

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	2707
Author:	Ian Roper
Department:	Resources
Contact:	Ian Roper (Job Title: Revenues & Benefits Business Support Manager, Email: ian.roper@nottinghamcity.gov.uk , Phone: 01158763856)
Subject:	Discretionary Housing Payments (DHP) allocation
Total Value:	Up to £300,000.00 (Type: Revenue)
Decision Being Taken:	Approve the allocation of up to £300,000 from the Housing Revenue Account (HRA) to bolster the annual Department for Work and Pensions Discretionary Housing Payments (DHP) allocation.
Reasons for the Decision(s)	Discretionary Housing Payments are an element of Housing Benefit or Universal Credit housing element administration that enables Local Authorities to provide short-term financial support to households who are unable to meet their rental liability, due to their financial circumstances, even taking into consideration the housing benefit or Universal Credit payment. Central Government provide local authorities with a DHP allocation and allows them to "top-up" the allocation if required, from their own funds. For 2016/17 the government allocation is £1,034,303 which is an increase of £170,310 on the 2015/16 allocation, reflective of the introduction of a lower Benefit Cap level due for implementation in the Autumn of 2016. The Department for Communities and Local Government (DCLG) have provided a directive for local authorities to utilise the HRA to top-up the DHP pot for local authority property DHP applications. Current estimates puts the total DHP expenditure for 2016/17 at circa £1.4m.
Other Options Considered:	Do nothing: This was considered. However, it would mean that the DHP pot would be exhausted. No new claims for DHP could be paid after October 2016. It would also mean that those Local Authority tenants currently in receipt of DHP due to the Social Sector Size Criteria (aka Bedroom Tax) would have to make up any shortfall post October 2016. For these reasons, this option was rejected.
Background Papers:	None

Published Works:	None
Affected Wards:	Citywide
Colleague / Councillor Interests:	None.
Consultations:	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	Each case is considered on its own merits. The duration of any award is based on known future events, and any payment made will have to ensure that the tenancy is viable and sustainable in the future.
Equality:	EIA not required. Reasons: The DHP scheme is administered in line with DWP Best Practice and the Councils own DHP Policy. All decisions will be applied in line with this guidance and policy intent and will be based on the merits of each application.
Decision Type:	Portfolio Holder
Subject to Call In:	Yes
Call In Expiry date:	26/01/2017
Advice Sought:	Legal, Finance
Legal Advice:	<p>There are no significant legal implications arising from the contents of this report. As identified in the report, the DCLG has issued a direction (under powers conferred by the Local Government and Housing Act 1989) which permits the City Council to use the Housing Revenue Account for payments to the Council's own tenants under the Discretionary Housing Payments scheme for the financial year beginning 1 April 2016, subject to the conditions set out in the direction.</p> <p>Advice provided by Sarah Molyneux (Legal Services Manager) on 21/09/2016.</p>

Finance Advice:

There continues to be greater demand for Discretionary Housing Payments (DHP) than the allocation received from central government (£1.043m in 2016-17). The Housing Revenue Account (HRA) made a contribution of £0.120m in 2014-15 and £0.183m in 2015-16 to the DHP fund. This decision proposes that up to £0.300m is funded from the HRA, which is affordable in the current financial year (2016-17).

The impact on the HRA is to reduce the rental income available for the operation of and investment in the council's housing stock. The Welfare Reform and Work Act 2016 requires a reduction in social housing rents of 1% per annum for 4 years starting in April 2016, so this contribution to the DHP may not be affordable in future years, requiring a review of eligibility criteria for the award of DHP.

The contribution from the HRA is subject to the conditions within the "Item 9 Credit and Item 10 Debit Direction 2016" issued by the DCLG. The amount requested is within the limits set by the Direction.

Advice provided by Julie Dorrington (Finance Analyst (Housing)) on 27/09/2016.

Signatures

Jane Urquhart (Portfolio Holder for Planning and Housing)
SIGNED and Dated: 16/01/2017
David Bishop (Deputy CE, CD for Development and Growth)
SIGNED and Dated: 13/01/2017