
REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE	AGENDA ITEM: //
DATE OF MEETING:	19 JULY 2001	CATEGORY: DELEGATED
REPORT FROM:	CHIEF FINANCE OFFICER	OPEN
MEMBERS' CONTACT POINT:	CHRIS SWAIN (595812)	DOC:s:\cent_serv\committee reports\finance and management\19 jul 2001\discret hsg payments.doc
SUBJECT:	DISCRETIONARY HOUSING PAYMENTS	REF: CJS/JHM
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE:

1.0 Recommendations

- 1.1 Members are asked to note the introduction of the new Discretionary Housing Payments scheme and the arrangements for its administration.
- 1.2 Members are asked to note the appeal arrangements as set out in paragraph 3.8 of the report.
- 1.3 Members are asked to approve the Policy for the award of Discretionary Housing Payments.

2.0 Purpose of Report

- 2.1 To inform Members of the replacement of Discretionary Housing Benefit Payments and Exceptional Hardship Payments by Discretionary Housing Payments.

3.0 Detail

- 3.1 Discretionary Housing Payments (DHP) replace the old Discretionary Payments and Exceptional Hardship Payments. DHPs came into operation on the 2 July 2001 and will be funded from a separate cash pot. They are not payments of Benefit. They also cover rent rebates and council tax benefit, the former Exceptional Hardship Payments relating to rent allowance cases only.
- 3.2 Although DHPs have been set up to maximise financial assistance to customers if they do not receive the full maximum amount of Housing Benefit and/or Council Tax Benefit, they are no longer part of the Housing or Council Tax Benefit regulations. For the simplicity of administration, however, payments will be made together with any Benefit payment. Any DHP award, whilst it can be paid with Housing or Council Tax Benefit, must be clearly indicated separately.
- 3.3 The amount of the DHP can vary but cannot exceed the eligible rent or council tax payment. The award can be for a fixed period, dependant on the circumstances of the case, and is renewable.

- 3.4 A separate application form has been designed and a copy of this form is at **Annexe 'A'**. A policy for the award of DHPs has been prepared and is at **Annexe 'B'**.
- 3.5 Delegated approval to award DHPs will be included in the delegation scheme that is under review. In the meantime, as DHPs replace the current arrangements, awards will be made under the existing arrangements. The decision to award a discretionary payment will be recorded and take into account the claimant's personal circumstances.
- 3.6 All records will be monitored to ensure consistency and to ensure that the amount granted does not exceed the amount in the cash pot.
- 3.7 It should be noted that this Discretionary Housing Payment Fund is cash limited and any money in this fund unspent at the end of the financial year must be returned to the DSS. Likewise there is a limit on the amount of Discretionary Housing Payments that can be made. Once this limit is reached no further payment can be made.
- 3.8 Any appeals against a decision not to award Discretionary Benefit must be made to the Council and cannot be heard by the Independent Appeals Tribunal, which is also to come into operation from the 2 July 2001. Under the new modernised arrangements, appeals can be considered by the Appeals and Licensing Committee.

4.0 Financial Implications

- 4.1 The cash limited amount for DHPs has provisionally be set at £35,463 for the period 1 July, 2001 and 31 March, 2002. The government will contribute £14,185 to this total.
- 4.2 There is no budget provision to "top up" the government contribution. Indeed, there has only been one occasion in the past when it has been necessary to top up the government contribution for Exceptional Hardship Payments. This was £1,263 for the year 1997/98.
- 4.3 Should additional funds be necessary, a separate report will be submitted to this committee.

5.0 Background Papers

- 5.1 Letter from the Department of Social Security – 8 January, 2001
Letter from the Department of Social Security – 16 March, 2001