

## Housing Benefit and Council Tax Benefit Circular

Department for Work and Pensions

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# HB/CTB S8/2011

### SUBSIDY CIRCULAR

<b>WHO SHOULD READ</b>	All Housing Benefit (HB) and Council Tax Benefit (CTB) staff. Officers preparing claims for Discretionary Housing Payments (DHPs)
<b>ACTION</b>	For information
<b>SUBJECT</b>	Carry forward of 2011/12 Discretionary Housing Payments (DHPs) Funding to 2012/13

### Guidance Manual

The information in this circular does not affect the content of the HB/CTB Guidance Manual.

### Queries

If you

- want **extra copies of this circular/copies of previous circulars**, they can be found on the website at <http://www.dwp.gov.uk/local-authority-staff/housing-benefit/user-communications/hbctb-circulars/>
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# Carry forward of 2011/12 Discretionary Housing Payments (DHPs) Funding to 2012/13

## Introduction

1. As you know, the Government announced in the June 2010 Budget a significant increase in DHP funding: an additional £10 million in 2011/12 and an additional £40m in each of the three years beginning 2012/13. The purpose of this increase in funding is to provide LAs with more flexibility to help a greater number of new and existing customers who face a shortfall in rent because of changes to Local Housing Allowance (LHA) which came into effect on 1<sup>st</sup> April 2011.
2. After this Budget announcement about DHPs, the Government announced some transitional protection measures to mitigate the effects of the Housing Benefit reforms. This, in turn, has led some LAs to anticipate less demand for DHPs in 2011/12 than originally envisaged and more demand in 2012/13. As a consequence, some LAs have contacted the Department to enquire about the possibility of LAs carrying forward some of their 2011/12 funding to 2012/13, where they reckon there would be a greater need for DHP funding to support claimants.
3. The Department accepts that, in these circumstances, there is a case for carry-over from 2011/12 to 2012/13. In order for the Department to account for this transfer of funding, we need to identify the total amount required by LAs to be carried forward.

## Next steps

4. Those LAs who wish to carry forward part of their 2011/12 DHP Government contribution to 2012/13 should include this request with the submission of their 2011/12 DHP final claims by **30 April 2012**. Requests received after this deadline will **not** be considered. Requests must be sent to the same address as the final claims (**Shared Services, Department for Work and Pensions, SHSVCS Accounting Services, Housing Benefit Unit (Room 510), Norcross, Blackpool, FY5 3TA**).
5. As soon as possible after this deadline we will confirm to LAs in a circular, the full Government contribution for 2012/13 which will include the 2011/12 carried over amounts.
6. In the event of DHP funding being carried over from 2011/12 to 2012/13, LAs should note that the spending limit of 2.5 times the Government contribution will apply to the revised allocation for both years.

7. This approval to carry forward funding is a one-off. However, we will review our position regarding similar requests for the carry over of DHP Government contributions beyond 2012/2013.