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**DISCRETIONARY HOUSING PAYMENT POLICY**

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**Responsible Cabinet Member - Councillor Stephen Harker  
Efficiency and Resources Portfolio**

**Responsible Director - Paul Wildsmith, Director of Resources**

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**SUMMARY REPORT**

**Purpose of the Report**

1. To approve the Discretionary Housing Payment (DHP) policy following consultation.

**Summary**

2. DHP is a scheme, which aims to provide people receiving Housing Benefit (HB) with further financial assistance with their housing costs. The scheme is funded by a cash limited grant from the Department for Work and Pensions (DWP).
3. From April 2013 the amount of DHP grant available to Councils has increased significantly to take into account the impact of the welfare reforms. In Darlington, the amount has increased from £101,761 in 2012/13 to £224,185 in 2013/14.
4. This policy has been developed in consultation with registered housing providers and support and advice agencies. It sets out the aims of the scheme in Darlington and specifically the priorities for payment, given the limited funds available.

**Recommendation**

5. It is recommended that Cabinet:-
  - (a) Consider the results of the consultation exercise and the equalities impact assessment.
  - (b) Approve the DHP policy at **Appendix 1**.

**Reasons**

6. The recommendations are supported by the following reasons :-
  - (a) The DHP scheme seeks to provide financial assistance to low income households, targeting the most vulnerable residents through the transitional

period of key welfare reforms.

- (b) The DHP policy reflects national DWP guidance on the operation of the scheme.
- (c) The policy will underpin discretionary decisions and appeals being made by officers.

**Paul Wildsmith**  
**Director of Resources**

## **Background Papers**

DWP DHP Guidance Manual

Anthony Sandys: Extension 2512

S17 Crime and Disorder	There are no issues
Health and Well Being	The DHP policy aims to alleviate poverty, support vulnerable people in the community and ensure awards are made to those most in need
Carbon Impact	There are no carbon impact implications in this report
Diversity	An equality impact assessment has been undertaken and the DHP policy reflects that those groups with protected characteristics who will be disproportionately affected by the welfare reforms are given priority for DHPs
Wards Affected	All wards are affected, but in particular those with higher numbers of people claiming HB
Groups Affected	Anyone claiming HB with a shortfall in their rent may be able to apply for a DHP. In particular, working age people affected by the welfare reforms may require further assistance
Budget and Policy Framework	The issues contained within this report do not represent change to Council budget
Key Decision	This is a key decision
Urgent Decision	This is not an urgent decision
One Darlington: Perfectly Placed	This report has implications for the 'Healthy Darlington' and 'Prosperous Darlington' themes of the Sustainable Community Strategy.
Efficiency	The impact of the welfare reforms is likely to create additional workload for staff across the Council. However, this policy will result in an increase in discretionary decision making, placing additional burden on the Revenues and Benefits staff

## MAIN REPORT

### Information and Analysis

#### Background

7. DHPs provide people receiving HB with further financial assistance where the Council considers that help with housing costs is required. The regulations covering DHPs are The Discretionary Financial Assistance Regulations 2001.
8. Each year, the DWP provide Councils with a cash limited grant to cover DHPs. The grant can only be used to make DHPs and any unspent grant has to be repaid to the DWP. Councils are permitted to spend more than the DWP grant, but there is an upper limit, which Councils must not exceed.
9. In March 2012, the Government announced it would be increasing the amount of DHPs available for Councils from April 2012, to take into account the impacts of the welfare reforms. Consultation on new DWP guidance was undertaken in August 2012 and a new draft guidance manual for 2013 has recently been published.
10. For Darlington, the amount of DHP grant has increased as follows:
  - (a) 2011/12 = £45,419
  - (b) 2012/13 = £101,761
  - (c) 2013/14 = £224,185
11. The increased DHP funds available to Councils are designed to assist people affected by some of the key welfare reforms, including:
  - (a) The introduction of the benefit cap
  - (b) The introduction of the size criteria in the social rented sector
  - (c) Reductions in Local Housing Allowance.
12. The DHP policy sets out the aims of the scheme in Darlington and the priorities for awards. DHP awards are discretionary and each application is assessed on its own individual merits. However, because of the limited funds available and the likelihood that demand for DHPs will exceed that amount, the DHP policy sets out the groups of people who will be prioritised for payment. These include people with protected characteristics who are likely to be disproportionately affected by the impacts of the welfare reforms.

#### Financial Implications

13. Payments to applicants are limited by the DHP policy to a maximum of the government grant therefore there will be no financial implications for the council as the payments will be fully funded by the government grant.

## **Equalities Considerations**

14. A number of groups with protected characteristics are likely to be disproportionately affected by welfare reforms. An Equality Impact Assessment (at **Appendix 2**) was undertaken to evaluate those impacts and ensure the DHP policy takes these into account.

