



ARTICLE NO: 3C

**CORPORATE OVERVIEW &
SCRUTINY COMMITTEE**

MEMBERS UPDATE 2014/15:

Issue:2

**Article of: Assistant Director Housing and Regeneration
& Transformation Manager**

Relevant Managing Director: Managing Director (Transformation)

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SUBJECT: DISCRETIONARY HOUSING PAYMENTS (DHP)

Wards affected: Borough wide

1.0 PURPOSE OF ARTICLE

1.1 To advise Members of the action taken to deliver DHP's within budget.

2.0 Background

2.1 DHP is a payment that can be awarded to tenants, whether they are public or private, by the Council to protect vulnerable households from facing financial hardship albeit for a temporary period.

2.2 DHP was introduced initially by Government to help households who faced financial changes when benefit reductions were made for Private Sector Tenants. Since that time, the DHP budget is there to support all tenants, whether they are in the public or private sectors

3.0 Current Position

3.1 Last year the budget for DHP was increased substantially because over 1000 public sector tenants were facing changes to their benefits because of the changes introduced surrounding the spare bedroom subsidy. This was additional to the support necessary for other welfare reform changes which are on-going.

- 3.2 Take up of DHP in 2013/14 was slow but ultimately over 80% of the budget was committed to the benefit of residents of West Lancashire.
- 3.3 DHP has continued to be paid to claimants over the first two quarters of financial year 2014/15. The budget for the year is £174,368 and at the end of the second quarter, the budget committed is estimated to be £122,000. If payment was to continue at current levels, the budget would inevitably be overspent. Officers have been closely monitoring the position in respect of this budget and current recipients have been advised that their DHP claim will cease from 9th November 2014. This action is compliant with the principle that DHP is only temporary support and allows a relatively small budget to be maintained for new claimants who face changes in their housing benefit and need temporary support, or applicants who will be claiming Universal Credit and require financial assistance. I attach at Appendix A, the Council's Policy in regard to DHP. New claims will of course be assessed and awarded accordingly in line with need.
- 3.4 There is one exception to the arrangements in paragraph 3.3 above which is in regards to tenants who have had a major adaptation to their home. For these applicants, DHP will continue to be paid because the cost of providing alterations to a new home (that the tenant may have to move to due to paying additional rent in their current home) is estimated at £6000 on average per tenant and it is felt therefore that the revenue support is more appropriate and represents best use of resources and value for money.

4.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

- 4.1 The DHP budget will only be sustainable if applicants are supported on a temporary basis. DHP is intended as temporary support to help tenants for a limited period whilst they either, gain employment, move to alternative accommodation or adjust their finances to meet the new financial arrangements.

5.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 5.1 The DHP fund is a cash limited budget provided by Government to support vulnerable tenants for a temporary period. In financial year 2014/15, the budget is £174,368.
- 5.2 In order to maintain a budget estimated at £52,368, the action outlined in paragraph 3.3 and 3.4 is being taken.

6.0 RISK ASSESSMENT

- 6.1 This item is for information only and makes no recommendations. It therefore does not require a formal risk assessment and no changes have been made to risk registers as a result of this article.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Article.

Equality Impact Assessment

There is a direct impact on members of the public, employees, elected members and / or stakeholders. Therefore an Equality Impact Assessment is required. A formal equality impact assessment is attached as an Appendix to this report, the results of which have been taken into account in the Recommendations contained within this report.

Appendices

Appendix A – DHP Policy

Appendix B – Equality Impact Assessment – *to follow*