

The Power of Prevention

A series of case studies
demonstrating the innovative
use of Discretionary
Housing Payments



Introduction

DCN member councils are a preventative force, proactively improving the lives of our residents.

We play a vital role in intervening early when people are at risk of homelessness and in alleviating hardship for vulnerable members of our communities.

One of the key tools we have at our disposal is Discretionary Housing Payments (DHPs) and other discretionary funds.

DHPs are administered by councils to help residents who need extra help with their housing costs. This funding is critical to help sustain tenancies and prevent homelessness. It can also act as a lever to secure better long-term outcomes for the most vulnerable.

As we navigate the fiscal impact of Covid-19, these discretionary awards have been reaffirmed as a vital tool to help prevent financial hardship. It's crucial that our member councils are able to retain this tool and build upon these funds to improve outcomes.

Many of our members are now looking to use DHPs in a way that truly considers the holistic needs of residents at risk. Councils are instilling early intervention as normal practice, working with wide networks of local partners, with DHP use vital to that process.

This short collection of case studies serves to underline the crucial value of these discretionary funds as a tool for prevention; and showcases some excellent examples of innovation in the way we can use these funds.

All names in these case studies have been changed to protect anonymity and are not those of the original subjects. The photographs included are not of the case study subjects.

About the District Councils' Network

The District Councils' Network (DCN) is a cross-party member led network of 183 councils that provide 86 of the 130 most valued and visible public services in every street in non-metropolitan England. We are a Special Interest Group of the Local Government Association (LGA) and provide a single voice for district services within the LGA.

District councils are the authorities in two-tier areas with responsibility for housing, including overseeing housing benefits and homelessness prevention. They are therefore the authorities most appropriately placed to offer support and welfare to residents suffering hardship and who might be at risk of homelessness.

CASE STUDIES

Colchester Borough Council

We begin with an account from Colchester, which puts DHP allocation into context with case studies from real individuals. It describes the considered approach they take to facilitate the wraparound support recipients need, working with local partners:

Numbers

DHP funding is provided to local authorities by the Department for Work and Pensions (DWP). Allocations are provided each financial year. The DWP changed the funding allocation model in 2021/2022 where 6 monthly allocations were introduced.

Colchester Borough Council (CBC) Funding Allocations – last 5 years

Year	Government Grant	CBC Contribution	Total funding	Number of Applications
2017/2018	£414,027	£50,000	£464,027	862
2018/2019	£394,224	£50,000	£444,224	1069
2019/2020	£324,348	£50,000	£374,348	1312
2020/2021	£470,417	£50,000	£520,417	1230
2021/2022	£365,233	£50,000	£415,233	1344 (projected)

The Team

Within districts, DHP assessment is usually embedded within the functions of a Housing Benefit and Local Council Tax Support team. However, in Colchester we've taken a different approach.

Some years ago, we created a separate Customer Support Team (CST) to:

- Help residents navigate and adapt to Welfare Reforms
- Support those managing financial hardship or complex situations
- Provide help, advice, and support to those furthest from employment

Discretionary fund assessment sits within this team and has proven to be an effective tool in supporting positive outcomes.

The officers within the team are committed to providing expert advice and support with each and every resident approach. The CST has close working relationships with our Housing Solutions team, landlords, Foodbank, Citizen's Advice, Job Centre Plus and groups from the third sector. This partnership approach provides the wrap around support needed, that is often identified when a DHP application is submitted.

Within the team we not only have the Customer Support Officers assessing the discretionary applications, but also Welfare Benefits and Employment Specialists, all working closely together to identify possible areas of support for the resident.

Keeping up to date with legislation and changes to the economic landscape is key to determine the strategic priorities for our wider work of minimising financial inequality. The efficacy of our work has led to external funding from key partners to support shared aims and aspirations.