## **Consultation**

15. As part of the Equality Impact Assessment a consultation exercise was carried out on a draft version of the DHP policy. This was undertaken with stakeholder and partner organisations likely to encounter members of the public affected by welfare reforms. A total of 38 organisations were contacted via e-mail and these included:
  - (a) Registered housing providers whose tenants would be directly affected by the size criteria in the social rented sector in Darlington
  - (b) Local advice agencies dealing with enquiries from residents affected by welfare reforms
  - (c) Support and care organisation who would be in regular contact with Darlington residents affected by welfare reforms
  - (d) Client representative groups who would advocate on behalf of their clients

## **Outcome of Consultation**

16. Overall response to the consultation has been low. However, some very useful comments were made, particularly around the priorities for DHP awards, and these have been included in the final draft of the DHP policy. Details of these responses are included in the Equality Impact Assessment.



# **DISCRETIONARY HOUSING PAYMENT POLICY**

## **April 2013**

## Introduction

Discretionary Housing Payments (DHP) is a scheme, which aims to provide customers with further financial assistance with their housing costs.

For the purpose of the scheme, housing costs means rental liability not met in full by Housing Benefit (HB) or Universal Credit (UC) entitlement. From April 2013, DHPs can no longer be made towards Council Tax liability.

The main features of the scheme are that:

- It is completely separate from the HB/UC schemes
- To qualify for a DHP the customer must:
  - be entitled to HB; or
  - be entitled to UC; and
  - have a rental liability; and
  - have a shortfall in their eligible rent
- The amount of a DHP cannot exceed the maximum eligible rent that would normally be met by HB/UC
- DHPs cannot be made in respect of housing costs that are otherwise not eligible for HB/UC, for example fuel charges
- The operation of the scheme is at the Council's discretion
- Customers do not have a statutory right to a DHP
- Customers do not have the same appeal rights for a DHP decision, as they do with HB/UC decisions
- The total amount of DHPs that the Council can pay out in any financial year is cash limited by the Secretary of State

The types of shortfalls that can be covered by a DHP include:

- Reductions in HB/UC as a result of Local Housing Allowance (LHA) restrictions
- Reductions in HB/UC where the benefit cap has been applied
- Reductions in HB/UC as a result of under occupation in social rented sector tenancies (the 'bedroom tax')
- Reductions in HB/UC as a result of Rent Officer restrictions
- Reductions in HB/UC due to non-dependant deductions
- Other shortfalls in HB/UC
- Rent in advance payments

Where the amount of UC covering housing costs is not separately identified in a UC payment, the Council will decide the shortfall in rental liability (and therefore the maximum DHP award), based on the information available.

## Aims of the scheme

The Council has the discretion to award DHPs to customers whose circumstances meet the criteria outlined in this policy. However, **all applications will be assessed on their own individual merits.**

The Council will operate this policy to:

- Alleviate poverty
- Encourage and sustain people in employment
- Sustain people's tenancies and prevent homelessness
- Safeguard people in their own homes
- Keep families together
- Support elderly or vulnerable people in the local community
- Help people through personal and difficult times
- Support young people in the transition to adult life
- Promote good educational outcomes for children and young people
- Alleviate any negative impacts of Welfare Reforms
- Ensure DHPs are awarded to those most in need.

Nothing contained within this policy is intended to conflict with any other Council policy.

Although applications will be considered on their own individual merits, priority will be given to the following groups (this list is not in order of priority):

- People in need of treatment, care or support who would otherwise have to move away from health care provision, social care provision or support networks as a result of a shortfall in their HB/UC
- People with dependant children who would otherwise have to move away from schools or child care provision as a result of a shortfall in their HB/UC
- Older people who would otherwise have to move away from health care provision, social care provision or support networks as a result of a shortfall in their HB
- Pregnant women affected by LHA restrictions or reductions in their HB/UC as a result of under occupation in the social rented sector
- People who are affected by LHA restrictions or reductions in their HB/UC as a result of under occupation in the social rented sector, who have been placed in accommodation, or advised to stay in accommodation by the Council, to alleviate or prevent homelessness
- People who have moved due to domestic abuse and are affected by LHA restrictions or reductions in their HB/UC as a result of under occupation in the social rented sector.
- People in employment who would otherwise have to move away from their work place as a result of a shortfall in their HB/UC
- People starting employment who require assistance to move nearer to their work place
- Disabled people in significantly adapted properties affected by LHA restrictions or reductions in their HB/UC as a result of under occupation in the social rented sector, who would otherwise have to move as a result of a shortfall in their HB/UC

- Couples who are unable to share a bedroom, due to a disability or long-term limiting illness, affected by LHA restrictions or reductions in their HB/UC as a result of under occupation in the social rented sector.
- Households with a disabled person or disabled child, where one or more bedrooms are being used to store disability related equipment or are required for additional needs relating to the disability, affected by LHA restrictions or reductions in their HB/UC as a result of under occupation in the social rented sector.
- Care leavers who experience difficulties in meeting their housing costs.

Recent legislative changes have protected certain groups from LHA restrictions and reductions in HB/UC as a result of under occupation in the social rented sector. DHPs would therefore not usually be required in these circumstances. These include:

- Disabled children who are unable to share a bedroom
- Approved foster carers who have an additional bedroom for foster children
- Households who require an extra bedroom for a non-dependant in the armed forces who is away on operations.



