

Ref. No.	CO/RE/2
Category:	
People	
Place	
Corporate	Yes
In Constitution	

Discretionary Housing Payments

Policy Details

What is this policy for?	To ensure that a consistent approach is taken when applications for Discretionary Housing Payments are considered.
Who does this policy affect?	<p>Councils have the discretion to award Discretionary Housing Payments (DHPs) to help those claimants who receive either Universal Credit (Housing Element) or Housing Benefit and need further assistance with their housing costs.</p> <p>The policy sets out the factors that may be taken into account when applications for DHP are considered.</p> <p>The policy applies to all Housing Benefit or Universal Credit (Housing Element) claimants who apply for a DHP, due to them needing further assistance with their housing costs.</p>
Keywords	Discretionary Housing Payments; DHP.
Author	<p>Stuart Dawson, Head of Revenues & Benefits</p> <p>Phone: (01305) 211925</p> <p>Email: stuart.dawson@dorsetcouncil.gov.uk</p>
Dorset Council policy adopted from	This policy applies across the Dorset Council area.
Does this policy relate to any laws?	Discretionary Financial Assistance Regulations 2001
Is this policy linked to any other Dorset Council policies?	N/A
Equality Impact Assessment (EqIA)	The Dorset Council policy was subject to EqIA Screening and a full EqIA was completed. No implications were identified as arising from the policy.
Other Impact Assessments	N/A

Status and Approvals

Status	Live	Version	1
Last review date	25 June 2019	Next review date	25 June 2022
Approved by (Director)	Executive Director of Corporate Development	Date approved	
Member/ Partnership Board Approval	Cabinet	Date approved	25 June 2019

Discretionary Housing Payments Policy

Purpose	<i>The purpose of the policy is to ensure that a consistent approach is taken when applications for Discretionary Housing Payments are considered.</i>
Scope	<p><i>Councils have the discretion to award Discretionary Housing Payments (DHPs) to help those claimants who receive either Universal Credit (Housing Costs) or Housing Benefit and need further assistance with their housing costs. In determining whether a DHP should be given the Council must be satisfied that the claimant qualifies for additional support with their housing costs and that, based on their circumstances, it is reasonable to make the award.</i></p> <p><i>This policy sets out the factors that may be taken into account when applications for DHP are considered. It also provides the claimants review rights when they are dissatisfied with the decision.</i></p> <p><i>The policy applies to all Housing Benefit or Universal Credit (with Housing Element) claimants who wish to apply for a DHP.</i></p>

1. Introduction

- 1.1 Under the Discretionary Financial Assistance Regulations 2001, Councils have the discretion to award Discretionary Housing Payments (DHPs) to help those claimants who receive either Universal Credit (Housing Costs) or Housing Benefit and who need further assistance with their housing costs.
- 1.2 In determining whether a DHP should be given the Council must be satisfied that the claimant qualifies for additional support with their housing costs and that, based on their circumstances, it is reasonable to make the award.
- 1.3 DHPs have a positive impact on the lives of those who are struggling to meet their housing costs. The Council will look to use DHPs:
- To help develop and promote social inclusion for residents
 - To help minimise hardship

- To help support anti-poverty strategies
- To provide additional financial support to those in greatest need and to prevent homelessness
- To safeguard residents in their homes where it would be considered unreasonable for them to find suitable, affordable, alternative accommodation
- To support vulnerable people in the community
- To encourage residents to obtain and sustain employment
- To help claimants to secure and maintain affordable tenancies
- To help claimants through personal crises and difficult events

1.4 The aim of this document is to provide a guide to determining DHPs applications and it should not be seen as a policy that operates in a way so as to bind the Council in its use of the discretionary power.

POLICY DETAILS:

2. Criteria for a DHP

2.1 DHPs can only be awarded if the claimant is entitled to either:

- Housing Benefit; or
- Universal Credit that includes housing costs towards rental liability; and
- There is a shortfall between the claimant's eligible rent (i.e. the actual rent less any ineligible service charges such as charges for water, heating, meals, etc) and the support they are receiving.

2.2 DHPs cannot be paid towards Council Tax liability.

3. What are housing costs?

3.1 DHPs can be awarded to cover shortfalls between the eligible rent for the claimant's accommodation and their Housing Benefit or Universal Credit award.

