

**REPORT TO:** Corporate Policy and Performance Board

**DATE:** 5<sup>th</sup> September 2017

**REPORTING OFFICER:** Strategic Director – Enterprise, Community & Resources

**PORTFOLIO:** Resources

**SUBJECT:** Discretionary Support Scheme Topic Group - Update

**WARD(S):** Borough-wide

## **1.0 PURPOSE OF REPORT**

1.1. To provide an update on the work of the Discretionary Support Scheme Topic Group following their latest meeting.

**2.0 RECOMMENDATION That the Topic Group’s review of progress with the Discretionary Support Scheme, Discretionary Housing Payment Scheme and Universal Credit, as set out in Appendix 1, be noted.**

## **3.0 SUPPORTING INFORMATION**

3.1 The Discretionary Support Scheme (DSS) is now in its fifth year of operation. Over this period the Scheme has been developed and amended where necessary with the Corporate Policy & Performance Board Topic Group’s input.

3.2 On 19<sup>th</sup> July 2017 the Topic Group met to review progress with the Discretionary Support Scheme. They also received an update regarding Discretionary Housing Payments and implementation of Universal Credit. A report received by the Topic Group at its meeting is presented in Appendix 1.

3.3 When responsibility was passed from the Department for Work and Pensions to the Council and the Discretionary Support Scheme was established, the associated grant funding was significantly reduced by Government. The DSS Team and a proportion of the DSS awards granted are funded, but the Board previously agreed to carry forward any unspent DSS funds, in order to provide a reserve which would be used to sustain the Scheme for as long as possible. Details of funding and expenditure are provided in section 3.3 of Appendix 1.

- 3.4 The DSS made over a thousand awards during 2016/17 totalling £167,611. The analysis of applications by type and awards granted were considered in detail.
- 3.5 Expenditure on DHPs has stabilised during 2016/17. This appears to be due to the delay by Government in implementing the reduction in the benefits cap and from reduced spending on under-occupancy (the bedroom tax).
- 3.6 An update was provided on the roll-out of Universal Credit full service in Halton since 27<sup>th</sup> July 2016.
- 3.7 The Topic Group also considered proposals for minor changes to the Council Tax Reduction Scheme, which are intended to bring the Scheme into line with national Housing Benefits scheme. These are the subject of a separate report to the Board elsewhere on the Agenda.
- 3.8 It was further noted that work had been undertaken to establish the cost of implementing the Board's previous proposal, to limit the number of liability orders which would be taken out in respect of the same council taxpayers. The potential cost is estimated to be around £150,000 and therefore it was agreed not to implement the change at this time.

#### **4.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

- 4.1 The Discretionary Support Scheme and Discretionary Housing Payments have the potential to affect all of the Council priorities.

#### **5.0 RISK ANALYSIS**

- 5.1 DSS and DHP payments will be monitored by the Topic Group to ensure they remain within budget.

#### **6.0 EQUALITY AND DIVERSITY ISSUES**

- 6.1 The eligibility criteria and application process for DSS and DHP ensure that no particular groups of individuals are excluded.

#### **7.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

- 7.1 There are no background papers under the meaning of the Act.

**REPORT TO:** Discretionary Support Scheme Topic Group

**DATE:** 19 July 2017

**REPORTING OFFICER:** Strategic Director – Enterprise, Community and Resources

**PORTFOLIO:** Resources

**SUBJECT:** Updates Regarding;  
- Discretionary Support Scheme  
- Discretionary Housing Payments  
- Universal Credit

**WARD(S):** Borough-wide

**1.0 PURPOSE OF REPORT**

1.1. To provide updates regarding delivery of the Discretionary Support Scheme, Discretionary Housing Payments and Universal Credit.

**2.0 RECOMMENDATION: That the latest position regarding the Discretionary Support Scheme, Discretionary Housing Payments and Universal Credit, be noted.**

**3.0 Discretionary Support Scheme**

3.1 The Discretionary Support Scheme (The Scheme) is now in its fifth year of operation. During this period the Scheme has been developed and amended where necessary following recommendations by the Topic Group.

3.2 The Discretionary Support Team have developed a broader remit to their role over the past year. In addition to administering the Scheme, they now also provide budgeting support to assist customers to manage their finances. The Team also provide guidance and signposting advice and have attended a number of training courses to help them develop their role.

3.3 The funding and expenditure for the Scheme during 2016/17 is shown in the table below.

#### Funding and Expenditure 2016/17

B/f administration grant	£24,148
2016/17 administration grant	<u>£114,380</u>
Total	£138,528
Less DSS team expenditure	£137,513
<b>C/f administration grant</b>	<b>£1,015</b>
B/f DSS reserve	£932,273
2016/17 DSS funding	<u>£150,000</u>
Total	£1,082,273
Less DSS expenditure	£137,606
<b>C/f DSS reserve (incl admin grant c/f)</b>	<b>£945,682</b>

3.4 Expenditure during 2016/17 was spread relatively as follows;

	Total Awarded (£)	Monthly % Awarded
April	12,428	1%
May	13,026	1%
June	19,282	2%
July	17,493	1%
August	17,509	1%
September	18,139	2%
October	11,237	1%
November	11,316	1%
December	6,756	1%
January	13,334	1%
February	8,318	1%
March	18,774	1%
<b>Total</b>	<b>167,611 *</b>	<b>14%</b>