Individual Case Studies

MARY

Mary contacted the team for help towards her moving costs. She had been working with the Housing team and social care to secure new accommodation due to welfare issues. Mary was in recovery, having taken big steps away from earlier dependency issues. Her existing accommodation's locality, and individuals she knew locally, made her vulnerable and at risk.

Through housing and social care interventions new accommodation was found. Yet former tenancy arrears, moving costs and other barriers were hampering the move.

The Customer Support Officer assisted Mary to access discretionary funds and enable the move, helped Mary navigate the requirements of housing and social care and apply for ill health benefits to which she was entitled.

This resident has now moved from an area that holds bad memories and is able to start a new life in a home without the additional burden of financial hardship. The discretionary funding played its part, alongside the wider support and assistance that the officer was able to coordinate.

GEMMA

Gemma has a young family. Living on a low income and with rising debts, the family had rent arrears that threatened their tenancy.

She had been struggling to keep up with the full rental payments plus the historical rent arrears. Although attempting to keep on top of bills it was proving a financial struggle to

cover the current rent, arrears, and other debt.

A DHP was awarded to clear the arrears and a full benefit review was completed to maximise her income. It was noted there was no Local Council Tax Support in place, so an application was made, and an affordable repayment arrangement set in place once awarded.

Referrals were made to the Welfare Benefits Specialists to support a PIP application after identifying disabilities within the family, this was subsequently awarded.

Gemma was also keen not to have to rely on benefits, so a further referral was made to the Employment Support Officer who provided advice and support on returning to the workplace.

COLIN

Colin was struggling to clear rent arrears that had been accruing during a period of reduced income.

He had lost employment during Covid-19 and was now struggling with his health due to the pressure of mounting debts to which he spoke about with his GP. The CST is well connected with a local network of GP care advisors and a referral was made to the team.

It was established that his property had been affordable whilst he was working but rent arrears were accruing considerably as he searched for new employment.

We assisted with a claim to Universal Credit but there was still shortfall between his housing cost element and the tenancy rental liability.

A DHP was awarded to reduce the arrears and a contribution towards the ongoing rental shortfall to stabilise his tenancy as he continued to take steps to gain new employment. Advice was given to consider future lower rental properties, should he find that the ongoing liability unaffordable.

Advice and referrals were made for debt & money management support to assist in regaining control of his finances. Local Council Tax support was also put in place to reduce his current Council Tax liability.

Our intervention prevented homelessness and provided stability, allowing Colin time to seek and return to full time employment, no longer requiring the additional support of discretionary funds.

East Devon District Council

This next case study comes from East Devon. They recently decided to take a new approach, setting up a team to properly consider the wider issues their residents face, and award funds accordingly:

A New Approach towards awarding Discretionary Funds

With growing dependency on foodbanks and people finding it harder to find affordable accommodation in East Devon along with the challenges faced following the Coronavirus pandemic, we wanted to change our approach to dealing with discretionary awards.

Previously Discretionary Housing Payment (DHP) decisions were looked at without fully considering the wider issues that our residents were facing. This often led to most of our DHP spend coming at the end of the financial year and residents coming back to us for further awards as they were still experiencing financial hardship. One of the aims of our poverty strategy is helping to address the root cause of poverty and building financial resilience. We therefore recognised the opportunity to use our discretionary funds as a tool to achieve this. We now have a dedicated Financial Resilience Team whose sole focus is in this area of work.

The underlying issues are often complex but some examples of what we have seen and tried to address are:

- Residents missing key elements from welfare benefit awards especially Universal Credit.
- Cheaper rental properties in the area can come with high running costs, especially for fuel, so although the rent charge is lower the property is still unaffordable.
- Single people under 35 who are out of work/ low paid employment are unlikely to find accommodation they can afford once bills and essentials are taken into account.
- Residents can make multiple requests for the same emergency support e.g. food or fuel vouchers from a number of different organisations resulting in hidden poverty.
- Arrangements for debts (rent, Council Tax arrears, or deductions from welfare benefits) do not always leave enough money in the household to cover essentials leading to a reliance on food banks or emergency support.
- Social housing new builds are without landlines. Residents are not able to afford connection charges so the cheapest mobile/data deals are not available to them.