3.2 Housing costs means eligible rent, but not ineligible service charges, such as, charges for water rates or sewerage and environmental services, increases due to rent arrears or due to sanctions and reductions in Benefits.

3.3 Housing costs also includes rent in advance, deposits and other lump sum costs associated with a housing need such as removal costs. However, it does not include Council Tax charges.

4. How to claim a DHP

4.1 An application for a DHP can be made by the claimant or by someone authorised to act on their behalf.

4.2 The application must be made on the Council's application form and submitted to its Benefits Service.

4.3 All applications must be supported by sufficient evidence to allow the Council to properly consider the claim. If the claimant refuses to provide the Council with such evidence the application will be decided based on the application received.

5. How claims will be assessed

5.1 All claims will be assessed on their individual merits. In considering an application the following will be taken into account.

- Whether the Landlord is charging a reasonable rent for the accommodation occupied
- Whether the customer is under-occupying their property
- The shortfall between Housing Benefit or Universal Credit and the claimant's eligible liability
- The steps taken by the claimant to reduce their rental liability
- Whether the Benefit Cap calculation has been applied
- Whether a reduction in Housing Benefit or Universal Credit for under-occupation in the Social Rented Sector has been applied
- The financial and medical circumstances (including ill health and disabilities) of the claimant, their partner and any dependants and any other occupants of the claimant's household as detailed on their DHP form or held by the Council's Benefits Service for the calculation of Housing Benefit
- The income and expenditure of the claimants household
- Increases in essential work related expenditure due to the claimant moving home because of the reduction in Local Housing Allowance (LHA) rates
- Any savings or capital held by the claimants household
- The exceptional nature of the claimant and their household's circumstances
- Non-dependant income from other adults in the home
- The possible impact on the Council of not making such an award, for example the pressure on priority homeless accommodation
- The steps taken and ability for the claimant to improve their financial circumstances, for example through budgeting advice and support
- If a DHP was previously granted for a rent deposit or rent advance to assist the claimant to secure an affordable tenancy, whether anything has changed since the affordability check was completed
- Any other special circumstances brought to the attention of the Council's Benefits Service such as fleeing domestic violence.

6. Period of award

6.1 The Council will decide the amount of the DHP, and the length of time it will be awarded, having regard to the circumstances of the case.

6.2 The start date of an award will normally be the Monday after the claim for a DHP is received. However, in exceptional cases an earlier date may be used to reflect the individual circumstances of the claimant.

6.3 The Council will consider any reasonable requests for backdating an award of a DHP. However, an award can only be considered for a period where the linked Housing Benefit or Universal Credit is payable.

7. How payments will be made

- 7.1 DHPs are not awards of Housing Benefit. However, payments of DHP may be added to those for Housing Benefit. If the claimant's Housing Benefit is paid to their landlord the DHP will normally also be paid to them. Payment frequency will also be in line with how Housing Benefit is paid, in accordance with Housing Benefit legislation.
- 7.2 If the claimant is receiving Universal Credit, the DHP will usually be paid by the Council to the person who receives that award. Payments for rent deposits and rent in advance will normally be made direct to the claimant's landlord.

8. Changes in circumstances

- 8.1 The claimant has a duty to notify the Council's Benefits Office of any change in their circumstances that might affect their DHP entitlement. This should be done within one month of the change. Where the claimant's circumstances have changed the Council may choose to revise the DHP award.

9. Notification of a decision

- 9.1 The Council will notify the claimant, in writing, of its decision as soon as possible after it has been made. If the DHP claim is successful the letter will include:

- The amount of DHP awarded
- Whether any amount paid is in advance or in arrears
- The period of any award
- How, when and to whom the award will be paid
- Further advice/support that is available such as budgeting advice etc
- The claimant's right to a review of the decision.

If the DHP claim is unsuccessful the letter will include:

- The reasons why an award is not being made
- Further advice/support that is available such as budgeting advice etc
- The claimant's right to a review of the decision.

10. Review of a decision

- 10.1 DHPs are awarded at the discretion of the Council and are not subject to the same review process as Housing Benefit. In view of this, claimants will not have the right to appeal for their case to be heard by an independent tribunal. However, a claimant who is unhappy with Council's decision can request a review. Any such request should be made to the Benefits Service, within one month of the decision, giving reasons why the review should take place.
- 10.2 The review will be carried out by a more senior officer who was not involved in the original decision. When considering the review, the officer will have regard to any further evidence supplied. The claimant will be notified of the review decision as soon as possible after it has been made.
- 10.3 If the claimant is dissatisfied with the outcome of the review they can, within one month of the review decision, request that their case be considered by the Council's Appeals Committee.

