

**REPORT TO:** POLICY AND RESOURCES COMMITTEE – 5 MARCH 2020  
**REPORT ON:** DISCRETIONARY HOUSING PAYMENTS (DHP'S)  
**REPORT BY:** EXECUTIVE DIRECTOR OF CORPORATE SERVICES  
**REPORT NO:** 107-2020

## **1.0 PURPOSE OF REPORT**

The report proposes to reduce Dundee City Council Contribution to the Discretionary Housing Payment (DHP) Fund.

## **2.0 RECOMMENDATION**

It is recommended that:

- the committee approve the reduction of Dundee City Council funding to DHP funding by £100,000 in 2020/21 and a further reduction of £150,000 in 2021/22
- notes a further £250,000 has been added to the Local Authority Tenant Hardship Fund from the Housing Revenue Account in financial year 20/21.
- Note that the Executive Director will lead a review to ensure a programme of joint working between DHP staff, Council Advice Services, Employability Pathway and other stakeholders such as the Scottish Social Security Agency and DWP.
- Note that full funding of the Under Occupancy charge is provided by Scottish Government and is estimated to be in excess of £2.2m for 2020/21.
- Note that the Scottish Government has increased the total funding for the Scottish Welfare Fund (including admin support) for 2020/21 from £1.392m to £1.503m.

## **3.0 FINANCIAL IMPLICATIONS**

In financial year 20/21 there will be a saving of £100,000 to the General Revenue Budget and a further saving of £150,000 in financial year 21/22.

## **4.0 BACKGROUND**

From 1 April 2017 the responsibility for DHP's transferred from the DWP to the Scottish Government. The allocation of funding ensures full mitigation of the bedroom tax as well as DHP funding for other purposes. In the current financial year the estimated spend on under occupancy /bedroom tax cases is £2.2million.

There is no change to the funding for under occupancy/bedroom tax cases, this will continue to be fully mitigated by the Scottish Government for financial year 2020/21.

The total amount of funding from the Scottish Government for "other" DHP's has varied in previous years and although individual local authority funding for 20/21 is not yet available the total Scotland pot has increased. In addition to the Scottish Government funding since 2017 the Council has provided an additional £250,000 towards "other" DHP's.

Year	Scottish Government Funding for "others" DHP
2017/18	£444,520
2018/19	£420,079

2019.20	£427,962
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Other DHP's are awarded where a local authority considers that a Housing Benefit or Universal Credit claimant requires further financial assistance towards housing costs.

This is generally split into 3 main areas:

- Those affected by the benefit cap
- Those affected by the LHA rate
- Other cases.

In the past three financial years a proactive approach in conjunction with partnership working between the Benefit Delivery Team and Council Advice Services has meant that the fund has not been fully utilised.

Year	Percentage of DCC funding utilised
2017/18	78%
2018/19	71%
2019/20	48% as at 15/02/2020

During financial year 2019/20 around 1128 tenants have been assisted from "other" DHP's. These are combination of families affected by the Benefit Cap, Local Housing Allowance rates and other cases where an individual's benefit entitlement is less than their contractual rent. The reduction in funding will mean less individuals receive financial assistance,

The Fairness and Poverty Impacts of this report will be mitigated through a new programme of closer joint working between DHP staff and Council Advice Services and the Employability Pathway. A review of current information gathering and referral practice will be undertaken with DHP staff to ensure handoffs lead to mitigation being taken by Council Advice Services and Employability Pathway staff where possible. Customer engagement throughout these cases will be monitored.

Training for DHP staff in relation to the range of mitigation support on offer will be arranged by Council Advice Services. Close monitoring of the impact on particular household groups will be undertaken to assess the overall impact of the change and how successful mitigation inputs have been through 2020/21.

This level of greater partnership working with other Council Services and a continued person centred approach will aim to reduce impacts on applicants.

## 5.0 POLICY IMPLICATIONS

This report has been subject to an assessment of any impacts on Equality & Diversity, Fairness & Poverty, Environment and Corporate Risk. A copy of the Integrated Impact Assessment is attached to this report.

## 6.0 CONSULTATIONS

The Council Management Team has been consulted in the preparation of this report.

## 7.0 BACKGROUND PAPERS

None.

**GREGORY COLGAN**  
**EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

**24 FEBRUARY 2020**

## **Integrated Impact Assessment Report.**

**Committee Report No: 107-2020**

**Document Title:** Discretionary Housing Payment Funding Report

**Document Type:** Service

**New/Existing:** New

**Period Covered:** 01/04/2020 - 31/03/2021

### **Document Description:**

Report to Policy & Resources Committee recommending reduction in Discretionary Housing Payment funding

### **Intended Outcome:**

Closer partnership working between Council Services and stakeholders resulting in a reduction in DHP budget for 20/21 and 21/22

### **How will the proposal be monitored?:**

Continued monitoring of Discretionary Housing Payment awards and refusals

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## **A. Equality and Diversity Impacts:**

<b>Age:</b>	No Impact
<b>Disability:</b>	Negative
<b>Gender Reassignment:</b>	No Impact
<b>Marriage and Civil Partnership:</b>	No Impact
<b>Pregnancy and Maternity:</b>	Negative
<b>Race/Ethnicity:</b>	Negative
<b>Religion or Belief:</b>	No Impact
<b>Sex:</b>	Negative

**Sexual Orientation:** No Impact

**Equality and diversity Implications:**

Given welfare reform's impact on lone parents, disabled groups and minority ethnic community groups there will be a likely negative impact on these groups as detailed above. Due to hardship fund provision funded by the Housing Revenue Account the impact is largely going to be in respect of private tenants or Registered Social Landlord tenants. As a result rent arrears levels may rise in these individual cases where DHP awards are restricted due to reduced funding availability.