## Claiming a DHP

A claim for a DHP can be made in the following ways:

- By completing a DHP claim form
- By letter
- By e-mail
- By telephone call
- By visiting the Customer Contact Centre office at the Town Hall
- During a visit by Council staff to a customer's home.

If the claim is received by letter, e-mail or telephone call, the customer may be asked to complete a DHP claim form, or provide the Council with further information to make a decision. In addition, the Council may request additional evidence to support the DHP claim that it considers reasonable.

The DHP claim should be made by the person claiming HB/UC. However, the claim can also be made by a third party, such as an appointee, support worker, social worker or housing officer. The Council may contact third parties in relation to the DHP claim, where the customer has consented to this. The Council may also refer or signpost the customer to specialist advice agencies, where appropriate.

## Decision making and appeals

Once a decision on the DHP claim has been made, the customer will be notified of the outcome in writing. The notification letter will include the following:

- Where a DHP is awarded, the amount and period of the award
- Where a DHP does not cover the full shortfall of rental liability, or the amount claimed, the reasons will be explained to the customer
- Where a DHP is not awarded, the reasons will be explained to the customer
- Their appeal rights
- Information on who to contact if they need further help or advice
- The duty to notify the Council of any changes in their circumstances, which may affect their DHP award.

Because DHPs are not payments of HB or UC, they are not subject to the statutory appeals procedures that govern those benefits. The Council will deal with appeals about DHP decisions in the following ways:

- The person who claimed the DHP can ask the Council to explain its decision at any time. The Council will contact the customer to explain its decision within one month of receiving the request
- An appeal about a DHP decision should be made within one calendar month of the notification of the decision being made, or such longer time as the Council considers reasonable
- The appeal can be made in writing, verbally or by e-mail

- Where an appeal is made, the Council will conduct a review of the decision. This will be done by an officer different to the one who made the initial decision and the outcome will be notified in writing
- The Council may review a DHP decision at any time if the decision was made in error or in ignorance of a material fact.

## **Period of a DHP award**

Both the level and duration of the DHP award will be at the Council's discretion, but will relate to:

- The date on which the Council received the DHP claim
- The date on which the HB/UC commenced
- The period of the tenancy
- The amount of the housing cost shortfall, not met by normal benefit entitlement
- Other relevant factors, depending on the merits of each individual case

In the majority of cases, a DHP will be awarded to alleviate hardship in the short-term. However, in some cases (for example where the award relates to a disability related need) DHP awards could be made for longer periods.

Long-term DHP awards are those likely to last more than 12 months and these will be reviewed on at least an annual basis. There are no circumstances in which a DHP will be awarded 'indefinitely'.

## **Factors used to decide the amount of a DHP**

When deciding the length and amount of the DHP award, the Council may take into account the following factors (this list is not exhaustive):

- The amount of any shortfall in housing costs
- Whether the customer could afford the rent before the HB/UC claim
- What advice, if any, the customer sought before taking up a tenancy
- The circumstances surrounding the customer's move, if applicable
- Details of previous accommodation and rent charged, if applicable
- Whether there is a particular reason the customer chose to live in that accommodation
- The financial, medical and social circumstances of the customer and their household, if these are relevant to the DHP claim
- Whether the customer is adversely or disproportionately affected by welfare reforms
- The income and essential expenditure of the customer and their household
- Any savings and investments held by the customer and their household, which could be used to help their financial situation
- Whether other family members external to the household help in any way towards the customer's financial expenditure
- Whether the customer and their household could reduce expenditure on non-

essential items

- Whether the customer and their household are entitled to other welfare benefits but are not claiming them
- The level of indebtedness of the customer and their household
- Whether the customer and their household are taking long-term action to help their problems in meeting their housing costs
- Whether a DHP would prevent homelessness
- Whether a DHP would help the customer being able to access or maintain employment, education or training
- Whether a DHP would prevent a move that would have detrimental effects on the customer and their household, for example children's schooling, health, support networks or employment
- Any steps taken by the customer to help themselves, for example:
  - Negotiating with their landlord for a reduction in their rent
  - Looking for alternative cheaper accommodation
  - Financial advice they have sought to alleviate their situation, such as from Citizens Advice Bureau or Welfare Rights
  - Housing advice they have sought, such as from First Stop Darlington or the Council's Housing Options Team
  - Whether their ethnicity or disability is having, or has had, an adverse effect on their housing options or financial circumstances
- The impact of not awarding a DHP or restricting payment of a DHP may have on the customer and their household.

The Council will also consider:

- The amount of DHP budget available for the remainder of the financial year
- Other DHP claims and awards being made and the overall impact on the remaining DHP budget available.

An award of DHP does not necessarily make the customer eligible to receive an award again, once the initial DHP award runs out, as each DHP claim is decided on the individual merits at that time. This applies even if the customer's circumstances remain the same.

## **Changes of Circumstances**

Customers in receipt of a DHP are required to notify the Council of any changes in their circumstances which may be relevant to their getting DHPs. This could be a change in their circumstances that does not affect their HB/UC entitlement.