11. Overpayments

- 11.1 The Council may seek to recover a DHP overpayment if it was caused by:
- The claimant failing to provide accurate and complete information at the time the application was made
 - The claimant failing to advise the Council of a subsequent change in circumstances which affects the information already given.
- 11.2 The Council will not normally seek to recover a DHP overpayment caused by an official error unless it is reasonable to expect the claimant to know that they were being overpaid at the time.

12. Fraud Prevention

- 12.1 The Council is committed to the fight against fraud in all its forms. A claimant who tries to fraudulently claim a DHP by falsely declaring their circumstances, or providing a false statement of evidence in support of their application, may have committed an offence. In such cases, the Council will look to take appropriate action.

Equality Impact Assessment (EqIA)

Before completing this EqIA please ensure you have read the EqIA Guidance Notes

Title	Discretionary Housing Payments Policy		
Date assessment started:	06/06/2019	Version No:	1
		Date of completion:	

Type of Strategy, Policy, Project or Service:

Is this Equality Impact Assessment (please put a cross in the relevant box)

Existing:	<input type="checkbox"/>	Changing, update or revision:	<input checked="" type="checkbox"/>
New or proposed:	<input type="checkbox"/>	Other (please explain):	<input type="checkbox"/>

Is this Equality Impact Assessment (please put a cross in the relevant box)

Internal:	<input type="checkbox"/>	External:	<input type="checkbox"/>	Both:	<input checked="" type="checkbox"/>
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Report Created By:

Name:	Stuart Dawson
Job Title:	Head of Revenues and Benefits
Email address:	stuart.dawson@dorsetcouncil.gov.uk
Members of the assessment team:	Patrick Lane

Step 1: Aims

What are the aims of your strategy, policy, project or service?
The purpose of the policy is to ensure that a consistent approach is taken when applications for Discretionary Housing Payments are considered.
What is the background or context to the proposal?
The Financial Assistance Regulations 2001 give Councils discretion to award Discretionary Housing Payments (DHPs) to help those claimants who receive either Universal Credit or Housing Benefit and who need further assistance with their housing costs. Prior to the creation of Dorset Council a set of guidance notes existed but not a formal policy. The content of those guidance notes have now been drafted into a policy to be adopted by Dorset Council.

Step 2: Intelligence and Communication

What data, information, evidence and research was used in this EqIA and how has it been used to inform the decision-making process?
Information collated from Dorset Council Statistics website: <ul style="list-style-type: none"> Deprivation by LSOA ranking which provides information on the most deprived areas of Dorset Council

<ul style="list-style-type: none"> • State of Dorset Report (May 2019) providing headline information on a number of topics including deprivation, diversity, health & wellbeing • State of Dorset Deprivation <p>Information from the above reports and data is useful in highlighting the main areas of deprivation and how this compares nationally. The State of Dorset report also provides useful information on ethnicity and the main areas people of ethnic minorities tend to live.</p>
<p>What data do you already have about your service users, or the people your proposal will have an impact on?</p>
<p>The core functions of the Revenues & Benefits Service are to collect Council Tax and Business Rates and to pay Housing Benefit, Local Council Tax Support and Discretionary Housing Payments. In order to do this the service holds a vast amount of personal data about its customers, including household composition, age, disabilities, income and capital. As this is a discretionary scheme, which requires an application, any additional information and data required to enable an informed decision to be made will be acquired through the application process.</p>
<p>What engagement or consultation has taken place as part of this EqIA?</p>
<p>No formal consultation, however senior officers have contributed</p>
<p>Is further information needed to help inform this proposal?</p>
<p>We do not believe so. Providing the scheme is adequately publicised and accessible by all, any further information will be obtained as part of the application process.</p>
<p>How will the outcome of consultation be fed back to those who you consulted with?</p>
<p>N/A</p>

Step 3: Assessment

Who does the service, strategy, policy, project or change impact?

- If your strategy, policy, project or service contains options you may wish to consider providing an assessment for each option. Please cut and paste the template accordingly.

