

Supporting information in relation consultation options

P1: Develop criteria for a “budget brake” to enable prioritisation of applications

Two possible criteria for prioritising DDF to address budget pressures could be ‘vulnerability’ and ‘reason for application’.

Vulnerability

Analysis has shown that 45% of applicants have one of a number of factors that could mean they could be regarded as vulnerable, including for example people experiencing domestic abuse; residents with mental health issues; families impacted by the benefit cap; and those recently released from prison (not an exhaustive list).

Reason for application

ECPs support residents in range of challenging circumstances. Applications can cite a number of challenging circumstances, including lack of income during a new benefit claim; fleeing a violent or abusive situation; cost of living pressures; a domestic fire or flood; and taking in an additional family member (not exhaustive list).

EPGs are awarded for specific items. In 2022-23 these items were as follows:

Table 5 – Exceptional Pressure Grant awards 2022-23

Item	Number awarded 2022/23	% of awarded items
Cookers	785	18.4%
Fridges/freezers	736	17.2%
Beds and Bedding	648	15.2%
Washing Machine	479	11.2%
Carpeting or Curtains	419	9.8%
Seating	363	8.5%
Kitchen and Dining Utensils	322	7.5%
Rent in Advance	209	4.9%
Clothing	120	2.8%
Other	119	2.8%
Removal Expenses	69	1.6%

Prioritisation Framework

There may be scope within a prioritisation framework to recognise that some of the items (EPG) or circumstances (ECP) may be more crucial when funds are limited, and that differing levels of vulnerability of the applicant may be considered. The consultation will engage with residents and stakeholders to

inform how this could be made transparent within a revised policy.

P2: Reduce the maximum number of Emergency Cash Payments to two in any twelve month period

Current data analysis indicates that a proposal to reduce payments, back to two from three, in a twelve month period would affect 38.6% of ECP applicants. Any reduction in support is inevitably likely to cause difficulties for applicants facing a crisis or emergency situation. All applicants are currently advised and signposted towards alternative sources of support and ways of preventing future issues when they speak with a decision maker. This has been identified as an area which could be improved, which could mitigate some of the negative effect of reducing ECPs to two awards.

Applicants claiming Universal Credit are potentially disadvantaged by this proposal to reduce the number of ECP awards that can be made, as Universal Credit has longer waiting times to receive benefit payments built into it than previous 'legacy benefits' and is paid monthly, whilst the benefits it replaces are paid fortnightly or weekly.

A proposal to reduce ECP awards to two in any twelve month period would overlap with some of the other proposals in this document, in particular proposal P1 to prioritise applications within a budget-brake framework.

P3: Increase the amount payable in an Emergency Cash Payment in line with either inflation or increases in benefit rates.

The ECP amount was originally set in 2013 at 60% of an individual's standard out-of-work benefit entitlement (£43) and this was increased to 75% (£54) in 2014. This has not been updated since.

The same calculation of 75% of the current rate for basic out of work benefit entitlement would increase an ECP to £63.60. However, benefit rates have not risen in line with inflation. If the ECP amount had risen with inflation, it would have been £80 in April 2023.

Utilising HSF monies the basic value of an ECP has been £64 per person since October 2021.

Additional household members (partner and dependent children) are reflected in an ECP award by an additional £10 per person. This has increased to £20 per person with HSF monies.

Stakeholder engagement has found that applicants and other professionals feel that the increased value of ECPs has been important in helping households' meet their needs when needing to apply for emergency support.

Wider literature also points to the importance of the value of an award being sufficient to meet a household’s emergency needs¹.

This option would be funded from the savings made under other proposals and would potentially work in conjunction with a move to a scaled back, more focussed offer in terms of the *number* of awards an applicant could receive, and the work to increase and promote the wider prevention offer.

P4: Reduce the scope of items that can be awarded

Rent in Advance (EPG)

Rent in advance used to be paid by DWP as Crisis Loans. The DDF pays these as EPGs if applicants meet the criteria in terms of benefit eligibility, residency and being under exceptional pressure.

Around 20% of EPG applications include rent in advance (this data is not routinely captured but has been sampled at different times). Awards that include rent in advance awards accounted for 11.1% of awarded EPGs in 2021/22 and 11% of awarded EPGs in 2022/23.

The profile of applications for rent in advance has shifted throughout the operation of DDF in terms of who the landlords are. Figure 6 shows this change - with a move away from awards for private tenancies towards awards that help in securing a social tenancy.