## **Ending a DHP award**

The Council may decide to end an award of DHP before the notified period end date. This could be where:

- The customer's entitlement to HB/UC changes or ends

- The customer's liability to pay rent ends
- The customer's LHA rate changes
- The customer has a change in their circumstances relevant to their DHP award
- The customer has misrepresented or failed to disclose a material fact, fraudulently or otherwise
- A DHP has been awarded in error
- The Council has reached its DHP limit before the end of the financial year.

## **Overpaid DHPs**

The Council may decide to recover any overpaid awards of DHP, depending on the circumstances of each case, for example:

- Whether the overpayment is as a result of a misrepresentation or failure to disclose a material fact, fraudulently or otherwise
- Whether the customer has failed to report a change in their circumstances
- Whether the customer's entitlement to HB/UC has changed or ended
- Whether the overpayment was a result of an official error.

The Council will use its discretion to recover any amount of overpaid DHP that it considers is recoverable.

## **Monitoring arrangements and managing the DHP fund**

The Council will undertake monitoring of the number, amount and period of DHP awards in relation to the available DHP budget. This will include awards made in a previous financial year that continue into the current financial year. The purpose is to ensure the Council has sufficient funds to meet demands on the DHP budget throughout the financial year.

The Council will also monitor cases where a DHP claim has been refused, to ensure decisions are being made fairly and consistently, in accordance with the Council's Equal Opportunities Policy.

## **Publicising DHPs**

The Council will publicise the availability of DHPs through its own publications, leaflets and website, and by working in partnership with voluntary and statutory organisations.

To raise awareness of DHPs, the Council will publicise the availability of the scheme as follows:

- On HB decision notices where there is a shortfall in rent due to the LHA rate used in the calculation, the benefit cap or a size restriction due to under occupation in a social rented sector tenancy

- On dedicated leaflets and posters
- When customers come in to the Council to discuss their HB claim
- When customers telephone the Council to discuss their HB claim
- When visits are made to the customer's home
- On the Council's website
- By raising awareness with internal and external partners, such as Customer Services, Housing, Social Services, Welfare Rights, Citizens Advice Bureau and other advice agencies, Registered Housing Providers, private landlords and support providers.

The Council will ensure that frequent training is provided for its front-line staff to ensure their knowledge of the scheme is both relevant and up to date.

## **What DHPs cannot cover**

The following elements of a customer's rent or Council Tax will not be met by DHPs:

- Service charges contained within a customer's housing costs that are ineligible for HB/UC
- Increases in rent due to outstanding rent arrears
- Any sanctions or reductions in benefit due to:
  - A Reduced Benefit Direction for failure to comply with the Child Support Agency in arranging maintenance
  - Non-attendance at a work-focussed interview
  - A Jobseekers Allowance or UC employment sanction, if they have contributed towards their unemployed status
  - A Jobseekers Allowance or UC sanction for 16/17 year olds
  - A loss of benefit sanction
  - A breach of a community service order
- Where HB/UC has been suspended
- Shortfalls caused by HB/UC overpayment or civil penalty recovery
- Rent deposits (as help with securing a tenancy can be obtained via the Bond scheme).



## Equality Impact Assessment Record Form 2012-16

This form is to be used for recording the Equality Impact Assessment (EIA) of Council activities. It should be used in conjunction with the guidance on carrying out EIA in **Annex 2** of the Equality Scheme. The activities that may be subject to EIA are set out in the guidance.

EIA is particularly important in supporting the Council to make fair decisions. The Public Sector Equality Duty requires the Council to have regard to the need to eliminate discrimination, harassment and victimisation, advance equality of opportunity and foster good relations.

Using this form will help Council officers to carry out EIA in an effective and transparent way and provide decision-makers with full information on the potential impact of their decisions. The purpose is to avoid inadvertent disadvantage or discrimination resulting from decisions.

EIA is not a fixed process – it will vary according to the scale and type of activity. The form and guidance are designed to cover all eventualities. Officers should not be discouraged by the form, but should use their discretion in using it flexibly according to the activity they are assessing.

EIA does not happen at a single point in time. It is an ongoing and integral part of the development of the activity or proposal. This EIA template should be kept open and live as a planning document, and updated as the activity or proposal progresses.

## Section 1 – Service Details and Summary of EIA Activity

<b>Title of activity:</b>	Discretionary Housing Payment policy
<b>Lead Officer responsible for this EIA:</b>	Anthony Sandys, Head of Revenues and Benefits
<b>Telephone:</b>	X2512
<b>Service Group:</b>	Place
<b>Service or Team:</b>	Revenues and Benefits
<b>Assistant Director accountable for this EIA</b>	Pauline Mitchell, AD Housing and Building Services
<b>Who else will be involved in carrying out the EIA:</b>	Wendy Tarelli, Operational Manager Revenues and Benefits