For each protected characteristic please choose from the following options:

- Please note in some cases more than one impact may apply – in this case please state all relevant options and explain in the ‘Please provide details’ box.

Positive Impact	<ul style="list-style-type: none"> • Positive impact on a large proportion of protected characteristic groups • Significant positive impact on a small proportion of protect characteristics group
Negative Impact	<ul style="list-style-type: none"> • Disproportionate impact on a large proportion of protected characteristic groups • Significant disproportionate impact on a small proportion of protected characteristic groups.
Neutral Impact	<ul style="list-style-type: none"> • No change/ no assessed significant impact of protected characteristic groups
Unclear	<ul style="list-style-type: none"> • Not enough data/evidence has been collected to make an informed decision.

Age:	Significant positive impact on a small proportion of protect characteristics group
What age bracket does this affect?	This policy does not specifically affect any particular age bracket.

Please provide details:	As a consequence of age it may be that the earning capacity of some people is limited and this may be taken into account when awarding a DHP. The impact of having to move home if a DHP were not to be awarded would also be taken into consideration, perhaps more so for elderly people.
Disability:	Significant positive impact on a small proportion of protect characteristics group
Does this affect a specific disability group?	This policy does not affect any specific disability group.
Please provide details:	Disability and ill health is a factor taken into consideration when determining a discretionary discount. As a result of the disability/ill health it is possible that the applicant's income will be limited, and in certain cases their expenditure may be higher (e.g. higher heating bills, adaptations required). The impact of the disability/ill health will also be taken into account in cases where the applicant may have to move home if a DHP were not to be awarded.
Gender Reassignment & Gender Identity:	Not enough data/evidence has been collected to make an informed decision.
Please provide details:	Although there is not enough data regarding this protected characteristic group gender reassignment or gender identity is not a factor that is taken into consideration when determining a discretionary discount.
Pregnancy and maternity:	Significant positive impact on a small proportion of protect characteristics group
Please provide details:	The requirement for suitable housing for expectant parents and those with young children is a factor that would be taken into consideration when determining an application for a DHP.
Race and Ethnicity:	No change/ no assessed significant impact of protected characteristic groups
Please provide details:	The race or ethnicity of an applicant is not something that is taking into account when determining an application for a DHP. However it is important that the application process is accessible for people whose first language is not English e.g. access to interpreter services and/or information available in other languages.
Religion or belief:	No change/ no assessed significant impact of protected characteristic groups
Please provide details:	Religion and belief are not factors taken into consideration when determining a discretionary discount.
Sexual orientation:	Not enough data/evidence has been collected to make an informed decision.
Please provide details:	Whilst we do not have sufficient data regarding sexual orientation it is not a factor taken into consideration when determining a discretionary discount.

Sex:	No change/ no assessed significant impact of protected characteristic groups
Please provide details:	Sex is not a factor taken into consideration when determining a DHP.
Marriage or civil partnership:	No change/ no assessed significant impact of protected characteristic groups
Please provide details:	Whether or not someone is married is not a factor taken into consideration when determining a discretionary discount.
Carers:	Significant positive impact on a small proportion of protect characteristics group
Please provide details:	Being a carer may result in having a limited income and/or increased expenditure which would be a factor taken into account. If a carer were to be faced with moving home, or being made homeless, which meant that they could no longer carry out their caring role, then this would also be taken into consideration when determining a DHP.
Rural isolation:	Significant positive impact on a small proportion of protect characteristics group
Please provide details:	Rural isolation may be a factor taken into account when determining a DHP, particularly if it meant that access to things like doctors' surgeries, schools, employment etc. could present significant problems.
Single parent families:	Significant positive impact on a small proportion of protect characteristics group
Please provide details:	As a result of being a single parent it is possible that the earning potential is limited, or non-existent in some cases, and at the same time expenditure may be high. The need to secure, or retain, suitable housing would also be a factor taken into consideration when determining a DHP.
Poverty (social & economic deprivation):	Significant positive impact on a large proportion of protect characteristics group
Please provide details:	Low income and high housing costs are a significant factor taken into account when determining a DHP.
Military families/veterans:	No change/ no assessed significant impact of protected characteristic groups
Please provide details:	Whether or not someone is in the military (or a veteran) is not specifically a factor taken into consideration when determining a DHP.

Step 4: Acton Plan

Provide actions for **positive**, **negative** and **unclear** impacts.

