



Derby City Council

# **Single Discretionary Award Policy from 1 April 2020**

## **V2.0 FINAL**

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Date Issued	Version	Status	Reason for change
August 2016	1.0	Final	New policy
July 2019	1.1	Draft	Removal of second awards for DHPs and general update of policy content
10 Sept 2019	1.2	Draft	Combined comments of Heads of Service – RBES & Customer Services
12 Sept 2019	1.3	Draft	Draft to Head of Customer Management for final review
12 Sept 2019	1.4	Draft	Draft version for consultation finalised
20 Sept 2019	1.5	Final for consultation	Updated definition for better off calculations
23 Oct 2019	1.6	First draft after EIA	1 Section 2 Eligibility Criteria -- Removal of second reference to DLA 2 Section 4 (m) – clarification on status of person with no access to public funds 3 Section 5 – removal of guarantee about the Policy continuing; updated with ongoing review process to be adopted.
8 Nov 2019	1.7	Draft after EIA feedback	1. Update to EIA assessment record 2. Update to Introduction 3. Section 2: corrections to "towards work" activity criteria 4. Update to Section 4 (m)
22 Nov 2019	2.0	Final	Version for 15 January 2020 Cabinet

Equality impact assessment record	
Date of assessment	22 October 2019
Summary of actions from EIA	<ol style="list-style-type: none"> <li>1. The Council will write (in general terms) to the landlords of those people who would be potentially affected before the proposed change comes into force, to raise awareness of the impending change and the support which is available for affected tenants.</li> <li>2. Safeguards will be put in place for those potentially affected. The Council will do direct interventions – a Community Outreach Programme - for the 176 people identified from 2018/19 and the people who receive second DHP awards during 2019/20. Caseworker(s) will be allocated to help people, who choose to engage with the assistance, to prepare for the proposed change. The purpose of the interventions will be to raise awareness of the change and to offer proactive tailored support to help them make positive changes so they no longer require a DHP. This will include benefits take up work with Derby Advice.</li> <li>3. To support the interventions in 2 above, the Council will also work with local Community Groups to explore how support can be provided locally for those struggling to engage with the Council online when accessing its services.</li> </ol>
Reassessment	TBD

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## **Introduction**

Prior to 30 August 2016 Derby City Council provided support to those residents most in need through three separate discretionary payment schemes; Local Assistance (LAS), Discretionary Housing Payments (DHP) and Council Tax Hardship (CTH).

These three Schemes have been partially funded by the Department of Work and Pensions through ring-fenced and non ring-fenced funding.

Derby City Council has full discretion to determine locally how best to support the needs of residents and to establish the criteria for the provision of this discretionary assistance to residents.

The Single Discretionary Award (SDA) Policy was implemented, following public consultation, on 30 August 2016.

Following a further consultation, the Policy was changed with effect from 1 April 2020 to reflect recent changes in Government funding and our learning over the previous three years of managing SDA.

This Policy must be read in line with the Single Discretionary Award (SDA) Policy Guidance which can be found on our website [www.derby.gov.uk](http://www.derby.gov.uk).

## **Purpose and aim**

- To describe Derby City Council's arrangements for a SDA Policy covering the DHP, LAS and CTH Schemes with a single needs assessment;
- To support the aims and objectives of the city's Welfare strategy and the Council Plan;
- To ensure that this SDA fund is targeted for those vulnerable Derby residents who demonstrate financial hardship, which is defined for this purpose as more allowable expenditure than income;
- To manage the awards of support within the cash limited provision;
- To control duplicate payments from a range of funding streams for which the Council and other key partners have delegated responsibility to administer – as detailed in Appendix 1;
- Develop a programme of financial, digital, and generalist advice and access to education, training and employment support to help SDA applicants address the underlying reasons for financial hardship in a sustainable way.

To seek external sources of funding to purchase white goods, basic furniture items, clear energy arrears, reduce current utility costs and fund one-off essential items.

## 1. Scope

Derby's SDA Scheme is targeted to support vulnerable people, resident in Derby, who present a need that cannot be met from another source because of the recent Welfare Reform changes and, where appropriate, to prepare them for Universal Credit. Support may be provided if the resident's application indicates that:

- Their financial hardship presents underlying issues such as:
  - Health and wellbeing,
  - Safeguarding,
  - Money management (Personal Budgeting Support and Debt Management)
  - Dependency issues,
  - Welfare rights and
  - Housing.
- The situation prevents an intended return to, or the continuation of, independent living in the community.