The team quickly started to see that to resolve the underlying issues would need cross working with other services (internal departments, external organisations and agencies including those in the voluntary sector).

We now work with our partners through either referrals and/or as part of a multi-agency team, with each relevant partner dealing with the issue they are experts in, whilst using our discretionary funds where appropriate to support the resident financially.

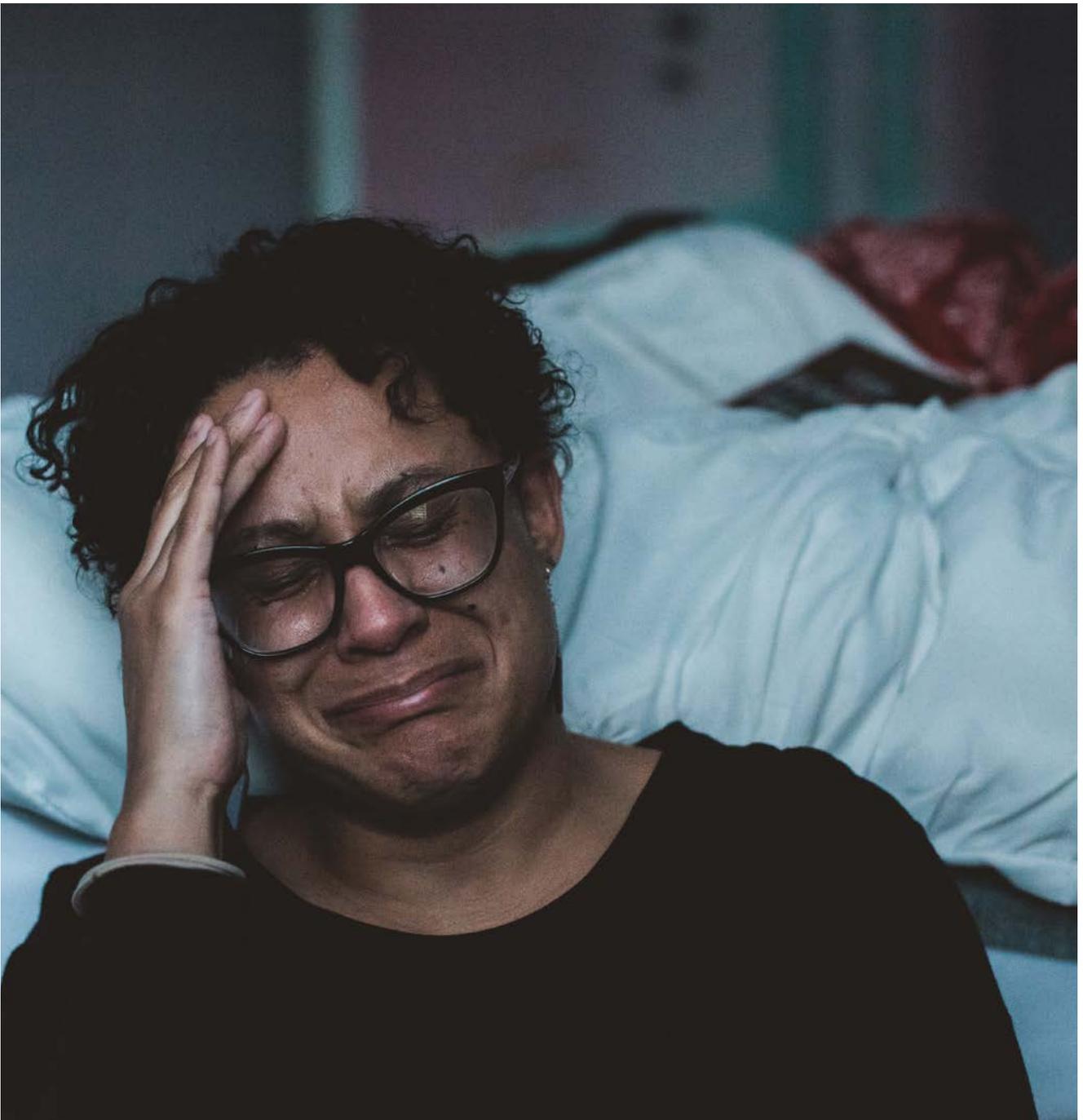
An example of this is the close working relationship with Citizens Advice East Devon who we refer residents to for debt work, budgeting support, and welfare benefit appeals.