If you have identified any **negative** or **unclear** impacts, describe what adjustments will be made to remove or reduce the impacts, or if this is not possible provide justification for continuing with the proposal.

Issue	Action	Person(s) responsible	Deadline	How will it be monitored?
Age/Disability/Pregnancy/Carers/Rural Isolation/Single Parents/Poverty/	That the DHP Scheme is adequately publicised and the process is accessible to all.	Katie Hale		
Gender Reassignment	This is not a factor that is taken into account when awarding a DHP and no further action is proposed.	N/A		
Sexual orientation	This is not a factor that is taken into account when awarding a DHP and no further action is proposed.	N/A		

Step 5: EqIA Sign Off

Officer completing this EqIA:	Patrick Lane	Date:	
Equality Lead:		Date:	
Relevant Focus Groups*:		Date:	
Directorate Board Chair:		Date:	

* To include Diversity Action Groups

Please send this completed EqIA to Equality Leads:

Equality Leads:

Susan Ward-Rice susan.ward-rice@dorsetcouncil.gov.uk

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Date of Meeting: 25 June 2019

Lead Member: Cllr Tony Ferrari – Lead Member for Finance, Commercial and Assets

Lead Officer: Aidan Dunn, Executive Director (Corporate Development S151)

Executive Summary:

The Revenues & Benefits Service administers, on the Council's behalf, a number of discretionary policies and schemes. This report considers the discretions that relate to:

- Housing Benefit awarded in respect of those receiving a War Disablement or War Widows Pension
- Council Tax discount
- Business Rates Revaluation Relief
- Hardship Relief
- Discretionary Housing Payments.

The report recommends that Cabinet agrees to adopt attached policies and schemes to help ensure that a consistent approach is made to decision making across the Council's area.

Equalities Impact Assessment:

Equalities Impact Assessments have been completed in respect of the Council Tax discretionary discount and Discretionary Housing Payments policies and there are no implications arising from this report. Assessments in relation to the other areas covered in the report are not necessary there are no identified negative, or unclear, impact on any of the protected characteristic groups.

Budget:

The cost of any discretionary award or payment can be met either from direct government grant or from budget provision

Risk Assessment:

Having considered the risks associated with this decision, the level of risk has been identified as:

Current Risk: LOW

Residual Risk LOW

Other Implications:

None

Recommendation:

That Cabinet agrees:

1. To recommend to Full Council that, effective from 1 April 2019, that 100% of all income from War Disablement or War Widows Pension be disregarded when calculating entitlement to Housing Benefit in line with the resolution at Appendix A
2. To adopt the attached Council Tax Discretionary Discount Policy at Appendix B
3. To adopt the Business Rates Revaluation Support Scheme set out at Appendix C
4. That any underspend in the government grant allocation of £243,000 be used to provide additional support for struggling businesses and that approval of such cases be delegated to the Executive Director (Corporate Development S151) in consultation with the Lead Member for Finance, Commercial and Assets.
5. To adopt the Hardship Relief Policy set out at Appendix D
6. To adopt the Discretionary Housing Payments Policy set out at Appendix E.

Reason for Recommendation:

To ensure that a consistent approach is taken in relation to the award of discretionary awards, discounts, payments and reliefs.

Appendices:

Appendix A – Housing Benefit – Local Scheme Resolution
Appendix B – Council Tax Discretionary Discount Policy
Appendix C – Business Rates Revaluation Support Scheme
Appendix D – Hardship Relief Policy
Appendix E – Discretionary Housing Payments Policy

Background Papers:

Officer Contact

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1. Introduction

- 1.1 There are a number of matters that require Cabinet's attention to help ensure that decisions and determinations made by the Revenues & Benefits Service are made consistently across the Dorset Council area. These matters include:
- Agreeing a local scheme resolution for awarding of Housing Benefit in respect of those in receipt of a War Disablement or War Widows Pension
 - Agreeing a policy for the awarding of Council Tax discretionary discounts
 - Agreeing a Revaluation Support scheme for the awarding of relief to those local businesses affected by the 2017 national Rates revaluation
 - Agreeing a policy for the awarding of Hardship Relief
 - Agreeing a policy for the awarding of Discretionary Housing Payments.