The scope of this Policy covers the following key areas:

### **What the Council may award the resident from the SDA Scheme**

One, all or a combination of the following:

- White goods, electrical goods, general furniture and goods for the home;
- Vouchers to purchase food items, redeemable for cash;
- Up to three Local Assistance Awards (the combination of utility top up and food voucher) in any rolling 12 month period;
- Payments for utilities will be made by topping up payment cards/keys – these must belong to the tenancy holder;
- Payment by direct credit to the relevant Council Tax account;
- A DHP may be awarded to support a move to cheaper alternative accommodation where the applicant is unable to access this support from other Council or partner organisations' home-move support schemes. This type of award will be limited to either a rent deposit or rent in advance in lieu of an on-going DHP award, or to cover reasonable removal costs. A DHP may be awarded for a rent deposit or rent in advance for a property that the claimant is yet to move into only if they are entitled to Housing Benefit or the Housing Costs element of Universal Credit at their present home, at the point at which the award is made;
- A DHP payment may include either direct payment to the claimant or landlord, or in the case of Derby Homes' tenants and specific Registered Social Landlords (RSLs), will be credited direct to their rent account. No awards are made in cash. The method of payment and payee will depend on the claimant's circumstances.

## 2. Eligibility criteria

For the general eligibility criteria of all awards included in the SDA payment a combination of the following conditions, depending on the type of award, must be satisfied.

Applicants must:

- Be aged 16 or over;
- Be in receipt of one of the following qualifying benefits\*:
  - Income Support;
  - Job Seekers Allowance;
  - Pension Credit;
  - Employment Support Allowance;
  - Disability Living Allowance (DLA) (middle to high rate care and/or high rate mobility);
  - Universal Credit (to be eligible for a DHP, the claimant must be receiving the Housing Costs element of UC, for rental liability);
  - An advance payment of Universal Credit;
  - Incapacity benefit (for those applicants who have not had this replaced by ESA);
  - Working Tax Credits;
  - Housing Benefit;
  - Council Tax Support;
  - Attendance allowance;
  - Bereavement allowance;
  - Carer's allowance;
  - Constant attendance allowance;
  - Contributory employment and support allowance;
  - Contribution-based jobseeker's allowance;
  - Maternity allowance;
  - Personal Independence Payment (Both Daily Living Components and/or the Enhanced Rate Mobility Component);
  - Statutory Sick Pay;
  - War disablement pension;
  - War widow's and widower's pension;
  - Widowed parent's allowance.
- Have more Council Tax to pay as a result of a reduced Council Tax discount or exemption, or the imposition of a Council Tax Empty Property premium arising from the Council Tax technical reforms, and who can demonstrate financial hardship or exceptional personal circumstances;
- Demonstrate financial hardship using the Council's online Income and Expenditure calculator as part of the SDA application
- Be fleeing domestic violence or hate crime, leaving long term hospital care or prison or re-settling after a period of homelessness;
- Make an application via the approved e-form and complete an online income and expenditure form;
- Agree to take up and remain engaged with the programme of support offered at time of award;

- Be the liable person on the relevant Council Tax bill where a Council Tax Hardship award is being requested.

\* Not all benefit types and criteria will qualify the applicant for all award types. A combination of eligibility criteria is applicable to each award under this Scheme.

Applicants who are aged 16 or 17 and who are not entitled to a Leaving Care Grant and can demonstrate a need for support may apply for assistance from the SDA Scheme.

Assessments on need will be based on individual circumstances which can include (but not exclusive to) consideration of the following factors:

- At risk of or affected by domestic abuse or hate crime;
- A mental health problem for which treatment or support is being received;
- A risk to the health and safety or wellbeing of the applicant;
- At risk of homelessness;
- A short fall in Housing Benefit;
- A short fall in the Universal Credit Housing Costs element for rental liability;
- A short fall in Council Tax Support;
- Having more Council Tax pay as a result of a reduced discount or exemption, or the imposition of a Council Tax Empty Property premium;
- Being unable to meet your immediate needs e.g. not being able to afford food/utility top ups.

The Council will set the value and period of the award that will be paid and where appropriate, successful applicants to the Scheme will be offered support to address their current financial hardship as well as the underlying issues that are contributing to their financial position which may include:

- Offering referrals to money advice;
- Budgeting support;
- Access to banking products;
- Access to digital skills support;
- Better off calculations (assessments of income and outgoings to help applicants better manage their money);
- Access to job clubs;
- Training and
- Housing advice.

Applicants must be willing to take up and remain with the most appropriate support recommended by the Council, which may include money advice; budgeting support; access to banking products; access to digital skills support; better off calculations (assessments of income and outgoings to help applicants better manage their money); access to job clubs and training and housing advice. Certain groups (including pensioners) will be excluded from any closer to work requirements.



