

## APPENDIX C

### Co-operative & Communities Scrutiny Committee

#### Feedback on the Draft Discretionary Housing Payment & Council Tax Support Hardship Payment

The Co-operative & Communities Scrutiny Committee welcomed the opportunity to comment on the draft Discretionary Housing Payment & Council Tax Support Hardship Payment Policy which had not been in the work programme.

Members held an informal meeting to consider the draft policy and agreed the comments below which they would like taken into consideration in the final drafting of the policy. Due to extreme pressure of work, no officers were available to attend the meeting so members did not have an opportunity to clarify any points before commenting. The feedback is set out to relate to sections in the draft policy, and includes comments on the policy itself as well as some wider comments about its implementation.

#### Comments of the Committee

##### 1. Introduction and Aim of Policy

The Committee had scrutinised and supported the Council Tax Support Scheme proposals which had included the allocation of £65,000 to the Council Tax Support Exceptional Hardship Fund.

However, members felt that as the budget was difficult to project, there needed to be contingency plans in place should this funding run out.

Members also raised concerns regarding:

- How the funding will be fairly administered over the year, and whether early applicants would benefit over equally needy late applicants if the funding is running low or runs out.

**For DHP's we look at how the expenditure compares to a monthly projection and any anticipated risks in shortfalls will be raised in advance with Senior Managers and the Cabinet Member for consideration for additional funds to be provided if the £65k proves to be insufficient, therefore those applying later in the year should not be disadvantaged.**

**Council Tax Support Expenditure like Council Tax Benefit Expenditure is largely made at the beginning of the year as it is paid in advance for the whole year. Many of the applications are expected therefore within the first quarter.**

- That if the fund runs out during the year, consideration should be given to finding contingency funds so people are not disadvantaged because of when they apply.

5.7 of the cabinet report refers to this concern and a formal recommendation has been made.

- That the fund must be closely monitored.

The DHP expenditure is already closely monitored and the same will happen with the Council Tax Support Hardship Payment expenditure. In response we have added the following to “Operation of the Scheme” section of the policy:

*The expenditure on both Discretionary Housing Payments and Council Tax Support Hardship Payments will be monitored closely. Each month expenditure will be reported within the Revenues and Benefits monthly update which is circulated to the appropriate Service Delivery Managers and Assistant Director and Cabinet Member.. A more detailed breakdown of the expenditure and the reasons for successful applications will be included within the quarterly service report.*

- That the increase in population may have an impact on the funding.

**Concern noted within paragraph 5.7 of the cabinet report.**

## **2. Operation of the Scheme**

- The Committee felt there was a contradiction between the 3<sup>rd</sup> paragraph reading “A decision maker will usually meet with the applicant” (which implies this is the norm) and paragraph 5 which reads “Due to the expected increase on demand it will no longer be possible to meet with every applicant”. Members were concerned that people are more likely to fall through the net if they are not visited.

**Policy amended to:**

*A decision maker will usually meet with the applicant where it is deemed the applicant will benefit from further advice or additional information is required.*

Those who are not visited are likely to either already be supported by another Council Service e.g. Housing Services or Social Services, by a Social Landlord, Charity, Citizens Advice Bureau, other Support Worker or whose need for assistance is short term because of a change event that will lead to extra entitlement to benefit or a reduction in expenditure e.g. birth of a child.

- Members questioned whether it has to be the decision maker that has to meet with the applicant.

**Due to the way the Service is structured it will need to be Decision Maker who undertakes home visits or office interviews with applicant. There is no**

capacity for example Benefit Officers or Customer Service Officers to undertake these meetings, however they will assist with application form completion for anyone they see through the course of in office assessments who needs assistance with completion of the form. Another advantage of the Decision Maker meeting with the applicant is the additional experience and knowledge they have to give advice to the applicant on options available to ease their financial circumstances.

### **3. Factors to Consider**

- The Policy needs to be clear about the level of rent arrears to qualify for payments and the arrears need to be properly validated.

**We believe it would be counter productive to specify a level of rent arrears as it may encourage people to stop paying their rent and let rent arrears build up in order to qualify for extra assistance. As part of the Decision Making process rent arrears evidence is validated where appropriate – either by asking the applicant to produce evidence or where consent is gained by requesting it direct from the landlord.**

- The age of pension-age claimants who will be protected needs to be clear in the policy.

**The age of pension-age claimants is currently a gradually increasing age. Following added to policy for clarification:**

**The age someone is considered pension age is based on the age a person could qualify for Pension Credits. The Pension Credit qualifying age for men and women is gradually rising to the age of 65. Details of when a person will reach their Pension Credit qualifying age can be found via the following link:**

**[www.dwp.gov.uk/pension-credit-toolkit/about-pension-credit/changes-to-qualifying-ages](http://www.dwp.gov.uk/pension-credit-toolkit/about-pension-credit/changes-to-qualifying-ages)**

- The age of working-age claimants who would be entitled should be clear in the policy.