\*Gross figure (before discounts etc)

3.5 The number of awards and average amount of each award paid during 2016/17 was as follows;

Type of Award	Number Granted	Cost (£)	Average Award (£)
Emergency Support	756	43,007	57
Community Support	248	124,604	502
<b>Total</b>	<b>1,004</b>	<b>167,611</b>	<b>167</b>

3.6 The following table shows the number of applications received during 2016/17, together with the number granted analysed between Emergency Support and Community Support;

Breakdown Of Applications		Emergency Support		Community Support	
		Runcorn	Widnes	Runcorn	Widnes
Received Applications	2,529	935	910	292	318
Granted	1,004	398	358	112	136
Awarded Amount £	167,611	22,120	20,886	58,972	65,631
Percentage Awarded	100%	13%	12%	36%	39%
Rejected	1,525	537	552	180	182

3.7 Just over half of the applications received were rejected and the reasons for rejection are detailed below;

Reasons For Rejection	
Not a Halton Resident	74
Customer Sanctioned	38
Alternative help available	420
Requested Cash	4
Requested Fuel Payment	0
Signposted to approved partner to complete application	0
Criteria Check	872
Not a Discretionary Support Application	0
Withdrawn Application	27
Two Awards Within 12 Months	84
Not Eligible	6
<b>Total</b>	<b>1,525</b>

3.8 Of those applications which were approved, the main categories of award were as follows;

<b>Awarded Items</b>	<b>Number</b>
One Adult to last up to 2 weeks food award	466
Child between 10 and 16 food award	64
Child up to the age of 9 food award	356
2 Adults food award	260
Toiletry Pack	116
Vegetarian food award	10
Gluten Free food award	9
Nut Allergy food award	3
Cold food award	2
Household Items	0
Bedding Only	48
Single Bed with Bedding	161
Single Bed	9
Single Mattress	31
Single Bed Frame Only	17
Double Bed	1
Double Bed with Bedding	12
Double Mattress	23
Double Bed Frame Only	10
Bunk Beds with Bedding	3
Bunk Beds	3
Cot with Bedding	16
Sofa	136
<b>Awarded Items</b>	<b>Number</b>
Set of Curtains	312
Cooker	92
Washing Machine	17
Fridge	9
Kitchen Equipment	154
Table and Chairs	0
Clothing	3
Pram	0
Fuel	250
Removal	15
Cooker Connection	3

3.9 The table below shows where referrals were received from and the percentage of the total this represented, along with the number of awards made;

<b>Signposting</b>	<b>From</b>	<b>%</b>
Ashley House	0	0%
Belvedere	0	0%
Children's Duty Team	0	0%
Citizens Advice Team	139	7%
DWP	1,111	58%
Fuel Supplier	2	0%
Grangeway Court	11	1%
HDL	21	1%
HHT	69	4%
Housing Solution	5	0%
<b>Signposting</b>	<b>From</b>	<b>%</b>
HPIJ	1	0%
LHT	4	0%
Police	3	0%
Riverside	10	1%
SHAP	74	4%
Social Services	23	1%
Welfare Rights	27	1%
Women's Aid	6	0%
Word Of Mouth	397	21%
<b>Total</b>	<b>1,903</b>	<b>100%</b>

3.10 Based upon the experience of 2016/17, there is clearly a continued need for the Discretionary Support Scheme and the Scheme appears to be operating well. At this stage it is not proposed to make any changes to the Scheme's application criteria. The Appendix presents three examples of feedback received from customers regarding the support they have received.

#### **4.0 Discretionary Housing Payments**

4.1 In 2016/17 total grant funding of £388,533 was received for Discretionary Housing Payments (DHPs). Actual expenditure totalled £379,974, leaving an underspent balance of £8,559. This compared with an overspend of £17,656 in 2015/16. In 2016/17 1,201 DHP awards were made compared with 1,516 awards in 2015/16.

4.2 The reason for the reduction in expenditure in 2016/17 can be attributed to two factors. Firstly, the delay by Government in implementing the reduction in the Benefits Cap. Initially we were informed by the DWP that the Benefits Cap reduction would be made in September 2016, but it was actually introduced in December 2016. As a result we did not receive as many DHP applications from claimants impacted by the reduction in the Benefits Cap as anticipated. Secondly, the spend on under-occupancy (Bedroom Tax) has reduced significantly during 2016/17, compared with 2015/16. In 2016/17 £204,966 was awarded, which was 54% of the DHP spend, compared with £264,549 DHP award for 2015/16, which was 73% of total DHP spend.

