

## Housing Benefit and Council Tax Benefit Circular

Department for Work and Pensions

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# HB/CTB S10/2011 (Revised)

### SUBSIDY CIRCULAR

<b>WHO SHOULD READ</b>	All HB and CTB staff. Officers preparing claims for Discretionary Housing Payments (DHPs)
<b>ACTION</b>	For information only
<b>SUBJECT</b>	Details of the government funding to local authorities for DHPs in 2012/13

### Guidance Manual

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

HB/CTB Circular S10/2011 provided details of the 2012/13 DHP allocations. Unfortunately, we have identified an issue with the allocations which relates to the mid-point formula used to allocate £20 million of the total funding. The allocation of the additional £40 million intended to provide support during the implementation of the Local Housing Allowance changes is unaffected.

Of the 17 Local Authorities affected, 12 had their allocations understated, while it was overstated for 5.

This revised circular rectifies the anomaly and shows the correct individual allocation for each Local Authority.

### Queries

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## **Discretionary Housing Payments Government contribution for 2012/13**

### **Introduction**

- 1 Following the announcement of the 2012/13 Government contribution and overall expenditure limit for Discretionary Housing Payments (DHPs), it has come to light that an error has occurred in the calculation of the mid-point used in the allocation of the initial £20m, which affects the overall allocation for 17 local authorities (LAs). We are consequently issuing this circular with revised allocations.

### **Background**

- 2 The Department's annual funding for DHPs was £20m up until April 2011. To help LAs manage the impact of the Housing Benefit (HB) reforms announced in the June 2010 budget, Ministers agreed to increase DHP funding to £30 million in 2011/12 and to £60 million for 2012/13 and for the remainder of the Spending Review period. The purpose of the additional 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 HB.

### **Distribution of the Government contribution and upper limit for 2012/13**

- 3 The distribution formula is intended, as far as possible, to target resources according to need. Given the size of the additional funding we sought the views of LAs as to how the £60m may best be allocated.
- 4 Taking into account LA views on various distribution options and following discussions with the local authority associations (LAAs), we agreed to allocate £20m on the same basis that we had done in previous years. This takes the mid-point between each LA's spend for the latest year for which we have reliable data and its contribution for that year. So, for example, if the LA had a contribution of £50,000 and spent £40,000, it would be allocated £45,000. And if it had spent £70,000, it would be allocated £60,000.
- 5 The balance of £40 million is to be allocated on the basis of each LA's share of total anticipated losses<sup>1</sup> experienced by HB claimants as a result of the reforms to the Local Housing Allowance.
- 6 The overall allocation for each LA has been adjusted to ensure that no LA is allocated less than their 2011/12 allocation, as the main concern is that we provide stability in funding to individual LAs from one year to the next. This

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<sup>1</sup>Losses are calculated as the difference between what a claimant received pre reforms (i.e. the minimum of their contractual weekly rent or the median LHA rate) and what they would receive post reforms (i.e. the minimum of their contractual weekly rent, 30<sup>th</sup> percentile LHA rate, LHA cap or 30<sup>th</sup> percentile shared room rate if applicable).

adjustment applies the same methodology as the “netting” process used in the distribution of administration subsidy.

- 7 Appendix A shows each authority’s allocation and upper spending limit for 2012/13 based on the methodology agreed with the LAAs.

