

Welfare Reform Committee Debate: The Impact of Welfare Reform, Thursday 13 March 2014

Shelter Scotland welcomes this debate on the impact of welfare reform brought forward by the Welfare Reform committee. Shelter Scotland has been and will continue to campaign against some of the most damaging UK government welfare reforms which impact on vulnerable tenants in Scotland.

We believe the priority remains to ensure money gets into people's hands to help them pay their rent. We therefore welcomed the £20 million from the Scottish Government to allow local authorities to 'top up' their Discretionary Housing Payment (DHP) funds and the subsequent announcement for a further £15 million if agreement can be reached with the Department for Work and Pensions (DWP) to protect tenants' current levels of benefit. As no answer has been received from the DWP to this request for the £15 million we look to the Scottish Government to formulate additional plans to support tenants. More should also be done to protect the future of social housing through examining measures such as off-setting bad debts that could undermine future house building plans.

DHPs are taking an increasingly central role in how local authorities are expected to mitigate the impacts of the welfare changes, by mediating cuts to household budgets, preventing homelessness and extreme hardship. Local authorities need to ensure the DHP funds are getting to those most in need.

Shelter Scotland has been monitoring how the DHP funding has been allocated to tenants and has found that the level of spending in each local authority across Scotland has been varied. Our recent report '[Monitoring the use of discretionary housing payments in Scotland](#)' has found that by the end of December 2013 ten local authorities had spent equal to or above 66% of their overall DHP budget for the year, while eight local authorities had spent less than 30% of the funding available. Further information on each local authority and how they are allocating the DHP funds can be found in our report.¹

It is essential that all local authorities should endeavour to allocate their whole DHP fund, including the extra contribution from the Scottish Government, by the end of 2013-14. Local authorities who have yet to spend the DWP portion of the DHP budget should prioritise this before the end of this financial year, as this money cannot be carried over into 2014-15. This requires a proactive and hands on approach to allocating DHP to those who need it most. Local authorities should also

¹ 'Monitoring the use of discretionary housing payments in Scotland' can be found here: http://scotland.shelter.org.uk/professional_resources/policy_library/policy_library_folder/monitoring_the_use_of_discretionary_housing_payments_in_scotland

review all previous DHP applications in light of the funds made available by the Scottish Government in October 2013.

We recommend that all local authorities:

- publish a DHP policy outlining targeted groups, 'who should be applying' and 'how payments will be made'
- have a clear process as to how applications will be processed and DHPs awarded
- support partnerships with advice and support organisations in order to position DHPs within a wider support framework.

This approach is essential if we are to encourage eligible applicants to apply to their local authority's DHP fund, where possible preventing hardship and homelessness as a consequence of the UK government's welfare reforms.

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