

Housing Benefit

Urgent Bulletin

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<http://www.dwp.gov.uk/local-authority-staff/housing-benefit/>

HB U4/2013

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Contact	Queries about the <ul style="list-style-type: none">• bulletin in general, contact housing.benefitenquiries@dwp.gsi.gov.uk• distribution of this bulletin, contact housing.correspondenceandPQs@dwp.gsi.gov.uk
Who should read	All Housing Benefit (HB) staff
Action	For information

Discretionary Housing Payments – additional funding

- 1 On 30 July 2013 the Government announced a package of new in-year funding for local authorities (LAs) to help support Housing Benefit (HB) claimants who are continuing to adjust to the removal of the spare room subsidy.
- 2 The total additional funding package for 2013/14 will be £35 million and comprises of:
 - £10 million of new in-year transitional funding (see HB Circular S5/2013 also issued on 30 July)
 - £5 million of new Discretionary Housing Payment (DHP) funding for isolated rural areas
 - £20 million of new DHP funding that which will be available for LAs to submit bids for. (Further details of the scheme will be issued shortly).
- 3 For some more remote and fragile communities the geography means that the potential remedies to those affected by the removal of the spare room subsidy are less readily available; work, alternative accommodation, people looking for lodgings, etc. To avoid a disproportionate impact on those affected by the policy in remote and isolated communities and in

some cases on the communities as a whole, it was considered appropriate to provide additional support to those affected. £5 million of new DHP funding will be allocated to the 21 least densely populated LAs. This includes the majority of remote and fragile small communities in England, Scotland and Wales. A full list of the 21 least densely populated areas is attached at **Annex A**.

- 4 To help LAs identify and target the isolated and remote communities within their area additional DHP guidance has been provided and this is attached at **Annex B**.

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Annex A**The 21 least densely populated local authorities in England, Scotland and Wales**

Top 21	Local authority
1	Eilean Siar
2	Highland
3	Argyll and Bute
4	Shetland Islands
5	Orkney Islands
6	Dumfries and Galloway
7	Eden
8	Scottish Borders
9	Powys
10	Perth and Kinross
11	Ryedale
12	Aberdeenshire
13	Moray
14	Richmondshire
15	Stirling
16	Ceredigion
17	West Devon
18	Craven
19	Gwynedd
20	West Somerset
21	Angus

Revised DHP guidance for rural areas

Support for rural areas

1. Normally, claimants may find work, increase hours, take in a lodger or ask for higher contributions from family member to mitigate the impact of the removal of the spare room subsidy.
2. These remedies are less readily available to people living in remote or isolated communities, because of location and in addition there is a lack of smaller properties to downsize to.
3. A standard definition of a remote or isolated community does not exist; LAs are therefore better placed to determine whether a person's location has a significant impact on their ability to meet the rent shortfall. LAs may wish therefore to consider DHP support for these claimants.
4. When setting priorities LAs may wish to consider:
 - the distance and travelling time to the nearest settlement. One measure of settlement would be a town or village of at least 6,000 people where there are businesses and services that could provide employment
 - the distance by public transport to or from the nearest settlement. Remote or isolated communities are likely to be more than 60-90 minutes by public transport
 - the regularity, timing and frequency of public transport services (as well as the availability of alternative transport modes including community transport which may provide a viable alternative to commercial public transport provision) as well as the claimant's ability to use public transport. Where the claimant has access to private transport the distance to the nearest settlement (e.g. 25 - 40 miles) having regard to the higher costs associated with car use in rural areas, local road or sea crossing conditions, which may vary by season.
 - the availability or relative scarcity of properties locally. You may wish to have regard to homes under construction but not yet available for occupation
 - informal care arrangements from or for relatives, friends or neighbours where there is limited access to more formal care services
 - the impact on the wider community i.e. whether without a DHP families would face the upheaval of moving to a different area and this in turn compromises the availability of services in that community (e.g. possible closure of a small school if there is a reduction in number of children attending)

Note: this list is not exhaustive.

Example

Mrs Macdonald lives alone in a 2 bedroom property which is 60 minutes away by public transport from the nearest settlement of 6,000.

She has lived in this community all her life and also acts as a carer for her elderly parents.

She is willing to downsize however one bedroom properties do not exist locally.

The LA may conclude that although she lives only 60 minutes away from the nearest settlement a DHP may be appropriate because of the potential impact on the wider community, i.e. moving to a smaller property out with of her local area, may prevent her from fulfilling her care commitments. Due to the isolated location and the nature of the care her parents require this in turn could lead to more funding issues for her local community as formal care services will need to be provided.