Fig 6 – DDF awards for rent in advance by landlord type 2013 - 2023

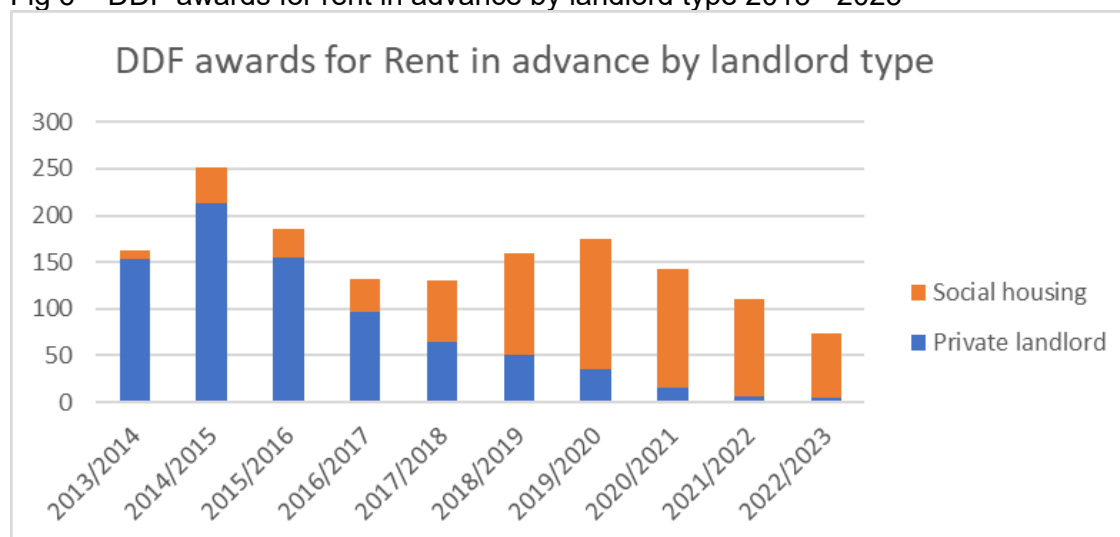


Figure 7 shows that there has also been a shift in social landlords requiring four weeks’ rent in advance rather than one week, leading to an increase in the average amount spent on rent in advance for social tenancies (average has increased from under £100 for social landlords to approximately £350).

¹ Policy in Practice (2023) *Evaluation of Local Welfare Assistance* [Publications \(policyinpractice.co.uk\)](https://www.policyinpractice.co.uk/publications)

This reflects policy changes by social landlords in response to the roll out of Universal Credit.

Fig 7 – Average rent in advance by landlord type 2013 - 2023

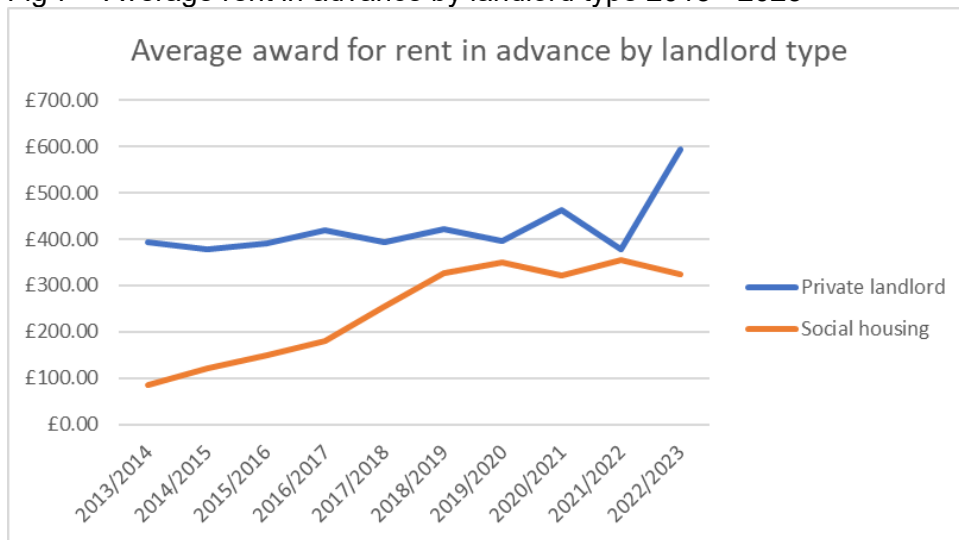
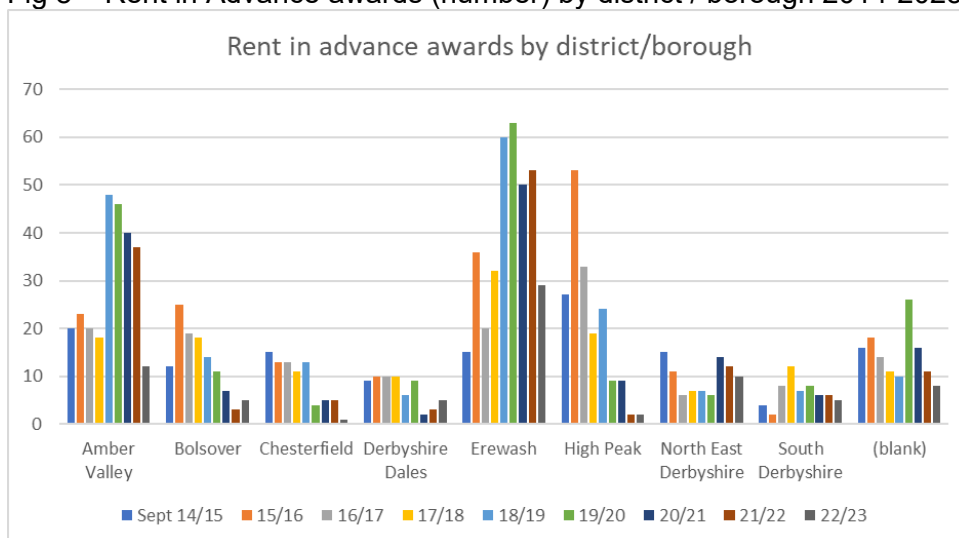