2. Housing Benefit awards for those in receipt of War Disablement or War Widows Pension

- 2.1 Housing Benefit is a means tested benefit which is awarded to those on low income who need help with their rent. The Housing Benefit scheme is administered locally by the Council on behalf of government which meets most of the costs of the awards.
- 2.2 Government has decided that certain income should be disregarded when calculating entitlement to Housing Benefit. This includes the first £10.00 per week of any War Disablement or War Widows Pension received by the claimant. Under Section 134 (8) of the Social Security Administration Act 1992, Councils have the discretion to increase the amount that is disregarded in such income.
- 2.3 Following a successful campaign by the Royal British Legion, most Councils, including the Dorset District and Borough Councils, agreed to completely disregard any War Disablement or War Widows Pension when calculating entitlement to Housing Benefit.
- 2.4 Government has agreed to meet 75% of the expenditure due to a Council voluntary disregarding War Disablement or War Widows Pensions, providing it is within a determined limit. The table below shows the voluntary expenditure in 2018/19 and the subsidy claimed.

Council	Total expenditure £	Government contribution £	Cost met by Council £
East Dorset	20,698	15,524	5,174
North Dorset	26,329	19,747	6,582
Purbeck	11,020	8,265	2,755
West Dorset	54,695	41,021	13,674
Weymouth & Portland	24,277	18,208	6,069
Total	137,019	102,765	34,254

- 2.5 The full disregard of War Disablement Pension and War Widows Pension is in line with the principles of the Armed Forces Covenant as it can have a positive impact on the lives of those that have given much, such as the injured and the bereaved. It is, therefore, proposed that the Council agrees to disregard 100% of War Disablement Pension and War Widows Pension, effective from 1 April 2019, in line with the resolution set out at Appendix A.
- 2.6 The estimated cost of implementing the full disregard is set out below and is covered by existing budget provision.

Council	Total expenditure £	Government contribution £	Cost met by Council £
Dorset Council	122,051	91,538	30,513

3.0 Council Tax discretionary discounts

- 6.1 Councils have the discretion to award Council Tax discounts of up to 100% of the amount due. Discounts can be awarded on an individual basis or in respect of a specific class of property or Council Taxpayer.

6.2 Applications for discretionary discounts must be considered on their individual merits and awards should only be made where the case is exceptional. The costs of any such discount awarded are met from the Council's General Fund.

6.3 In order to ensure that a consistent approach is taken towards the award of discretionary discounts it is proposed that the Policy set out at Appendix B is adopted. The Policy has been developed having regard to the policies established by the former district and borough councils and emerging best practice.

4.0 Revaluation Support Scheme

4.1 In 2017, Government committed to provide Councils with funding of £300m nationally to help support those businesses that were facing significant rates increases, as a result of the 2017 revaluation. Government asked Councils to use their discretionary powers under Section 47 of the Local Government Finance Act 1988 to distribute this funding over the financial years 2017-21 through the award of rates relief.

4.2 In developing their schemes for awarding the rates relief the Dorset District and Borough Councils agreed the following common principles.

- That relief would only be awarded for those ratepayers who have a rates liability on both the 31/03/17 and 01/04/17
- No relief would be awarded in respect of unoccupied premises
- Relief would be automatically awarded. However, arrangements would also be introduced allowing those businesses which are not positively identified to still be able to apply if they think that they are entitled
- Relief would be awarded to local independent businesses and not to those businesses that are part of a franchise, national or multi-national in nature
- Relief would not be awarded to financial institutions, education establishments, health organisations and public bodies.

4.3 The table below sets out the amount of rates relief awarded across the Dorset Council area in 2018/19.

Council	Grant allocation £	Relief Awarded £	No of Cases
East Dorset	109,000	98,011	263
North Dorset	77,000	65,623	205
Purbeck	106,000	105,901	93
West Dorset	212,000	211,628	174
Weymouth & Portland	87,000	86,202	70
Total	591,000	567,365	805

4.4 The grant allocation for Dorset Council is £243,000 in 2019/20 and £34,000 in 2020/21. To help ensure that support continues to be provided to those local ratepayers it is proposed that the scheme set out at Appendix C be adopted for 2019/20. This has been developed having regard to the 2018/19 schemes that were adopted by the Dorset district and borough councils and looks to ensure that the full grant allocation of £243,000 is utilised.

4.5 Relief awarded under the scheme will be subject to State Aid rules. Recipients will be made aware of their responsibility to notify the Council if their business has received State Aid of more than €200,000 over the last three years.