We may not ask you to engage with 'towards work' activity where you:

- Are in receipt of Employment and Support Allowance and are in the Support Group;
- Are in receipt of Disability Living Allowance at either the highest rate of Care or the higher rate of the Mobility Component but do not fall in to a protected group above;
- Are in receipt of Personal Independence Payment at the enhanced rate of either the Daily Living component or the mobility component and do not fall in to a protected group above;
- Are a carer, and either in receipt of Carer's Allowance; or have an underlying entitlement to Carer's Allowance, or the Carer element is in your Universal Credit award.

In addition to these general eligibility criteria the applicant:

- May be asked to be living at the address they are claiming for;
- Must have a local connection; living in Derby for three of the last 12 months OR for at least three of the last five years, except in cases where applicants are fleeing violence or hate crime. The local connection criteria will not be applied to awards for DHPs.

Any on-going payment of DHP granted under this Policy will be for a period of up to six months, apart from the priority groups set out in section 3 below.

In the case of DHPs and CTH payments, awards may be adjusted during the award period if the claimant has a change in circumstances which affects their entitlement to Housing Benefit, the Housing Costs element of Universal Credit or Council Tax Support.

Where the DHP is being awarded to meet an on-going shortfall:

- (a) For Housing Benefit claimants the DHP award cannot exceed the claimant's eligible rent amount;
- (b) For Universal Credit claimants the level of DHP award cannot exceed the claimant's Housing Element amount.

Assistance awards meeting the criteria will be supported provided the Scheme has sufficient funds and is meeting its legal duties.

Decisions about future awards will take into account where the Council has recommended a package of support during the first six month award and the claimant has not engaged.

### **3. Priority Groups**

The following claimants will be treated as being priority groups for the purposes of DHP awards:

- Foster carers;
- Carers;
- Households where substantial disabled adaptations have been undertaken to meet the disability needs of a household member;
- Households with a child who is unable to share a bedroom due to disability and where any of the following applies:
  - a. There is a claim for child DLA care component at the middle or highest rate in payment;
  - b. There is no entitlement to DLA care component at the middle or highest rate but the child has a disability that may be particularly disruptive.

For claimants in priority groups, DHP awards can be allowed for up to 12 months.

### **4. When the Council may not make an award via the SDA Policy**

Applications for assistance may be declined if one or more of the following apply:

- a. Support is available through other statutory or discretionary provision;
- b. Other support has been granted for this need or situation;
- c. Eligibility criteria not met;
- d. For Housing Benefit Claimants the shortfall in HB is because of: deductions made from HB to recover a prior HB overpayment; service charges that are ineligible for HB; increases in rent due to outstanding rent arrears or certain sanctions;
- e. For UC claimants, the shortfall in UC is because of deductions made from UC to recover a prior HB overpayment or service charges that are ineligible for UC;
- f. The applicant is not the main tenancy holder;
- g. The applicant is not the liable person named on the Council Tax bill;
- h. A need for support is not evidenced;
- i. Exceptional financial circumstances not evidenced;
- j. Applicant/circumstances/items are excluded;
- k. The Applicant has access to capital or savings;
- l. Council unable to support the application within allocated funds;
- m. Applicant does not have recourse to public funds;
- n. Applicant refuses to engage with the support that may be offered as part of this Scheme or complete the recommended measures/advice.

## **5. Internal Administration**

All services engaged with vulnerable applicants have a responsibility to ensure the principles of this Policy are fully supported; that demands on the fund are genuine.

Where the Council holds a duty to fulfil the support needs under its range of statutory functions the applicant is required to explore these support services at the earliest opportunity.

All departments work collaboratively to ensure that the Scheme is run in the most economical and effective manner for applicants and wider Derby residents.

The Policy (and therefore all awards) will be reviewed annually to ensure that it continues to be operated economically and effectively for the residents of Derby, with the funding and resources that it has available to it. This will include consideration of new and developing issues such as Brexit and Universal Credit migration where and when they may impact the Policy, when more information is known on those subjects.

## **6. Legislation, guidance and standards**

There is no statutory obligation to run a SDA Scheme but in order to provide the best value to the residents of Derby and to provide a resilient support structure for our most vulnerable residents Derby City Council is committed to:

- Work in partnership with the local Third Sector to develop Schemes;
- Explore a range of in-kind support, and to link to advice, information and advocacy;
- Explore a full range of models for delivery.

## **7. Disputed decisions**

Each of the award types within the SDA Policy are subject to different rules for reviewing disputed and appealed decisions.

### **Local Assistance Awards**

This award is not subject to a formal appeals process by virtue that any decision to make a payment is of a discretionary nature.

Where an application is declined and a decision is disputed for a reason other than one relating to exclusions from the Scheme, an officer independent of the original decision maker will review the decision. Matters relating to exclusions are not open to review.