Figure 8 shows analysis of awards for assistance with rent in advance by area of the county, and show sthat these awards are particularly concentrated in Erewash and Amber Valley boroughs

Fig 8 – Rent in Advance awards (number) by district / borough 2014-2023



Rent in advance support from DDF is uneven across the county, with Erewash and Amber Valley taking up most of the support, but to a low number of people (73 people in total in 2022/23). This suggests that other areas are finding alternative solutions

Work will take place with housing partners during the consultation process to understand the alternative provision in place, and better understand the discrepancies across the county.

Travel (EPG and ECP)

Travel is referred to in the current policy in relation to emergency circumstances (ECP) and a specific reasons list (EPG).

18% of ECP applications reference travel concerns but all of these also reference needing help with food and heating. Less than 1% of ECP awards mention travel – because these residents were awarded on food and heating need.

A representative sample of EPG applications were reviewed, and these contained no requests for assistance with travel, and no EPG awards were made for travel in 2022/23.

The type of support with travel referenced in the original DDF policy is covered by assistance in other places, for example hospital travel costs and travel to interview expenses. The DDF team signpost to these sources of support.

The language of the 2013 policy is therefore out of date and risks confusing applicants about where to obtain assistance from.

Removing this item from the policy would create no cost saving as no awards are made for this reason.

Furniture and Flooring in Social Housing contexts.

56.4% of the DDF spend on EPGs was for furniture and flooring into social housing settings. Whilst this covered a range of items, specifically £212,432 (or 43.7% of all EPG award spend) was for fridges; cookers; washing machines and floor coverings.

Research shows that around 2% of social tenancies are let furnished compared to 30% of private lettings². Typically, socially let properties do not include carpets or flooring other than in kitchens and bathrooms, and whilst some landlords clean flooring and gift this to incoming tenants, this is not standard practice and even adequate flooring and items can be removed from a property³.

There are options available for social landlords to support tenants by providing flooring and basic household items, including via Eligible Service Charges which can be claimed back through Housing Benefit and Universal Credit

² End Furniture Poverty, (2021) A Blueprint for Furniture Provision in Social Housing) [EFP-Blueprint-vr2.pdf \(endfurniturepoverty.org\)](#)

³Hill, K., Padley, M. and Stone, J. Hill, K., Padley, M. and Stone, J. Exploring Affordability: what can housing associations do to better support their tenants? (2020) [Exploring affordability \(lboro.ac.uk\)](#)

where residents are in receipt of these benefits.

An example of a furnished tenancy: Derby City Homes & Derby City Council

Derby City Homes provide the option for tenants to apply for a furnished tenancy, which supplies carpets, a furniture pack and white goods for an agreed amount payable each month. The items remain the property of Derby City Homes and the charge is a permanent addition to the rent account. A typical price for three white goods is £10.75pm

As tenants of Derby Homes properties are able to access alternative support for household items, the Derby City Single Discretionary Award Scheme does not routinely support people moving into a Derby Homes property with furniture, and instead supports residents with beds, sofas, bed linen, crockery and cutlery where required.

Support is available from third sector organisations to assist social landlords to establish furnished tenancy solutions based on best practice and scheme sustainability. If this change was to be pursued it would take some time to effect and therefore could need a 'sunset' clause to enable the transition across social landlords to be promoted and implemented.