Whilst they are carrying out the required work we have made top up payments for rent out of our DHP budget, helped with Council Tax through Exceptional Hardship and supported people with emergency funds through our hardship fund.

We also refer the majority of our cases to Exeter Community Energy through our Private Sector Leasing team, who help with lowering energy costs, tariff checks and identifying property improvements. Our PSL team will follow up recommendations and support the tenant with any landlord issues if required to free up household income going on energy costs.

One key point of learning that has emerged for us is that only by working as part of a wider team involving all sectors can we address the root causes of poverty. Our partners have all been positive about working together and referrals are now being received in from different sources including Housing Associations, local schools, Social Workers, foodbanks and mental health support services.

Overall, this wider work is creating tangible longer term financial benefits to our residents who are seeing income increased allowing them to become more financially resilient.



South Lakeland District Council

South Lakeland provides us with an example of internal joint working to prevent homelessness, between the DHP and Housing Options Teams in South Lakeland. They've fostered this relationship between the two teams, which has resulted in many positive outcomes such as this case:

Joint Working between DHP Team and Housing Options to prevent homelessness

A single parent family had moved to South Lakeland after fleeing domestic abuse and securing a 12-month assured shorthold tenancy with a private landlord with the help of friends in the area.

The rent was above the Local Housing Allowance rate but the family were able to get by with the help of disability benefits and support from friends and were happy with their move.

However, six months into the tenancy the support was withdrawn, resulting in increases to their cost of living – for example, with friends no longer helping out there was an increase in travel costs for attending medical appointments due to the rural location of the property – which in turn led to the rent becoming unmanageable.

An application was received for discretionary housing payments to help meet the rent shortfall. The DHP assessor, recognising that the situation was not sustainable long term, referred the case to the Housing Options team and a collaborative approach was taken to addressing the risk of homelessness.

Part of the rent shortfall was due to UC only applying the two bedroom LHA rate to the applicant's claim although medical evidence was provided to demonstrate the need for a third bedroom for the storage of medical equipment and to maintain it as a sterile space for treatment. DHP was awarded to meet the rent shortfall while the applicant worked with a housing advisor on finding a longer-term solution to their housing problem.

Helping the applicant maintain their rent payments without falling into arrears, and an increased preference due to their homelessness assessment, were paramount in helping to secure a social housing property through the local Choice Based Lettings scheme and the family were rehoused into an affordable new home that was suitable for their ongoing needs.

The family's new property had a utility room that was suitable for storing and using their medical equipment and its closer proximity to the town centre helped to reduce travel costs, with the school run eliminated thanks to the new location being within walking distance.

As DHP had been utilised to cover the rent shortfall, assistance with rent in advance to secure the new property was provided through the homelessness prevention fund. Regular communication between the DHP team and Housing Options team, and a commitment to joint working was key to identifying both the opportunity for, and benefits of early intervention in this case.

Maidstone Borough Council

Maidstone provide us with an insight into the work they've done to use data innovatively, working with private sector partners, to improve early intervention, gain a more holistic view of their residents, and use DHP to prevent homelessness.

Combining data analytics and localised support to prevent homelessness.

What was the challenge?