<p><b>What stage has the EIA reached?</b></p> <p>This table provides a ‘cover note’ of progress to be maintained as the EIA is developed over time.</p> <p>Stage categories 1-3 listed below refer to the funnel model. Note the stage reached and any consultation or engagement carried out. Simple activities may not need all these stages. Provide details of population/individuals affected in Section 2</p>		
<b>Stage</b>	<b>Date</b>	<b>Summary of position</b>
<b>Stage 1: Initial Officer Assessment. Whole Population likely to be affected identified</b>		<i>All residents within Darlington who is liable to pay rent</i>
<b>Stage 2: Further Assessment. Target Population likely to be affected identified</b>		<i>All current Housing Benefit recipients</i>
<b>Stage 3: Further Assessment. Individuals likely to be affected identified</b>		<i>All current Housing Benefit recipients experiencing a shortfall in their rent</i>

<b>Stage 4: Analysis of Findings</b>		<p>A number of groups with protected characteristics are likely to be negatively impacted by the welfare reforms. The Discretionary Housing payment scheme is designed to provide relief to people facing a shortfall in their housing costs. Because of the limited nature of the funding, this policy has been developed to prioritise payments to those most adversely affected, although every application will be treated on its own individual merits.</p>
<b>Stage 5: Sign-Off</b>		
<b>Stage 6: Reporting and Action Planning</b>		



## Section 2 – The Activity and Supporting Information

<b>Details of the activity (including the main purpose and aims)</b>
<p>Discretionary Housing Payments (DHP) is a scheme, which aims to provide customers with further financial assistance with their housing costs.</p> <p>For the purpose of the scheme, housing costs means rental liability not met in full by Housing Benefit (HB). The main features of the scheme are that:</p> <ul style="list-style-type: none"><li>• It is completely separate from the HB scheme</li><li>• To qualify for a DHP the customer must:<ul style="list-style-type: none"><li>○ be entitled to HB; and</li><li>○ have a shortfall in their eligible rent</li></ul></li><li>• The amount of a DHP cannot exceed the maximum eligible rent that would normally be met by HB.</li><li>• DHPs cannot be made in respect of housing costs that are otherwise not eligible for HB.</li><li>• The operation of the scheme is at the Council's discretion.</li><li>• Customers do not have a statutory right to a DHP.</li><li>• Customers do not have the same appeal rights for a DHP decision, as they do with HB decisions.</li><li>• The total amount of DHPs that the Council can pay out in any financial year is cash limited by the Secretary of State.</li></ul> <p>From April 2013 the amount of DHP grant available to Councils has increased significantly to take into account the impact of the welfare reforms. In Darlington, the amount has increased from £101,761 in 2012/13 to £224,185 in 2013/14.</p>
<b>Who will be affected by the activity?</b>
<p><b>See the guidance on carrying out equality impact assessment within the Equality Scheme 2012-16. Provide details of the groups and numbers of people affected below, updating the table as the EIA develops and the understanding of who will be affected emerges in more detail.</b></p>
<b>Whole population</b>
<p>Potentially all residents in Darlington who are liable to pay rent could be affected by this policy. If a person has a change in their circumstances, which requires them to claim HB, they could also require additional assistance from the DHP scheme.</p>
<b>Target population</b>
<p>All current recipients of Housing Benefit could be affected by this policy. If a person has a change in their circumstances, which results in a shortfall in their rent, they could require additional assistance from the DHP scheme.</p>
<b>Individuals</b>

All current recipients of Housing Benefit with a shortfall in their rent could be affected by this policy. Some of these people will be affected by the welfare reforms being implemented from April 2013 and they may experience a shortfall in their rent for the first time from that date. In such cases, they could require additional assistance from the DHP scheme.

What data, research and other evidence or information is available which is relevant to the EIA?

- **The number of people claiming Housing Benefit in the private rented sector (as at 01/03/13) is 4,373 of which 3,746 are receiving Local Housing Allowance (LHA).**
- **The number of people claiming Housing Benefit who are Council Tenants (as at 01/03/13) is 3,965.**
- **The number of people claiming Housing Benefit who are Housing Association Tenants (as at 01/03/13) is 1,603.**

**Expenditure on DHPs for 2012/13 (as at 14/03/13) is £70,676. This can be broken down as follows:**

Reason	Number of awards	Total amount
<b>LHA shortfall – single person under 35</b>	<b>121</b>	<b>£28,485</b>
<b>LHA shortfall – other reason</b>	<b>114</b>	<b>£16,808</b>
<b>LHA shortfall – single pregnant female under 35</b>	<b>52</b>	<b>£12,322</b>
<b>Required to take up employment / stay in employment</b>	<b>18</b>	<b>£3,712</b>
<b>Non-LHA shortfall</b>	<b>8</b>	<b>£1,837</b>
<b>Low income due to deductions from benefit</b>	<b>12</b>	<b>£1,636</b>
<b>LHA shortfall – extra bedroom for visiting children</b>	<b>5</b>	<b>£1,327</b>
<b>High level of debts</b>	<b>15</b>	<b>£1,269</b>
<b>LHA shortfall – recently unemployed</b>	<b>9</b>	<b>£1,181</b>
<b>LHA shortfall – children in care</b>	<b>4</b>	<b>£919</b>
<b>LHA shortfall – previously homeless</b>	<b>6</b>	<b>£398</b>
<b>No income</b>	<b>2</b>	<b>£221</b>
<b>Health issues</b>	<b>2</b>	<b>£123</b>
<b>LHA shortfall – reduction in household</b>	<b>1</b>	<b>£72</b>
<b>Awaiting outcome of DWP appeal</b>	<b>1</b>	<b>£72</b>

