

How targeted Discretionary Housing Payments reduced temporary accommodations at LB Redbridge

LIFT case study

At a glance

For every £1 invested:
£5 gained for residents
£8 in TA costs avoided
£14 in arrears recovered

Over £197,000 secured for
over 70 households in
Discretionary Housing
Payment

Over £572,900 arrears
reduced

17 household moved out of
Temporary Accommodation

£300,000 saved in TA costs
to the council

18% reduction in residents
with negative budgets

1 LIFT platform

The rise in temporary accommodations called for a data driven Discretionary Housing Payment campaign to prevent evictions

For every [50 households in London, one lives in Temporary Accommodation](#) (TA). Nearly [170,000 Londoners live in TA](#) in 2024, making the capital the epicentre of the housing crisis.

For families, moving into TA negatively impacts their lives. Often people must live in unseparated rooms, sharing bathroom facilities, typically without a kitchen or internet. When moved out of the borough, families are uprooted from their jobs, schools and communities.

For councils, the 15% rise in residents owed homelessness duty places strain on budgets. London councils spend [£90 million each month on TA](#), and are forecasted to have a [£150 million overspend on TA in 2024](#), due to the rises in those appearing homeless.

Like most councils, LB Redbridge had seen a rise in TA households. As part of their [housing strategy](#) the council aims to “support its most vulnerable residents through early intervention and prevention services.”

One way to help those at risk of homelessness and prevent evictions is through targeted Discretionary Housing Payments (DHP).

In the campaign’s first phase, the Benefit Service and Rent Collection teams sought to target their DHP spend on resident with rent arrears, living in council tenancies or TA.

How targeted Discretionary Housing Payments have reduced temporary accommodations at London Borough of Redbridge



LIFT helped Redbridge Council launch a DHP campaign that recovered over £572,900 in arrears, and save £300,000 in TA costs

When a household falls into debt their affordability is reduced greatly, making them at risk of eviction and falling into TA.

DHPs can be used to cover rent arrears, enabling households to pay their rents in full, and stay in their homes for longer. If a household is already in TA, a DHP can help them afford moving out of TA by reducing their debts.

Targeted DHP strategies require the use of a data driven tool offering one view of a household's financial constraints and multiple debts. Without this, proactively identifying those at risk of crisis would resource intensive.

Solution: Disrupting the evictions cycle by identifying and engaging households in rent arrears with proactive support

LIFT offers a single view of key tenure, poverty and debt indicators that can help officers deliver their housing strategies. Using the LIFT platform, LB Redbridge used data to identify financially vulnerable families for DHPs. They followed three simple steps:

Step 1: Identified over 1,200 households in arrears and at risk of homelessness for targeted support

Combined datasets, together with LIFT's built in expert policy engine, painted a clearer picture of residents' debts, tenure, and benefits eligibility.

LIFT's allowed the council to filter down to the households that were in rent arrears and at risk of eviction. In two clicks, the teams used LIFT to identify 1,289 households living in council tenancies or TA with rent arrears.

Step 2: Letter sent to residents inviting them to surgeries for help to clear rent arrears

LIFT data helped to make the team's existing workload more impactful. Armed with this information, the teams sent letters advising residents of their arrears and that assistance may be available to clear their debts.

Each household was invited to one of three events in January 2024. Events were hosted in areas of high footfall with good transportation links, so residents can easily reach them.

Step 3: Gave in person support for DHP application and benefits checks using Policy in Practice's Better Off Calculator

Receiving a DHP is life changing for those struggling to pay their rent. Yet, there are a number of digitally excluded resident who struggle to apply.

To reduce complexity the council designed a shorter DHP paper application for the events. This form was pre-populated for council tenants, whose data they already had on council systems. These revised applications halved the time for processing DHP applications.

As part of the DHP application, officers first began by checking that each resident was claiming all eligible benefits, using Policy in Practice’s Better Off Calculator. No other calculator compares the value of a resident’s current benefits to the potential value of all the support they’re eligible for.

This helped officers to clearly see whether households were receiving their correct housing amounts of Housing Benefit or Universal Credit. It also enabled further work around income maximisation and budgeting.

Then, officers offered a variety of matching debt repayment plans to encourage households to tackle their debts. Matching debt repayment plans are arrangements where a DHP is offered to clear a household's arrears only after they make consecutive payments towards their debts.

Impact: Every £1 invested in LIFT generated £27 to residents and the council

The results of this campaign have been nothing short of amazing. Evaluation of the campaign took place in March and June 2024, three and six months after the events.

Over 600 residents attended across all three locations, meaning 50% of all who received a letter attended the event. Research shows that the typical response rate for a letter campaign is 9%.

Every £1 invested in LIFT generated £27 to residents and the council. When broken down, this works out to £5 of income generated for residents, £8 in temporary accommodation costs avoided and £14 of arrears recovered for the council.

Building resident’s income, reducing council arrears and saving temporary accommodations costs



Every £1 invested in LIFT generated £27 for residents and council

“Since being awarded DHP things are much better for her now and she is able to manage herself better as she lives with Multiple Sclerosis and mental health conditions.”

**Caseworker
LB Redbridge**

Five highlights from the face to face DHP support events with residents

1. Discretionary Housing Payments: over £2,500 gained per households, on average

77 households who attended the events received Discretionary Housing Payments worth over £197,000

2. Over £70,100 in (unclaimed benefits) identified via the Better Off Calculator

Whilst applying for a DHP, over £70,100 in support was identified using the Better Off Calculator for 44 households

3. Over £572,900 collected in arrears, with no new arrears six months later

Across the cohort, rent arrears fell by an average of £252 per household, bringing the total rent arrears recovered to £536,800

Residents also paid £36,100 in Housing Benefit Overpayments. Six months later, arrears have not increased for the cohort

4. 18% reduction in households with negative budgets, maintained six months later

Since the event, the number of residents with negative budgets decreased by 14% from 21% to 18%. Six months later, residents continue to see an additional £195 in income each month

5. 17 households have moved out TA, saving the council over £300,000 in TA costs

17 households with 42 children moved out of TA by March 2024 having been in TA at the start of the campaign. Three months later, none of these households have moved back into TA. The direct savings in TA costs for the council is over £300,000

Feedback from attendees was overwhelmingly positive, highlighting the value of face to face interaction. One caseworker summarise the impact of an event to one client they helped:

“[A resident] attended the DHP drop in event at Hainault Library. She is not working yet as if she did it would be hard for her to pay her rent. Since being awarded DHP things are much better for her now and she is able to manage herself better as she lives with Multiple Sclerosis and mental health conditions.”

Visit
policyinpractice.co.uk/events
to view an on demand
webinar with Travis Isles and
Jane Smith from LB
Redbridge talking about this
work

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