The Homelessness Reduction Act (HRA) came into force in 2018, leading to increased demand for Housing services in a period of reduced funding due to austerity measures. At that time, Maidstone Borough Council had recorded a 58% increase in the levels of homelessness between 2013–14 to 2017–18.

This demand has been exacerbated by the pandemic. The financial, social and emotional impacts that this has had on many households has led to increasing demand on councils to provide additional support to residents.

Maidstone recognised that it needed to shift its focus from responding to the immediate crisis to building capacity for early intervention and prevention. MBC launched its Homelessness & Rough Sleeper Strategy in 2019, with homelessness prevention its top strategic priority, and embarked on a pioneering journey to drive early intervention and prevention through improved use of data and analytics.

What did we do?

The Council began working with Xantura and EY to support a transformation towards a preventative service model, with three key objectives:

1. Reduce demand on temporary accommodation by improved identification of people at risk of homelessness
2. Reduce the amount of time staff spend gathering information from multiple systems
3. Improve partner working and gain a more holistic view of individuals through improved access to third-party data.

Collectively, we pioneered a new approach to tackling homelessness by implementing 'OneView' – an innovative data and analytics tool that brings together data from different sources to identify those at risk of homelessness.

One View allows staff to access a holistic picture of a household's situation through automated case summaries. Rather than spending lots of time collecting information from different sources, the case summaries provide this at the click of a button, freeing up time for frontline staff to work with those at risk to prevent homelessness.

OneView also generates alerts for households at risk of homelessness in the next 3–6 months based on risk thresholds co-developed with the council. The Maidstone Housing Advice Team received these alerts and used OneView Case Summaries to develop a holistic understanding of the household's situation. Staff then made proactive phone calls to those households to

identify how the Council could best support them and reduce the risk of potential future homelessness.

To maximise the chance of delivering a successful outcome, the team had numerous options to support the households depending on their individual circumstances. However, the use of Discretionary Housing Payments, in partnership with wider signposting and support played a significant role in the outcomes that were delivered.

What was the outcome?

Over the course of 2020, more 650 alerts were generated with the council using existing capacity to proactively support the 260 with the 'highest risk'. Of these households, 110 (circa 42%) received some sort of financial assistance, including Discretionary Housing Payments and Emergency Assistance Grants as well as other localised funding. In addition, of these 110 households, 96 had at least one additional vulnerability other than debt which was identified by the OneView system using locally held data.

Of the 260 households who received proactive support, only 0.4% went on to present as homeless – reducing demand on temporary accommodation, whereas of the circa 400 households where an alert was raised and no contact was made, 40% went on to present as homeless. In addition, staff were able to reduce the time spent gathering information on these households so they could spend more time working directly with them.

The success of the programme hinged on both the innovative use of data to identify those at risk of homelessness and the ability of the council team to engage with the households to understand the challenges they face and to have the tools available, including DHPs, to deliver tangible, localised support.

This innovative project was recently recognised by the LGC when Maidstone Borough Council won the 2021 Housing Award. The council, EY and Xantura continue to build out the programme to refine the tool and provide better and more targeted support for vulnerable households.



Nuneaton and Bedworth Borough Council

Nuneaton and Bedworth provide us with another example of recent efforts to take earlier intervention, and the use DHPs as a critical tool when problems are identified.

Landlord Solutions Project

This new initiative introduced by Nuneaton and Bedworth Borough Council is to help residents who are threatened with possible homelessness in advance of our statutory duty, which is owed 56 days prior to becoming homeless in our Borough.

This project working with both landlords and tenants will look at helping to resolve any issues before a notice is even served, or in the early stages of an eviction notice with the aim being to sustain the tenancy where possible, and if required, provide assistance in finding alternative accommodation. We will also look to work in conjunction with partnership agencies to provide additional support where needed.

Project details

This is a free specialist project for landlords considering serving a notice, or for tenants who are at risk of losing their tenancy. We recognise the importance of early intervention working with both the landlord and tenant to prevent homelessness and any subsequent potential eviction.