**The estimated numbers of households affected by the welfare reforms are as follows:**

- **Under occupation in the social rented sector is 932 (620 Council Tenants and 312 Housing Association Tenants).**
- **The Benefit cap is 38 households.**
- **DHPs can no longer be used for assistance with Council Tax liability, and therefore cannot be used to top-up shortfalls in Council Tax Support.**

**Check: before proceeding to the officer assessment, have you obtained all the data and information that is currently available?**

## Section 3: Officer Assessment

**Use this table to record your views on potential impact on Protected Characteristics. As the activity and the assessment develop your views may change – record them here. It is important to be searching and honest about this – many Council activities are planned to be of positive benefit to identified target groups but can often have the potential for inadvertent effects on other groups.**

Protected Characteristics	Potential Impact Positive/Negative/ Not Applicable			Potential level of impact				Summary of Impact
<b>Age</b>		N			M			Pensioners are protected from the size criteria in the social rented sector and the benefit cap so will not experience shortfalls in Housing Benefit as a result of these changes. Pensioners are defined as people who have not yet attained the qualifying age of state pension credit, which will be 62 in April 2013. The main reason for DHP applications in 2012/13 however, was for single people under the age of 35, who only qualify for the LHA shared room rate. The number of people affected by LHA restrictions implemented in April 2011 has increased significantly and it is likely demand for DHPs from this client group will continue to be high in 2013/14.
<b>Race</b>			NA				nil	There are no impacts specifically relating to a person's race.
<b>Sex</b>			NA				nil	There are no impacts specifically relating to a person's gender.
<b>Gender Reassignment</b>			NA				nil	There are no impacts specifically relating to a person's gender.
<b>Disability (summary of detail on next page)</b>		N			M		nil	<p>Working age disabled people may be disproportionately affected by the size criteria in the social rented sector and could therefore require assistance from the DHP scheme as follows:</p> <ul style="list-style-type: none"> <li>• They may be unable to move away from treatment, care or support services</li> <li>• They may live in significantly adapted</li> </ul>

							<p>properties</p> <ul style="list-style-type: none"> <li>• They may find it more difficult to find paid work or improve their financial circumstances to pay any shortfall in their rent</li> </ul> <p>Disabled children who are unable to share a bedroom have been allowed an extra room under recent legislative changes.</p>
<b>Religion or belief</b>			NA			nil	There are no impacts specifically relating to a person's religion or beliefs.
<b>Sexual Orientation</b>			NA			nil	There are no impacts specifically relating to a person's sexual orientation.
<b>Pregnancy or maternity</b>		N			M		One of the main reasons for DHP applications in 2012/13 was for single pregnant females under the age of 35, who only qualify for the LHA shared room rate. Once the child is born the benefit restriction no longer applies. A similar situation could affect single pregnant females under the age of 35 affected by the size criteria in the social rented sector.
<b>Marriage/ Civil Partnership</b>			NA			nil	There are no impacts specifically relating to a person's marital status.

## Cumulative Impacts

The officer responsible for this EIA should seek input from the Corporate Equalities Group on the potential for this activity to combine with other recent, current or proposed activities, both Council and in the external environment, to result in more severe impacts on people with Protected Characteristics through their cumulative effects. The Corporate Equalities Group will advise on the content for this section of the EIA.

Change activities	Potential cumulative impacts
Welfare reforms from April 2013	<ul style="list-style-type: none"><li>• Size criteria for the social rented sector will see Housing Benefit for Council Tenants and Housing Association Tenants restricted, where they are under occupying their property</li><li>• A Benefit Cap will be introduced, which will limit the overall amount of benefits and Tax Credits to £350 per week for single people and £500 per week for couples and lone parents. Housing Benefit will be restricted in these cases.</li><li>• A new local welfare provision, replacing some elements of the Social Fund will be introduced, although groups with protected characteristics are prioritised as part of the eligibility criteria.</li><li>• Changes to Disability Living Allowance and Employment and Support Allowance will limit the number of people who currently qualify for these benefits.</li><li>• Changes to Working Tax Credits will limit the number of people who currently qualify for this tax credit.</li></ul>

## Section 4: Engagement Decision

The decision about who to engage with, and how and when to engage, is the key to effective EIA. Please see Annex 2 of the Equality Scheme for guidance on the engagement decision.