4.6 There is a possibility that there will be an underspend of grant due to recipient businesses relocating during the year. With this in mind it is also proposed that the situation be monitored regularly and that any identified underspend of grant be used to provide additional support to those businesses that need extra help to meet their increased rates liability. This additional support would be considered on a case by case basis and determined by the Executive Director (Corporate Development S151) in consultation with the Lead Member for Finance, Commercial and Assets.

5.0 **Hardship Relief**

5.1 Section 49 of the Local Government Finance Act 1988 provides the Council with discretion to award rates relief in order to alleviate hardship. The cost of awarding relief is shared between the national rating pool and the local Council Taxpayer. In view of this, no awards can be made unless the Council considers it to be in the interests of the Council Taxpayer to do so.

5.2 Although the relief is awarded at the Council's discretion, government has provided the following guidance.

- Each case should be considered on its own merits
- The awarding of the relief should be the exception rather than the rule
- Hardship need not be confined strictly to financial hardship. All relevant factors affecting the ability of the business to meet its rates liability should be considered
- The "interests" of the local Council Taxpayers may go wider than direct financial interests, (e.g. where the employment prospects in the area would be worsened by the company going out of business, or the amenities of the area reduced, etc.)
- Where the granting of the relief would have an adverse effect on the financial interests of the local Council Taxpayers, the case for awarding relief may still on balance outweigh the cost to the Taxpayer.

5.3 In order to ensure that a consistent approach is taken towards the award of hardship relief it is proposed that the Policy set out at Appendix D is adopted. The Policy has been developed having regard to the policies established by the former district and borough councils and incorporates the above guidance.

6.0 **Discretionary Housing Payments**

6.1 Discretionary Housing Payments (DHPs) are payments that are made at the discretion of the Council to help those in receipt of Housing Benefit or Universal Credit with their housing costs.

6.2 In making an award of DHP the Council must be satisfied that:

- The claimant has a rental liability in respect of their accommodation and is receiving support with their housing costs through the payment of Housing Benefit or Universal Credit
- There is a shortfall between the claimant's eligible rent (i.e. the actual rent less any ineligible service charges such as charges for water, heating, meals, etc) and the support they are receiving

- Based on the claimant's circumstances (financial and otherwise) it is reasonable to provide additional support.

6.3 For the purposes of awarding a DHP, housing costs includes rent in advance, deposits and other lump sum costs associated with a housing need, such as removal costs. However, it does not include ineligible service charges, Council Tax charges, increases due to rent arrears or due to sanctions and reductions in Benefit.

6.4 The Council receives a government grant allocation each year for DHPs. Any amount not spent must be returned at the end of the year. The Council can supplement the grant, from its own funds, up to a determined limit. The table below sets out the total DHPs awarded across the Dorset Council area in 2018/19.

Council	Government Grant £	DHPs Awarded £	No of Awards
East Dorset	98,750	69,051	116
North Dorset	99,703	41,265	95
Purbeck	79,438	66,207	145
West Dorset	155,593	127,562	300
Weymouth & Portland	180,732	148,901	291
Total	614,216	452,986	947

Dorset Council's grant allocation for 2019/20 is £553,455.

- 6.5 DHPs are administered by the Council's Benefits Service as it is best placed to determine whether the applicant is eligible for additional support with their housing costs.
- 6.6 DHPs can have a positive impact on the lives of claimants who are struggling to meet their housing costs. As the total that can be awarded each year is cash limited it is essential that applications are always considered based on their individual merits.
- 6.7 The former district and borough councils have operated DHP policies or guidelines for a number of years. The Policy set out at Appendix E has been based on these documents but updated to incorporate "plain English". It is proposed that the Policy be adopted to help ensure that a consistent approach is taken to the award of DHPs.

Housing Benefit - Local Scheme Resolution

In line with Section 134 (8) of the Social Security Administration Act 1992, Dorset Council has resolved to disregard 100% of the following prescribed incomes for both working age and pension age claimants, effective from 1 April 2019:

1. War disablement pensions

The war disablement pensions prescribed are:

- a) any retired pay or pension or allowance payable in respect of disablement under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003
- b) any retired pay or pension payable, to a member of the armed forces of the Crown in respect of a disablement which is attributable to service, under:
 - I. an Order in Council made under section 3 of the Naval and Marine Pay and Pensions Act 1865
 - II. the Army Pensions Warrant 1977
 - III. the Army Pensions (Armed Forces Pension Scheme 1975 and Attributable Benefits Scheme) Warrant 2010
 - IV. any order or regulations made under section 2 of the Air Force (Constitution) Act 1917
 - V. any order or regulations made under section 4 of the Reserve Forces Act 1996
 - VI. any instrument amending or replacing any of the instruments referred to above or any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown; and
- c) a payment made under article 14(1) (b) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2005.