## Allocation of the £60m fund for Discretionary Housing Payments 2012/13

Local Authority	Government contribution	Overall limit (2.5x)
Aberdeen	£94,240	£235,600
Aberdeenshire	£45,276	£113,190
Adur	£35,720	£89,300
Allerdale	£19,018	£47,545
Amber Valley	£66,634	£166,585
Angus	£56,313	£140,783
Argyll and Bute	£58,246	£145,615
Arun	£119,866	£299,665
Ashfield	£108,356	£270,890
Ashford	£63,529	£158,823
Aylesbury Vale	£69,674	£174,185
Babergh	£49,192	£122,980
Barking & Dagenham	£303,204	£758,010
Barnet	£805,443	£2,013,608
Barnsley	£120,775	£301,938
Barrow in Furness	£38,479	£96,198
Basildon	£106,373	£265,933
Basingstoke and Deane	£56,422	£141,055
Bassetlaw	£41,101	£102,753
Bath & North East Somerset	£127,197	£317,993
Bedford	£124,399	£310,998
Bexley	£158,342	£395,855
Birmingham	£1,515,554	£3,788,885
Blaby	£35,718	£89,295
Blackburn with Darwen	£136,916	£342,290
Blackpool	£385,905	£964,763
Blaenau Gwent	£49,846	£124,615
Bolsover	£29,356	£73,390
Bolton	£201,943	£504,858
Boston	£30,716	£76,790
Bournemouth	£280,684	£701,710
Bracknell Forest	£45,263	£113,158
Bradford	£481,618	£1,204,045
Braintree	£65,845	£164,613
Breckland	£93,691	£234,228
Brent	£1,642,653	£4,106,633
Brentwood	£40,046	£100,115
Bridgend	£118,999	£297,498
Brighton and Hove	£633,236	£1,583,090
Bristol	£479,366	£1,198,415
Broadland	£37,182	£92,955
Bromley	£226,883	£567,208
Bromsgrove	£26,786	£66,965
Broxbourne	£67,571	£168,928
Broxtowe	£46,525	£116,313
Burnley	£65,113	£162,783

<b>Local Authority</b>	<b>Government contribution</b>	<b>Overall limit (2.5x)</b>
Bury	£144,585	£361,463
Caerphilly	£66,516	£166,290
Calderdale	£134,149	£335,373
Cambridge	£64,580	£161,450
Camden	£703,028	£1,757,570
Cannock Chase	£30,155	£75,388
Canterbury	£87,410	£218,525
Cardiff	£444,302	£1,110,755
Carlisle	£34,823	£87,058
Carmarthenshire	£116,968	£292,420
Castle Point	£69,066	£172,665
Central Bedfordshire	£76,880	£192,200
Ceredigion	£102,788	£256,970
Charnwood	£40,519	£101,298
Chelmsford	£85,216	£213,040
Cheltenham	£79,918	£199,795
Cherwell	£114,239	£285,598
Cheshire East	£196,573	£491,433
Cheshire West and Chester	£156,488	£391,220
Chesterfield	£64,446	£161,115
Chichester	£152,336	£380,840
Chiltern	£50,241	£125,603
Chorley	£31,203	£78,008
Christchurch	£33,876	£84,690
City of London	£11,168	£27,920
Clackmannanshire	£23,661	£59,153
Colchester	£246,782	£616,955
Comhairle nan Eilean Siar	£10,582	£26,455
Conwy	£131,108	£327,770
Copeland	£20,546	£51,365
Corby	£23,695	£59,238
Cornwall	£489,909	£1,224,773
Cotswold	£38,210	£95,525
Coventry	£329,445	£823,613
Craven	£23,132	£57,830
Crawley	£91,558	£228,895
Croydon	£676,991	£1,692,478
Dacorum	£87,942	£219,855
Darlington	£101,761	£254,403
Dartford	£69,217	£173,043
Daventry	£20,879	£52,198
Denbighshire	£102,787	£256,968
Derby	£234,767	£586,918
Derbyshire Dales	£24,479	£61,198
Doncaster	£226,373	£565,933
Dover	£113,052	£282,630
Dudley	£163,918	£409,795
Dumfries and Galloway	£63,250	£158,125
Dundee	£114,767	£286,918
Durham	£333,938	£834,845
Ealing	£960,814	£2,402,035