<b>Is engagement with affected people with Protected Characteristics required, now or during the further development of the activity?</b>	<b>Yes</b>
<b>If YES, proceed to the next section.</b> <b>If NO, briefly summarise below the reasons why you have reached this conclusion.</b>	

**If you have come to the conclusion that engagement is not required, seek ratification from the Corporate Equalities Group through your service Equalities Co-ordinator.**

**If engagement is not required but the officer assessment has identified changes that should be made to the activity, please complete Sections 7 and 8. If not the assessment can be signed-off at Section 9.**

**Any reports to decision-makers during the development of the activity, for example feasibility or options appraisal reports, should include content on the latest thinking and findings of the EIA even though, like the activity, further development of the EIA may be required before final reporting.**

**The findings of the officer assessment should be included in any reports to decision-makers. These may be feasibility or options appraisal reports where the activity is at an early stage of development, but it is essential that any equality findings are taken into account in formal decisions at all stages of development of the activity.**

## Section 5 – Involvement and Engagement Planning

Has the assessment shown that the activity will treat any groups of people with Protected Characteristics differently from other people? Yes
<p>If yes, please state which groups and how</p> <p><b>Registered Providers will be consulted, as their tenants may be directly impacted by the size criteria in the social rented sector. Because of the diversity of people who could potentially apply for DHPs, consultation will be undertaken with support providers, advice agencies and client representative groups, as it is likely applicants will approach these agencies.</b></p>
Will the differential treatment advance equality for people with Protected Characteristics? Yes
<p>If yes, please state which groups and how</p> <p>As above.</p> <p><b>All of the groups will be contacted by e-mail with a copy of the policy. Individual meetings can be arranged if required.</b></p>
Will the differential treatment cause or increase disadvantage for people with Protected Characteristics? No
<p>If yes, please state which groups and how</p>

**From the above, prepare a simple plan using the template overleaf for involving and engaging with the organisations, groups and individuals likely to be affected by the activity.**

**There may be several stages of involvement and engagement, particularly for more complex activities. Initially it may be possible to identify and engage only with stakeholder and representative organisations for the people with Protected Characteristics who may be affected. Further development of the activity may be required before the individuals who will be affected can be identified.**

**The Involvement and Engagement Plan should evolve accordingly, with new engagement proposals added as they are identified.**



Involvement and Engagement Plan

**Which organisations, groups and individuals do you need to involve or engage and how?**

<b>Date of plan entry</b>	Organisation, Group or Individuals	Date of event or activity	Type of activity – venue, channels, method and staffing
February 2013	<p><b><u>Registered Providers</u></b></p> <ul style="list-style-type: none"> <li>• Anchor</li> <li>• Darlington HA</li> <li>• Dimensions</li> <li>• Endeavour Housing</li> <li>• Fabrick Group</li> <li>• Foundation</li> <li>• Hanover</li> <li>• Home Housing</li> <li>• Housing 21</li> <li>• Isos Housing</li> <li>• Livin</li> <li>• Places for People</li> <li>• Railway HA</li> <li>• Sanctuary Housing</li> <li>• Tees Valley Housing</li> <li>• Three Rivers Housing</li> </ul>	February to March 2013	All of the groups will be contacted by e-mail with a copy of the policy. Individual meetings can be arranged if required.
February 2013	<p><b><u>Advice and support agencies</u></b></p> <ul style="list-style-type: none"> <li>• 700 Club</li> <li>• Age UK</li> <li>• Allied Healthcare</li> <li>• Carewatch</li> <li>• Citizens Advice Agency</li> <li>• Creative Support</li> <li>• DAD</li> <li>• Family Help</li> <li>• First Stop</li> <li>• Keyring</li> <li>• Mencap</li> <li>• MIND</li> </ul>	February to March 2013	All of the groups will be contacted by e-mail with a copy of the policy. Individual meetings can be arranged if required.

	<ul style="list-style-type: none"><li>• NECCA</li><li>• NHS</li><li>• Police</li><li>• Potensial</li><li>• Probation Service</li><li>• Richmond Fellowship</li><li>• UBU</li><li>• United Response</li><li>• YMCA</li></ul>		
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**Engagement to identify impacts works best in face-to-face and small group settings**

## Section 6: Engagement Findings

	<b>Date/summary of engagement carried out</b>	<b>Summary of impacts identified</b>
<b>Age</b>	<b>February to March 2013</b>	It was highlighted that under the priority groups in the policy, there was no mention made about care leavers.
<b>Disability</b>	<b>February to March 2013</b>	<p>It was highlighted that the policy did not include a specific reference to couples who could potentially be affected by the size criteria in the social rented sector, but who are unable to share a bedroom due to a disability or long-term limiting illness.</p> <p>A specific query was raised about families with disabled children, who could potentially be affected by the size criteria in the social rented sector, who require an additional upstairs room to store disability related equipment for the child, as these are not protected under the recent legislative changes for disabled children.</p> <p>A query was also raised about the time limits for DHPs. The previous policy had mentioned a maximum award length for DHPs, as the scheme is designed to provide short-term financial assistance. However, people with disabilities or long-term limiting illnesses could potentially require assistance via the DHP scheme for longer periods.</p>
<b>Mobility Impairment</b>		
<b>Visual impairment</b>		
<b>Hearing impairment</b>		
<b>Learning Disability</b>		
<b>Mental Health</b>		
<b>Long Term Limiting Illness</b>		
<b>Multiple Impairments</b>		
<b>Other – People suffering domestic abuse</b>	<b>February to March 2013</b>	A query was raised about how recently a person who had moved into a tenancy could apply for a DHP, where they had previously suffered domestic abuse.
<b>Race</b>	<b>February to March 2013</b>	There were no impacts identified
<b>Sex</b>	<b>February to March 2013</b>	There were no impacts identified
<b>Gender Reassignment</b>	<b>February to March 2013</b>	There were no impacts identified
<b>Religion or belief</b>	<b>February to March 2013</b>	There were no impacts identified
<b>Sexual Orientation</b>	<b>February to March 2013</b>	There were no impacts identified
<b>Pregnancy or maternity</b>	<b>February to March 2013</b>	There were no impacts identified
<b>Marriage / Civil</b>	<b>February to March</b>	There were no impacts identified