We also recognise for landlords that eviction is often the last resort and is a costly process as well as a stressful time for both the landlord and tenant. We are committed to preventing homelessness at the earliest opportunity and we urge both our local landlords and residents to get in touch so that we can help with any tenancy related issues.

Options for support

The project works alongside our existing Housing Solutions Team and could include the following but not exhaustive list of support measures:

- Rent arrears assistance through housing benefit services, such as the utilisation of DHP, Universal Credit, prevention funds and support agencies
- Support for landlords and tenants in what can be a very stressful period
- Options given on the way forward and potential solutions for both parties
- Financial assessment of the tenant's income/expenditure to maximise the best use of their income and check affordability
- Referrals and signposting to specialist services for more long-term support should the need be required
- A mediation service between landlords and tenant

Mansfield District Council

We end with some further examples of the real material difference DHP use can make to those residents suffering hardship and in desperate circumstances, and in the long term prevent homelessness.

The first of these, concerning 'Ruth' illustrates the kind of support and intervention that the council wish to mainstream, working with the other districts and the county council in Nottinghamshire, as part of the Supporting Families Programme. A new coordinator within the county will bring together the on-the-ground knowledge and preventative tools districts have to offer with the work of the county's children's centres.

RUTH

Ruth was in an abusive relationship which agencies deemed as high risk. This resulted in social services and child protection representatives intervening and all three of Ruth's children are now living with different family members. This therefore left Ruth, as a tenant, subject to bedroom tax. Her abuser was in and out of prison and would always return to the property on his release and cause damage and difficulties.

Ruth has severe mental health issues due to years of abuse; she is extremely anxious, and finds it difficult to engage with the agencies involved. Ruth is also on a court order for rent arrears, at the time of applying with us Ruth was severely in breach of the court order and was facing eviction, as despite lots of attempts to contact her she wasn't engaging and wasn't paying rent.

However, we managed to complete a Discretionary Housing Payment with Ruth at the final stages, and we asked if this could be backdated – DHP was awarded at £16.26 per week for 6 months and a backdated lump sum of £1221.14.

At the point when we submitted Ruth's DHP application her arrears were £2360.17; after the backdate was awarded they were £1283.71. Due to this award it meant Ruth no longer faced eviction as it cleared her breach amount and reduced her arrears significantly. Currently her arrears are £753.18.

The DHP is due to come to an end soon, Ruth is working with Women's Aid to re-apply for DHP in the hope that this will continue whilst she tries to find alternative accommodation that is safe for her, away from the perpetrator, as a fresh start.

SANDRA

Sandra shared a family home with her husband and their 3 children. The children grew up and moved out. Her husband died unexpectedly in his fifties. Following his death Sandra fell into a deep and prolonged period of mourning. Her mental and physical health was extremely affected by this event and she was unable to continue to work at her job with a local supermarket for a long period (nearly 2 years). The supermarket kept her job open for her and she eventually returned to work for them.

During this difficult period she was under-occupying a three bed property and was liable for 'bedroom tax' of circa £22 per week. We helped her to apply for a Discretionary Housing Payment which enabled her to continue living in the house where she had spent so many years with her family growing up and all the associated memories that it held.

ALAN

Alan is a long term alcoholic and former family man living in a 3 bed property after his wife had passed away and children had grown up and moved out. There was therefore an under-occupancy rent charge to pay.

Alan could not then afford to maintain the property, so it was in poor condition – with lack of heating causing damp conditions, mould, and deterioration of the property. We supported Alan to claim backdated DHP. This cleared most of his rent arrears, affording him the ability to relocate to a 1 bed bungalow – ending rent liability and also meaning that he was now able to afford to maintain the property and pay bills.





DCN

DISTRICT COUNCILS' NETWORK
BETTER LIVES – STRONGER ECONOMIES

For more information visit

<https://districtcouncils.info/>

Contact us at dcn@local.gov.uk