP application process online for Haringey residents, with offline application forms available on request from Haringey's Customer Service Centres. This does not pose any equalities challenges, provided that the offline option is well signposted and remains easily accessible to those who do not have access to, or do not know how to use, the internet. If this is not the case, there is a risk that this could exclude some residents from applying for funds, particularly older residents and those with a disability who experience higher rates of digital exclusion.

#### Chief Finance Officer

- 8.13 There has been a 1.9% decrease in the 2019/20 DHP allocation to £1,563,947 as noted above. The Chief Finance Officer confirms that there is scope to meet the £30,398 from contingency funding.

### **9. Use of Appendices**

- Appendix A – Haringey's Discretionary Housing Payments Policy 2019/20
- Appendix B – EQIA

### **10. Local Government (Access to Information) Act 1985**

- 10.1 N/A