The reviewing officer's decision is final and binding.

## **CTH Awards**

The applicant, or their representative, must submit an e-form request for the decision to be reviewed. They must set out the reasons why they believe the decision should be reviewed. All requests, with supporting information, must be made within 21 days of the decision being notified.

A claimant may appeal under Section 16 of the Local Government Finance Act 1992 against the Council's decision regarding their eligibility for Council Tax Hardship, in the first instance by writing to the Council – within one month of the date of decision - to request that it be reconsidered. The Council will then reconsider its decision and notify the claimant of its considerations and reasons for its decision.

The claimant then has a further two months to request a subsequent and independent review of their appeal by the Valuation Tribunal for England following the above process.

## **DHP Awards**

DHPs are not subject to a formal appeals process as all payments made by the Council are of a discretionary nature.

Where an application is declined and a decision is disputed for a reason other than one relating to exclusions from the Scheme, an applicant or their representative may request a review.

All requests for reviews must:

- Be made by the applicant or their representative
- Be submitted as a written e-request
- Set out the reasons why they believe the decision should be reviewed
- Be made within 21 calendar days of the original decision being notified.

The request will be reviewed by another officer who has delegated authority to make the decision. This reviewing officer's decision is final and binding and completes the internal review process.

## **8. Data Access and Sharing**

Derby City Council will treat all information provided in confidence and in accordance with the Data Protection Act 2018.

Full details of how data will be treated are contained in the Welfare Reform Team Privacy Notice at <https://www.derby.gov.uk/privacy-notice/>.

## **9. Evaluation and review**

The Council will review the Scheme arrangements and amend as necessary based on emerging needs and demands.

We are committed to reviewing this Scheme every calendar year to ensure that it:

1. Offers best value for money for the local taxpayer;
2. Is meeting the needs of our most vulnerable residents;
3. Reflects any new statutory requirements upon the Council;
4. Is helping to prepare our residents for the impact of national welfare reform and Universal Credit transition over the coming years.

## **Appendix 1**

### **Alternative Options**

The Council has a wide range of statutory duties to address exceptional vulnerable needs and to support independent living. In addition Government Departments and the Third Sector provide support for vulnerable citizens. The Council's SDA Scheme will compliment these duties and will avoid duplication or replication of existing support.

The following lists alternate support for guidance purposes. It is not intended to be exhaustive.

#### **DWP**

The DWP retains responsibility for administration of a series of one off grants and loans to assist people on benefits who are experiencing short-term financial pressures or difficulties. These include:

- a. Maternity Expenses;
- b. Funeral Expenses;
- c. Daily Living Expenses;
- d. Cold weather payments;
- e. Winter Fuel Payments;
- f. Budgeting or alignment loans to bridge short-term financial pressures
- g. New claim advances which are repayable over a stated period of time

Budgeting Advances for residents on Universal Credit will provide valuable access to an interest-free advance for one-off items, for claimants that have been continuously receiving an income related benefit for a period of 6 months and have no, or very low, income. A Budgeting Advance might be required to:

- a. Buy furniture or household equipment;
- b. Buy clothing and footwear;
- c. Pay rent in advance, in order to secure a new tenancy or removal expenses;
- d. Pay for essential home improvements;
- e. Help with travel to work costs;
- f. Help with maternity and funeral expenses;
- g. Help cover the cost of obtaining work or remaining in work (in particular, upfront child care costs).

#### **Prison Service**

People leaving prison are provided with a discharge grant of £50.

## Charitable Funds

### What is a charitable fund?

Charitable funds give grants to a range of people who have a financial need and meet the criteria of the fund. The fund is an amount of money that has been set aside by the grant giving charity for a particular purpose. They are run by charities that often have grant giving as part of their aims and objectives.

Some charities run only one fund however others will have several for different purposes. You will often find that the fund or funds will reflect the work that the charity does and will often have a particular focus, for example:

- Particular disabilities or illnesses;
- Jobs or industries that the person applying has either worked in previously or works in currently;
- Faiths;
- Nationalities;
- Living in particular areas of the UK;
- Trying to manage on a low income;
- A specific age group (older people, children and young people etc.);
- Partners/children of people applying to the fund.

Using resources to find charitable grants for the people that you work with can be done via Turn2us.

Turn2us is a free service that helps people in financial need to access welfare benefits, charitable grants and other financial help. Support can be accessed online, by telephone and face to face through partner organisations. The Turn2us website has a quick and easy grant searching tool that uses criteria to establish what grants might be available to the person you are working with:

<http://www.turn2us.org.uk/default.aspx>

See also:

<http://www.glasspool.org.uk/home/homepage> for other grants