**Proposed Mitigating Actions:**

DHP historical caseloads will be assessed in order to identify and profile those clients most likely to be impacted going forward. This will be done in the form of an initiative not unlike a benefits uptake campaign, designed to identify those households in advance and offering support in the form of access to income maximisation and debt advice. This will be done in close partnership with Council Advice Services, Benefit Delivery and the Employability Pathway. Resulting gains, outcomes, employability levels and engagement from these households will be collated over time and monitored for overall impact on the different groups.

**Is the proposal subject to a full EQIA? : No**

No implications

**B. Fairness and Poverty Impacts:**

**Geography**

<b>Strathmartine (Ardler, St Mary's and Kirkton):</b>	Not Known
<b>Lochee(Lochee/Beechwood, Charleston and Menzieshill):</b>	Not Known
<b>Coldside(Hilltown, Fairmuir and Coldside):</b>	Not Known
<b>Maryfield(Stobswell and City Centre):</b>	Not Known
<b>North East(Whitfield, Fintry and Mill O' Mains):</b>	Not Known
<b>East End(Mid Craigie, Linlathen and Douglas):</b>	Not Known
<b>The Ferry:</b>	Not Known
<b>West End:</b>	Not Known

**Household Group**

<b>Lone Parent Families:</b>	Negative
<b>Greater Number of children and/or Young Children:</b>	Negative
<b>Pensioners - Single/Couple:</b>	Not Known
<b>Single female households with children:</b>	Negative
<b>Unskilled workers or unemployed:</b>	Not Known
<b>Serious and enduring mental health problems:</b>	Not Known
<b>Homeless:</b>	Not Known
<b>Drug and/or alcohol problems:</b>	Not Known
<b>Offenders and Ex-offenders:</b>	Not Known
<b>Looked after children and care leavers:</b>	Not Known
<b>Carers:</b>	Not Known

## **Significant Impact**

<b>Employment:</b>	Positive
<b>Education and Skills:</b>	Not Known
<b>Benefit Advice/Income Maximisation:</b>	Positive
<b>Childcare:</b>	Not Known
<b>Affordability and Accessibility of services:</b>	Negative

## **Fairness and Poverty Implications:**

In general the reduction DHP funding may mean shorter financial awards and/or a reduction in the number of overall awards. There will be a limitation in the ability of officers to distribute DHP awards as widely as is currently the case.

Again given welfare reform's impact on lone parents, disabled groups and minority ethnic community groups there will be a likely negative impact to these household groups as detailed above, especially those unable to access the hardship fund provision funded by the Housing Revenue Account due to being private tenants or Registered Social Landlord tenants. As a result rent arrears levels may rise in these individual cases where DHP awards are restricted due to reduced funding availability.

## **Proposed Mitigating Actions:**

In order to ensure benefits advice provision, income maximisation actions and employability pathway referrals increase for those currently relying on DHPs, a new programme of closer joint working between DHP staff and Council Advice Services and the Employability Pathway will be rolled out. A review of current information gathering and referral practice will be undertaken with DHP staff to ensure handoffs lead to mitigation being taken by Council Advice Services and Employability Pathway staff where possible. Customer engagement throughout these cases will be monitored.

Training for DHP staff in relation to the range of mitigation support on offer will be arranged by Council Advice Services. Close monitoring of the impact on particular household groups will be undertaken to assess the overall impact of the change and how successful mitigation inputs have been through 2020/21.

This level of greater partnership working with other Council Services and a continued person centred approach will aim to reduce impacts on applicants.

An additional £250,000 has been added to the Local Authority Tenant Hardship Fund from the Housing Revenue Account in 2020/21.

## **C. Environmental Impacts**

### **Climate Change**

<b>Mitigating greenhouse gases:</b>	No Impact
<b>Adapting to the effects of climate change:</b>	No Impact

### **Resource Use**

<b>Energy efficiency and consumption:</b>	No Impact
<b>Prevention, reduction, re-use, recovery or recycling waste:</b>	No Impact
<b>Sustainable Procurement:</b>	No Impact

### **Transport**

<b>Accessible transport provision:</b>	No Impact
<b>Sustainable modes of transport:</b>	No Impact

**Natural Environment**

<b>Air, land and water quality:</b>	No Impact
<b>Biodiversity:</b>	No Impact
<b>Open and green spaces:</b>	No Impact

**Built Environment**

<b>Built Heritage:</b>	No Impact
<b>Housing:</b>	No Impact

**Is the proposal subject to Strategic Environmental Assessment**

No further action is required as it does not qualify as a Plan, Programme or Strategy as defined by the Environment Assessment (Scotland) Act 2005.

**Proposed Mitigating Actions:**

N/A

**Environmental Implications:**

None

**D. Corporate Risk Impacts****Corporate Risk Implications:**

The risk implications associated with the subject matter of this report are 'business as normal' risks. The subject matter is routine and has happened many times before without significant loss. There is comfort that the risks inherent within the activity are either transferred to another party, shared equally and fairly between the Council and another party or are negligible.

**Corporate Risk Mitigating Actions:**