<b>Local Authority</b>	<b>Government contribution</b>	<b>Overall limit (2.5x)</b>
East Ayrshire	£49,849	£124,623
East Cambridgeshire	£43,234	£108,085
East Devon	£117,312	£293,280
East Dorset	£44,216	£110,540
East Dunbartonshire	£42,723	£106,808
East Hampshire	£32,271	£80,678
East Hertfordshire	£63,214	£158,035
East Lindsey	£113,193	£282,983
East Lothian	£47,911	£119,778
East Northamptonshire	£24,334	£60,835
East Renfrewshire	£25,501	£63,753
East Riding of Yorkshire	£210,278	£525,695
East Staffordshire	£50,298	£125,745
Eastbourne	£140,437	£351,093
Eastleigh	£42,203	£105,508
Eden	£11,090	£27,725
Edinburgh	£570,286	£1,425,715
Elmbridge	£163,579	£408,948
Enfield	£727,496	£1,818,740
Epping Forest	£62,323	£155,808
Epsom and Ewell	£58,866	£147,165
Erewash	£92,075	£230,188
Exeter	£103,758	£259,395
Falkirk	£37,972	£94,930
Fareham	£33,983	£84,958
Fenland	£48,655	£121,638
Fife	£165,386	£413,465
Flintshire	£114,426	£286,065
Forest Heath	£45,759	£114,398
Forest of Dean	£44,888	£112,220
Fylde	£46,541	£116,353
Gateshead	£116,091	£290,228
Gedling	£53,042	£132,605
Glasgow	£1,393,221	£3,483,053
Gloucester	£89,197	£222,993
Gosport	£39,774	£99,435
Gravesham	£81,863	£204,658
Great Yarmouth	£115,290	£288,225
Greenwich	£470,249	£1,175,623
Guildford	£82,340	£205,850
Gwynedd	£150,474	£376,185
Hackney	£817,525	£2,043,813
Halton	£87,105	£217,763
Hambleton	£24,180	£60,450
Hammersmith and Fulham	£476,762	£1,191,905
Harborough	£18,037	£45,093
Haringey	£853,168	£2,132,920
Harlow	£59,342	£148,355
Harrogate	£90,505	£226,263
Harrow	£316,372	£790,930
Hart	£24,599	£61,498



<b>Local Authority</b>	<b>Government contribution</b>	<b>Overall limit (2.5x)</b>
Hartlepool	£121,742	£304,355
Hastings	£156,525	£391,313
Havant	£67,207	£168,018
Havering	£164,932	£412,330
Herefordshire	£80,440	£201,100
Hertsmere	£60,026	£150,065
High Peak	£59,176	£147,940
Highland	£80,994	£202,485
Hillingdon	£335,826	£839,565
Hinckley and Bosworth	£25,896	£64,740
Horsham	£52,072	£130,180
Hounslow	£320,788	£801,970
Huntingdonshire	£56,646	£141,615
Hyndburn	£83,308	£208,270
Inverclyde	£55,072	£137,680
Ipswich	£131,342	£328,355
Isle of Anglesey	£65,539	£163,848
Isle of Wight	£111,808	£279,520
Isles of Scilly	£56	£140
Islington	£496,069	£1,240,173
Kensington and Chelsea	£1,381,186	£3,452,965
Kettering	£47,556	£118,890
King's Lynn & West Norfolk	£94,546	£236,365
Kingston upon Hull	£232,216	£580,540
Kingston upon Thames	£168,750	£421,875
Kirklees	£432,434	£1,081,085
Knowsley	£167,471	£418,678
Lambeth	£482,259	£1,205,648
Lancaster	£91,619	£229,048
Leeds	£881,724	£2,204,310
Leicester	£209,549	£523,873
Lewes	£83,495	£208,738
Lewisham	£609,034	£1,522,585
Lichfield	£30,807	£77,018
Lincoln	£98,865	£247,163
Liverpool	£755,808	£1,889,520
Luton	£172,589	£431,473
Maidstone	£126,623	£316,558
Maldon	£28,248	£70,620
Malvern Hills	£33,932	£84,830
Manchester	£721,216	£1,803,040
Mansfield	£49,295	£123,238
Medway	£250,518	£626,295
Melton	£11,447	£28,618
Mendip	£75,926	£189,815
Merthyr Tydfil	£32,332	£80,830
Merton	£263,862	£659,655
Mid Devon	£37,872	£94,680
Mid Suffolk	£33,541	£83,853
Mid Sussex	£49,948	£124,870
Middlesbrough	£174,255	£435,638