2. War widow's pensions

The war widow's pensions prescribed are:

- a) any pension or allowance payable to a widow, widower or surviving civil partner under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003 in respect of the death or disablement of any person;
- b) a pension payable, to a widow, widower or surviving civil partner of a member of the armed forces of the Crown in respect of death which is attributable to service, under;
 - I. an Order in Council made under section 3 of the Naval and Marine Pay and Pensions Act 1865
 - II. the Army Pensions Warrant 1977
 - III. the Army Pensions (Armed Forces Pension Scheme 1975 and Attributable Benefits Scheme) Warrant 2010
 - IV. any order or regulations made under section 2 of the Air Force (Constitution) Act 1917
 - V. any order or regulations made under section 4 of the Reserve Forces Act 1996
 - VI. any instrument amending or replacing any of the above or any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown; and

- VII. a payment made under article 21(1)(a) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2005
 - c) a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs.
3. **Pension paid by a Government outside if Great Britain analogous to the above**
A pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in the sub-paragraphs above.
4. **Pension paid to victims of National Socialist persecution**
A pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria.

**Business Rates Revaluation Support Scheme
2019/20**

1. This scheme is designed to assist those ratepayers who have suffered a significant increase in their rate liability, specifically caused by an increase in their Rateable Value, due to the 2017 revaluation.
2. Relief will be awarded to those businesses that qualified for relief under the schemes for 2017/18 and 2018/19.
3. Relief will only be awarded if the business occupied the qualifying premises on 31 March 2017 and they continue to remain in occupation.
4. A business that qualifies for assistance under 2 and 3 above will be awarded relief at 42% of the amount granted in 2018/19, subject to the following conditions.
 - I. If the premises are subject to a subsequent increase in rateable value, any relief awarded will continue to be based on the rateable value as at 1 April 2017. However, if the premises are subject to a subsequent reduction in rateable value (effective from 1 April 2017, onwards) the relief will be recalculated to take into account the reduced rateable value and its effective date
 - II. Relief will not be backdated and awarded in respect of previous financial years.
5. Relief will only be given to premises which are liable for occupied rates. No relief will be granted under this scheme in respect of unoccupied premises.
6. Relief will be awarded from 1 April 2019 on a daily basis. Ratepayers taking up occupation after 1 April 2019 will not be eligible for relief on the basis that new ratepayers would not have suffered from increases due to a revaluation.
7. The scheme looks to target relief to local independent businesses and not those businesses that are part of a franchise, national or multi-national in nature. Relief will only be awarded to local businesses. Local businesses are, for the purposes of this scheme, those which have premises wholly in Dorset.
8. Relief may be awarded to a rate payer for more than one premises as long as all criteria are met.
9. Relief will not be awarded in the following cases:
 - I. Where the ratepayer has applied for a reduction in rateable value under S44a of the Local Government Finance Act 1988 and the property has a subsequent increase in rateable value after the 1st April 2017 which increases the rate charge.
 - II. Where the property is wholly or mainly used as or for:
 - Banks, Building Societies, cash points, bureau de change, payday lenders, betting establishments, pawn brokers;
 - Schools, academies, universities or other higher education institutions;
 - National Health Service; including NHS & Foundation Trust and Practitioners who provide services under contract to the NHS;

- Beach huts;
- Public bodies such as councils, fire authorities, police and crime commissioner, unions, legislative bodies and the armed forces.

III. Where the relief for the financial year 2019/20 would be less than £25.01.

10. The Council will look to automatically award relief to those businesses which it believes qualify for the support. Those ratepayers who believe they may be entitled to relief may make an application in writing. Any such application should be received before 31 December 2019, in order for it to be considered.
11. Relief awarded under this scheme will be classed as state aid. Ratepayers will be required to ensure that they do not exceed state aid limits and should notify the Council if this is likely.