

Case Study – Discretionary Housing Payment (DHP)

Customer moved to the area in February 2018. They took on a private rental and immediately started to struggle paying the shortfall because they were not aware that the LHA rates differed from borough to borough. The one bedroom rate in their previous property was £36.82 per week higher than Blaenau Gwent (2022/23).

In September 2018 the customer applied for DHP for help paying the shortfall. Customer has limited capability for work and has been claiming basic ESA since 2017 (Work Related Activity Group). They had also tried to get back into work to boost their income through permitted work. A DHP was awarded and paid continuously up to September 2022 apart from a three month period where applications were unsuccessful during periods of higher earnings.

In September 2022 customer applied for help with moving costs. The house they were renting was being sold and they were issued with a Section 21. The client was directed to us for financial help by Housing Options. The rent for property the client was looking to move into appeared to not be affordable as the client was already claiming a DHP and I had concerns there was a shortfall in affording the property. I contacted Housing to discuss. I put forward my concerns around the affordability of the rent based on the customer's income but was advised that there is a shortage of rental properties available and based on the current market it would be extremely rare to find somewhere cheaper. Due to the circumstances surrounding the move and the fact the client was supporting in this move by Housing Options, I agreed to pay a one off DHP to cover rent in advance and a second one off payment to cover a removal van.

Six weeks into the tenancy a new DHP application was made for help with the shortfall and the customer was advised the following:

- Look for alternate accommodation and see if they could exit the 12 month tenancy early as it was not sustainable.
- Ensure their name was on the housing register and update Housing of current circumstances around shortfall and uncertainty of DHP award moving forward.
- Contact DWP regarding PIP application and if possible speed up assessment due to urgency of circumstances. PIP would boost weekly income with ESA too (addition of SDP)