<b>Local Authority</b>	<b>Government contribution</b>	<b>Overall limit (2.5x)</b>
Midlothian	£42,324	£105,810
Milton Keynes	£219,692	£549,230
Mole Valley	£36,070	£90,175
Monmouthshire	£43,585	£108,963
Moray	£18,543	£46,358
Neath Port Talbot	£130,358	£325,895
New Forest	£93,754	£234,385
Newark and Sherwood	£39,459	£98,648
Newcastle under Lyme	£37,889	£94,723
Newcastle upon Tyne	£198,125	£495,313
Newham	£523,047	£1,307,618
Newport	£109,584	£273,960
North Ayrshire	£95,074	£237,685
North Devon	£67,853	£169,633
North Dorset	£21,671	£54,178
North East Derbyshire	£21,956	£54,890
North East Lincolnshire	£132,716	£331,790
North Hertfordshire	£51,262	£128,155
North Kesteven	£42,589	£106,473
North Lanarkshire	£163,264	£408,160
North Lincolnshire	£76,136	£190,340
North Norfolk	£49,802	£124,505
North Somerset	£217,264	£543,160
North Tyneside	£115,318	£288,295
North Warwickshire	£30,208	£75,520
North West Leicestershire	£22,255	£55,638
Northampton	£162,394	£405,985
Northumberland	£154,547	£386,368
Norwich	£90,697	£226,743
Nottingham	£211,880	£529,700
Nuneaton and Bedworth	£83,255	£208,138
Oadby and Wigston	£19,600	£49,000
Oldham	£173,221	£433,053
Orkney	£3,042	£7,605
Oxford	£229,846	£574,615
Pembrokeshire	£94,040	£235,100
Pendle	£54,402	£136,005
Perth and Kinross	£43,018	£107,545
Peterborough	£143,833	£359,583
Plymouth	£224,043	£560,108
Poole	£125,520	£313,800
Portsmouth	£189,015	£472,538
Powys	£61,596	£153,990
Preston	£70,062	£175,155
Purbeck	£22,769	£56,923
Reading	£232,717	£581,793
Redbridge	£384,741	£961,853
Redcar and Cleveland	£107,345	£268,363
Redditch	£47,732	£119,330
Reigate and Banstead	£46,323	£115,808
Renfrewshire	£74,462	£186,155

<b>Local Authority</b>	<b>Government contribution</b>	<b>Overall limit (2.5x)</b>
Rhondda Cynon Taf	£170,679	£426,698
Ribble Valley	£13,884	£34,710
Richmond upon Thames	£202,337	£505,843
Richmondshire	£20,008	£50,020
Rochdale	£170,937	£427,343
Rochford	£40,619	£101,548
Rossendale	£46,879	£117,198
Rother	£88,300	£220,750
Rotherham	£105,915	£264,788
Rugby	£31,393	£78,483
Runnymede	£38,380	£95,950
Rushcliffe	£27,441	£68,603
Rushmoor	£51,871	£129,678
Rutland	£12,802	£32,005
Ryedale	£16,939	£42,348
Salford	£252,778	£631,945
Sandwell	£210,661	£526,653
Scarborough	£106,831	£267,078
Scottish Borders	£38,787	£96,968
Sedgemoor	£79,709	£199,273
Sefton	£252,982	£632,455
Selby	£30,222	£75,555
Sevenoaks	£56,674	£141,685
Sheffield	£239,714	£599,285
Shepway	£116,110	£290,275
Shetland	£721	£1,803
Shropshire	£106,201	£265,503
Slough	£222,406	£556,015
Solihull	£120,204	£300,510
South Ayrshire	£153,344	£383,360
South Bucks	£34,014	£85,035
South Cambridgeshire	£65,408	£163,520
South Derbyshire	£44,076	£110,190
South Gloucestershire	£164,787	£411,968
South Hams	£91,310	£228,275
South Holland	£37,739	£94,348
South Kesteven	£56,585	£141,463
South Lakeland	£47,049	£117,623
South Lanarkshire	£217,462	£543,655
South Norfolk	£68,286	£170,715
South Northamptonshire	£19,391	£48,478
South Oxfordshire	£51,618	£129,045
South Ribble	£30,608	£76,520
South Somerset	£99,725	£249,313
South Staffordshire	£30,653	£76,633
South Tyneside	£86,310	£215,775
Southampton	£209,836	£524,590
Southend on Sea	£264,038	£660,095
Southwark	£331,962	£829,905
Spelthorne	£58,816	£147,040
St Albans	£73,735	£184,338