<b>Partnership</b>	<b>2013</b>	
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## Section 6: Engagement Findings – Continued

**Drawing on the engagement findings and your understanding of the effects of the activity, indicate how it will contribute, if at all, to the three strands of the Public Sector Equality Duty.**

<b>a) How will the proposal help to eliminate discrimination, harassment and victimisation?</b>
The DHP policy has been amended to take into account the comments made from the consultation exercise. Whilst the policy states that every application will be treated on its own individual merits, it is also recognised that some people with protected characteristics may need to be treated differently. This is because the welfare reforms will have a disproportionately negative impact for certain groups. Therefore, the policy includes specific references to these groups who will be prioritised for awards, given the limited funds available.
<b>b) How will the proposal help to advance equality of opportunity?</b>
The process of applying for a DHP will be the same for everyone. Every application will be treated on its own individual merits, with specific reference to people disproportionately affected by welfare reform.
<b>c) How will the proposal help to foster good relations?</b>
As above.

<b>During the engagement process were there any suggestions on how to avoid, minimise or mitigate any negative impacts? If so, please give details.</b>
As above. There were some additional comments about how payments of DHP will be made, for example where someone is in rent arrears. As payments of DHP are specifically to help with housing costs, the policy reflects that minimising rent arrears and securing people's tenancies are the main outcomes of the scheme.

This completes the assessment, but there will be further work to do to contribute to the reporting and implementation stages of the activity. First though, it is important to draw a line under the assessment to maintain a separation between assessment of impacts and any proposals to manage those impacts. The assessment should therefore be signed-off at this stage.

### Section 7 - Sign-off when assessment is completed

<b>Officer Completing the Form:</b>		
<b>Signed</b>	<b>Name:</b>	
	<b>Date:</b>	
	<b>Job Title:</b>	
<b>Assistant Director:</b>		
<b>Signed</b>	<b>Name:</b>	
	<b>Date:</b>	
	<b>Service:</b>	

### Section 8 – Reporting of Findings and Recommendations to Decision Makers

The findings of the EIA may be reported to decision-makers at several stages during the development of an activity. For example, the initial officer assessment findings may be included in a feasibility report or options appraisal to be considered by the Transformation Board or Chief Officers' Executive.

Any report for formal decisions by Cabinet or Council should include the latest findings of the EIA, even if these are at a relatively early stage. The report recommending final approval of the activity should await and include the findings of the completed EIA. The report should present clearly the impacts that have been identified through the engagement process, including potential cumulative impacts.

The report may include recommendations based on the findings of the EIA, but these should be separate from the reporting of impacts. Recommendations will be developed separately from the EIA and arise from considering equalities impacts combined with other aspects of the activity such as finance, the benefits of the activity, and so on.

Based on the EIA findings, the report may consider the options in the table below, but the report must contain a clear statement of the impacts so that decision-makers can understand the effects of the decision that is being recommended.

<b>What does the review of the information show?</b>
a) No negative impact on people because of their Protected Characteristics - continue

with the activity and monitor progress on implementation
<b>b) Negative impact identified – recommend continuing with the activity; clearly specify the people affected and the impacts, and providing reasons and supporting evidence for the decision to continue</b>
c) Negative impact identified - adjust the activity in light of the identified impact to avoid, minimise or mitigate the impact
d) Negative impact identified - stop activity and provide an explanation why

## Section 9 – Action Plan and Performance Management

The report to decision-makers, and the decision made may require actions to be taken to avoid, minimise or mitigate the negative impacts of the activity. Option C in the table in Section 8, combined with mitigation measures that may have been highlighted during engagement and listed in Section 6 (if adopted) will require action planning to implement them.

Any actions to address equalities impacts should be listed below, with performance management review proposals, to complete the full EIA.

What is the negative impact?	Actions required to reduce/eliminate the negative impact (if applicable)	Who will lead on action	Target completion date
Certain groups with protected characteristics will be negatively impacted by the welfare reforms	Amend policy in light of consultation responses	Anthony Sandys	March 2013

Performance Management	
Date of the next review of the EIA	March 2014
How often will the EIA action plan be reviewed?	Annually
Who will carry out this review?	Anthony Sandys