4.3 The table below shows an analysis of DHP spend for 2016/17;

<b>Purpose of DHP award</b>	<b>Total amount of DHP award £</b>
Benefits cap	44,547
Under occupancy (Bedroom Tax)	204,966
LHA reform	14,840
Other	115,621
<b>Total</b>	<b>379,974</b>

4.4 Of the 1,201 DHP awards paid during 2016/17, 198 were to UC claimants with a total value of £67,420.

4.5 The table below provides a summary of DHP grant funding and expenditure since April 2013.

<b>Year</b>	<b>Grant Funding £</b>	<b>Amount Spent £</b>	<b>Council contribution £</b>	<b>No. of awards</b>
2013/14	382,452	413,562	31,110	2,620
2014/15	386,553	518,310	131,757	2,016
2015/16	343,725	361,381	17,656	1,516
2016/17	388,533	379,974	-	1,201
2017/18 (to date)	406,692	220,166	n/a	621



- 4.6 We have continued to grant full year awards to those customers who are in properties adapted for a disability, those with foster carer responsibilities and those who are adopting (or going through the process of adoption).
- 4.7 Rent in-advance cases are only supported through DHP payments if the household are receiving assistance from Housing Solutions, either through statutory homeless duties or those where homeless prevention assistance has been granted.
- 4.8 There are a wider number of reforms under the Welfare Reform Bill that may impact during 2017/18. These include; reduction in tax credit payments to restrict income to two children where a child is born after 1<sup>st</sup> April 2017, and restriction of social sector rents to local housing allowance rates. These changes will reduce the income to households and in turn increase the shortfall between income and expenditure.

## **5.0 Universal Credit**

- 5.1 On 27<sup>th</sup> July 2016, Halton Job Centres commenced the roll out of Universal Credit (UC) Full Service. This meant that all new working age claimants must claim Universal Credit (UC), and all claims must be made on-line. The Council agreed with the DWP to provide Universal Support from 1<sup>st</sup> April 2017, which involved delivering Assisted Digital Support and Personal Budgeting Support.
- 5.2 In summary, the impact of UC on claimants is as follows;
- 6 weeks wait for the first UC payment is built into the system
  - 7 days from the UC application during which the claimant is not paid
  - DSS applications provide evidence that the 6 weeks wait causes hardship
  - HHT have reported increases in rent arrears for their tenants who are receiving UC
  - DWP are administering three systems, UC Live Service, UC Full Service and legacy systems, which causes confusion for customers, DWP staff and Council staff.
- 5.3 As of May 2017 there were 6,185 UC claimants in Halton. The table below shows the growth in the UC caseload in Halton since April 2015.

<b>Date</b>	<b>UC caseload</b>
April 2015	720
Sept 2015	1,592
Dec 2015	1,901
May 2016	1,990
Aug 2016	2,171

Oct 2016	3,330
Nov 2016	3,779
Dec 2016	4,122
April 2017	5,941
May 2017	6,185

5.4 UC Full Service is still being rolled out nationally and neighbouring authorities in the Liverpool City Region are going UC Full Service later this year. Under current plans the DWP intends to commence a managed migration process in 2019. This will see the DWP mandatorily terminating current legacy awards and replacing them with a claim for UC. In this process, transitional protection will apply for those whose UC award is lower than their legacy benefit entitlement. This process is due to be complete in 2022.

### **Case Studies**

#### **Example 1 - Community Support**

Mr A Customer from Widnes - This is a special case and highlights the importance of our help and guidance on the Scheme. Mr A is terminally ill and has come to the Council for a second time for assistance with household items, one of the items being a bed. He required a specialist bed, due to the nature of his illness and his size. After doing some research for the customer, it was established that he needed to contact his district nurse to request help with his sleeping arrangements and to possibly get a hospital bed for his home. He did this upon our advice and as a result the following occurred.

It emerged that Mr A had 'slipped through the net'. When the district nurse visited him she was appalled by the way he was having to live and immediately started to put numerous things into place for him and advised he should really be in hospital receiving palliative care. He called to say thank you and to say that without our advice, information and encouragement he may never have made this call or even thought that he needed to. He feels that because of our assistance, life for him and his family is starting to change for the better and he could not express how grateful he was for this and for creating a light at the end of the tunnel for them.

#### **Example 2 - Emergency Support**

A customer from Runcorn called immediately after receiving her food parcel and said thank you so much for helping us, she couldn't believe it – the food is amazing and really is a big help.

#### **Example 3 - Personal Budgeting Support (PBS)**

Mrs K was originally referred to PBS in April 2016 due to her husband coming out of work and their having to make a joint claim under Universal Credit. They were struggling to adjust to the Universal Credit award and were worried about arrears with rent and keeping up credit cards payments. After looking into her circumstances her rent was manageable and we advised Mrs K to contact the credit card providers and ask them to accept gesture payments which at this point they did and the PBS case was closed.

In June 2016 Mrs K asked her work coach at the DWP to be re-referred for PBS once again. Mrs K has engaged really well and has followed all advice we have provided. Her major concern again was her credit cards, she thought she was behind with her rent but her husband managed to make a payment so her rent is up to date and should remain that way now.

Previously the credit card company had reduced the minimum payment from £119 to £50, however, this was a struggle for the customer to meet the minimum payments. We have therefore worked with Mrs K and the credit card company who have agreed to accept £1 per month payment and suspend all interest on the account until Mrs K gets back on her feet. The Customer was very grateful for all the advice given and said she feels so much better as a result.