

# Cheltenham Borough Council

## Cabinet – 02 April 2024

### Discretionary Housing Payment Policy

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**Accountable member:**

Councillor Peter Jeffries, Cabinet Member Finance and Assets

**Accountable officer:**

Jayne Gilpin, Head of Revenues and Benefits

**Ward(s) affected:**

All

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**Key Decision:** No

**Executive summary:**

The council has powers to award Discretionary Housing Payments (DHP) to provide additional financial assistance towards housing costs where claimants are in receipt of Housing Benefit or the housing element of Universal Credit. The policy was last approved in 2018 and this report proposes some changes to update the policy in line with latest best practice and guidance and to ensure funding continues to be allocated to those most in need.

**Recommendations: That Cabinet:**

- 1. Approves the Discretionary Housing Payment Policy in Appendix 2**
- 2. Delegates decisions relating to the award of Discretionary Housing Payments, in line with the policy and DWP guidance, to the Head of Revenues and Benefits and designated officers within the Benefits team, with the final decision in the event of dispute being taken by the Deputy Chief Executive and Section 151 Officer.**
- 3. Authorises the Deputy Chief Executive and Section 151 Officer to apply to DLUHC for an accounting direction if it appears that the annual allocation will be exceeded in any financial year.**

## 1. Implications

### 1.1 Financial, Property and Asset implications

The Discretionary Housing Payment (DHP) Scheme enables local authorities to provide financial assistance towards housing costs through the General Fund. Government provides grant funding each year and the Council has the option to add this amount by up to a maximum of two-and-a-half times the grant allocation. Where due to demand Councils need to add to the funding application can be made to DLUHC for a specific accounting direction which would allow any payments made to its own tenants to be paid from the Housing Revenues Account (HRA) rather than from the General fund. It is recommended that the level of payments continue to be monitored and the S151 Officer is authorised to apply for such a direction if it appears probable that the annual allocation will be exceeded in any financial year.

The Government also provides funding each year to cover administration costs.

**Signed off by:** Gemma Bell, Director of Finance and Assets [gemma.bell@cheltenham.gov.uk](mailto:gemma.bell@cheltenham.gov.uk)

### 1.2 Legal implications

The Discretionary Financial Assistance Regulations 2001 (as amended) set out the legal framework empowering the council to make discretionary awards to assist residents with their housing costs.

**Signed off by:** One Legal, [legalservices@onelegal.org.uk](mailto:legalservices@onelegal.org.uk) Tel: 01684 272254

### 1.3 Environmental and climate change implications

There are no environmental and climate change implications arising from the content of the report or recommendations.

**Signed off by:** Climate Team, [climate@cheltenham.gov.uk](mailto:climate@cheltenham.gov.uk)

### 1.4 Corporate Plan Priorities

This report contributes to the following Corporate Plan Priorities:

- Ensuring residents, communities and businesses benefit from Cheltenham's future growth and prosperity
- Being a more modern, efficient and financially sustainable council

### 1.5 Equality, Diversity and Inclusion Implications

This purpose of Discretionary Housing Payments is to provide additional financial support with housing costs for residents in receipt of Housing Benefit or the housing element of Universal Credit. The policy ensures that eligibility criteria is applied fairly and consistently so that the

most vulnerable residents including those with Protected Characteristics receive support. An equality impact assessment has been completed and is in Appendix 3.

## **1.6 Performance management – monitoring and review**

The number and category of discretionary housing payments are monitored on a monthly basis and reported to the Department for Work and Pensions periodically. The effectiveness of the policy will be kept under constant review and the policy will be updated as required.

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## **2 Background**

- 2.1 The Discretionary Housing Payment (DHP) scheme is designed to provide additional help with housing costs for recipients of Housing Benefit or Universal Credit where the award includes an element for housing costs. A payment can be made where there is a shortfall between the housing benefit award or rent element in Universal Credit and the actual rent due to be paid. In certain circumstances payments can also be made to help with deposits and moving costs. The Department for Work and Pensions (DWP) provides funding for the scheme each year. In 2023/24 this Council received £106,443 and the same level of funding is confirmed for 2024/25. Funding is also provided to cover administration costs.
- 2.2 DHP schemes have been in existence since 2001 and awards are made under the statutory framework set out in the Discretionary Financial Assistance Regulations 2001. This provides Local Authorities with broad discretion and the Department for Work and Pensions (DWP) provides formal guidance which sets out how schemes should be administered.
- 2.3 DHPs do not normally provide long term support for individuals. Instead, they provide short term support to allow people the time to resolve their current financial difficulties and to move to a position which is financially sustainable for them in the longer term.

## **3 Reasons for Recommendation**

- 3.1 The DHP policy supports the decision-making process, ensuring that fair and consistent decisions are made when considering applications and that financial support goes to those most in need. The policy was last updated in 2018. The policy is being updated to reflect the latest guidance from DWP and to broaden the aims of the scheme to ensure that funding is allocated to support our most vulnerable residents.

## **4 Alternative options considered**

- 4.1 None. The Council is expected to administer Discretionary Housing Payments and the policy sets out the basis for making consistent and fair awards.

## **5 Consultation and feedback**

- 5.1 Discussions have taken place with representatives from Cheltenham Borough Homes and various advice agencies such as Citizens Advice Bureau.

## 6 Key risks

6.1 The risks are in appendix 1

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### Report author:

Jayne Gilpin, Head of Revenues and Benefits, [jayne.gilpin@cheltenham.gov.uk](mailto:jayne.gilpin@cheltenham.gov.uk)

### Appendices:

- i. Risk Assessment
- ii. Discretionary Housing Payments Policy 2024
- iii. Community Impact Assessment

### Background information:

1. The Discretionary Financial Assistance Regulations 2001  
<http://www.legislation.gov.uk/uksi/2001/1167/contents/made>
2. DWP Discretionary Housing Payments Guidance Manual  
<https://www.gov.uk/government/publications/discretionary-housing-payments-guidance-manual>

**Appendix 1: Risk Assessment**

Risk ref	Risk description	Risk owner	Impact score (1-5)	Likelihood score (1-5)	Initial raw risk score (1 - 25)	Risk response	Controls / Mitigating actions	Control / Action owner	Deadline for controls/ actions
	If the updated Discretionary Housing Payment Policy is not approved Cheltenham residents who would be eligible to apply will not receive the financial assistance towards their housing costs	Jayne Gilpin	3	1	3	Accept	Approve the scheme	Jayne Gilpin	02/04/2024
	If DHP awards are made in excess of the DWP funding the Council will be required to fund the excess	Jayne Gilpin	2	2	4	Accept	Ongoing monitoring of the DHP budget throughout the year as part of internal controls. Authorise the S151 officer to apply for an Accounting Direction	Jayne Gilpin	02/04/2024