<b>Local Authority</b>	<b>Government contribution</b>	<b>Overall limit (2.5x)</b>
St Edmundsbury	£57,250	£143,125
St Helens	£115,715	£289,288
Stafford	£34,333	£85,833
Staffordshire Moorlands	£35,346	£88,365
Stevenage	£46,850	£117,125
Stirling	£48,493	£121,233
Stockport	£220,414	£551,035
Stockton on Tees	£145,919	£364,798
Stoke on Trent	£233,792	£584,480
Stratford on Avon	£148,696	£371,740
Stroud	£69,663	£174,158
Suffolk Coastal	£74,464	£186,160
Sunderland	£250,304	£625,760
Surrey Heath	£26,225	£65,563
Sutton	£179,625	£449,063
Swale	£159,404	£398,510
Swansea	£201,137	£502,843
Swindon	£88,906	£222,265
Tameside	£155,813	£389,533
Tamworth	£28,863	£72,158
Tandridge	£46,304	£115,760
Taunton Deane	£61,818	£154,545
Teignbridge	£114,241	£285,603
Telford and Wrekin	£102,810	£257,025
Tendring	£172,489	£431,223
Test Valley	£46,565	£116,413
Tewkesbury	£45,834	£114,585
Thanet	£238,850	£597,125
Three Rivers	£53,134	£132,835
Thurrock	£128,654	£321,635
Tonbridge and Malling	£41,969	£104,923
Torbay	£268,360	£670,900
Torfaen	£56,709	£141,773
Torridge	£46,738	£116,845
Tower Hamlets	£469,585	£1,173,963
Trafford	£136,311	£340,778
Tunbridge Wells	£52,971	£132,428
Uttlesford	£45,061	£112,653
Vale of Glamorgan	£99,466	£248,665
Vale of White Horse	£40,523	£101,308
Wakefield	£242,290	£605,725
Walsall	£151,214	£378,035
Waltham Forest	£472,465	£1,181,163
Wandsworth	£613,175	£1,532,938
Warrington	£92,939	£232,348
Warwick	£73,114	£182,785
Watford	£75,847	£189,618
Waveney	£122,793	£306,983
Waverley	£65,841	£164,603
Wealden	£105,336	£263,340
Wellingborough	£25,594	£63,985

<b>Local Authority</b>	<b>Government contribution</b>	<b>Overall limit (2.5x)</b>
Welwyn Hatfield	£36,512	£91,280
West Berkshire	£116,340	£290,850
West Devon	£35,411	£88,528
West Dorset	£53,978	£134,945
West Dunbartonshire	£67,016	£167,540
West Lancashire	£53,277	£133,193
West Lindsey	£48,344	£120,860
West Lothian	£79,785	£199,463
West Oxfordshire	£44,209	£110,523
West Somerset	£28,358	£70,895
Westminster	£3,748,603	£9,371,508
Weymouth and Portland	£82,043	£205,108
Wigan	£157,043	£392,608
Wiltshire	£227,565	£568,913
Winchester	£38,744	£96,860
Windsor and Maidenhead	£122,068	£305,170
Wirral	£463,875	£1,159,688
Woking	£60,979	£152,448
Wokingham	£49,411	£123,528
Wolverhampton	£202,097	£505,243
Worcester	£66,469	£166,173
Worthing	£75,108	£187,770
Wrexham	£43,395	£108,488
Wychavon	£41,517	£103,793
Wycombe	£93,242	£233,105
Wyre	£94,168	£235,420
Wyre Forest	£56,945	£142,363
York	£116,422	£291,055
<b>Total</b>	<b>£60,000,000</b>	