**Please see above.**

### **4. Decision Making**

The Committee had no comments on this section.

### **5. Period of Award**

- The Policy should specify whether the decision will be made within 14 days of receipt of all information, or 14 working days.

**The Policy has been amended to reflect the target to make a decision will be within 14 days of receipt of all information**

- Registered Social Landlords must be made aware of the Policy and prepared not to take action against tenants until the outcome of a decision.

**Registered Social Landlords (RSLs) are aware of the policy. The largest RSLs have been consulted on the policy. The policy is often an agenda item within meetings between the Benefit Service and RSLs. Details of the policy are included within landlord information on the website and also when relevant articles are included within the Benefit Service's Landlord Newsletter.**

**RSLs will actively promote DHPs and will be assisting the Benefit Service to identify cases affected by the Social Sector Size Criteria who may qualify for a DHP.**

**Unfortunately the Council cannot insist that RSLs don't take action against tenants until the outcome of a decision as there are many factors which will dictate the action an RSL takes e.g. amount of arrears, length of time in arrears etc. However the council's benefits service will ensure that they expedite cases where we are aware that the tenant is facing action from the RSL.**

- There should be a maximum period set for payment from the date of the decision.

**Once a decision is made a DHP will be paid when the next Housing Benefit payment run is due. Housing Benefit usually has to be paid monthly / four weekly in arrears. If a DHP is due for a past payment then it will be paid in the next immediate payment run (by BACS) which are run most week days so should be available in the person or the landlord's bank account within a maximum of 4-5 days.**

- With long-term payments, members questioned whether/how funding would be safeguarded and ring-fenced for the particular family.

**When accounting for expenditure we forecast how much will be spent on a DHP up to the end date of the award. We will replicate the same accounting method for Council Tax Support Hardship Payments.**

## **6. Notification**

- Members were concerned about the impact on staff resources to administer the scheme.

**Currently two officers deal with the DHP application process (along with other duties). We are increasing the size of the team who among other duties will deal with DHP and Council Tax Support Hardship Payment process, as well as responsibility for the new Social Fund Replacement**

**which is transferring to Local Authorities in April and for which funding for these additional staff have been provided**

- People should be given an indication of the realistic period for the whole process from start to finish.

**We have a local performance indicator for the average time it takes to notify a decision from the date an application is received. The target for 2012/13 is less than 35 days. Year to date performance is just under 39 days (up to December 2012). We are looking at ways to further streamline the decision making process.**

**The performance indicator is not included as part of the policy as it is reviewed annually. Performance against the indicator is reported within the Revenues & Benefits month end and quarter end reports.**

## **7. Changes in Circumstances and Overpayments**

People must be made aware that they must inform the Council of any changes of circumstance.

**This is included within the declaration on the application form, is discussed when a Decision Maker meets with the applicant and contained within the notification letter (included within section 6 of the policy). Also most of the changes the applicant is also obliged to report in connection to their Housing Benefit or Council Tax Support awards and again the duty is included within declaration on application forms and notification letters.**

## **8. Officer Roles**

The Committee had no comments on this section.

## **9. Appeals**

The Committee was concerned about the perception of the independence of the designated manager (the Benefit Welfare & Assurance Group Manager) in considering appeals.

**The Benefit Welfare & Assurance Group Manager will not have had any prior involvement in a case before considering an appeal. Where appropriate the Manager will meet with the applicant in person to discuss and review the circumstances of the case before reaching a decision on the appeal.**

**This process is similar to the statutory appeals process that is in place for Housing and Council Tax Benefit. Under the legislation, if a customer appeals against their decision, the first step is for another more senior Officer of the Council to first reconsider the decision.**

## **10. Publicity**

Members were concerned that the final sentence of the paragraph (“Due to the limited funds available .....”) could be misinterpreted as though the Council did not want to make the effort to publicise widely. Members understood the need for targeted publicity, but were very concerned that in taking this approach people who need help do not miss out because they are not aware that they can apply for assistance.

**The document has been amended to reflect this concern.**

**The circumstances under which someone will qualify for assistance under this scheme will be limited. However, every benefit notification that we issue will advise customers of the existence of the two funds and how to apply.**

**We are very grateful to the Co-operative & Communities Scrutiny Committee for taking the time to look at this policy so thoroughly and for the valuable comments they have made. A number of changes have been made to both the policy and cabinet report as a result of the feedback. Acknowledgement to the feedback has been given within the Cabinet Report.**

**Angie Astley, Assistant Director – Customers & People Services**

**29<sup>th</sup> January 2013**