



SOUTH
KESTEVEN
DISTRICT
COUNCIL

Discretionary Housing Payment Policy – 2026/27 – Version 1.0

Discretionary Housing Payment Policy

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2026/27



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Version Control:

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1.0	Revenues and Benefits Technical Team	21 October 2025	Claire Moses – Head of Service		

Legislative information:

<https://www.gov.uk/government/publications/discretionary-housing-payments-guidance-manual>

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1. Introduction

- 1.1 The Discretionary Housing Payment (DHP) scheme provides additional funding to help those experiencing exceptional hardship in situations where Housing Benefit / Universal Credit Housing Element does not cover all of the rent. To qualify for consideration for assistance under this scheme the customer must already be getting some Housing Benefit / Universal Credit Housing Element.

- 1.2 Please note that while the housing costs of the UC award notification may refer to support for mortgage interest payments, owner-occupiers are not eligible to receive DHPs.

2. Statement of Objectives

- 2.1 The aim of the policy is to enable our most vulnerable residents, who cannot access any other income, to sustain their home, health, family, and security.

- 2.2 Awards of Discretionary Housing Payments may be made where a resident has a short-term financial difficulty or has continuing and unavoidable needs that mean they are unable to pay their rent. Awards will normally be for a defined period.

- 2.3 Consideration will be given as to whether all other discounts and sources of help have been exhausted. Where appropriate, decisions will be deferred until other avenues have been explored.

3. Conditions for entitlement

- 3.1 The person must:
 - be a resident of a property within the South Kesteven district; and
 - have a liability to pay housing costs; and
 - be entitled to Housing Benefit; or
 - be entitled to Universal Credit that includes the housing element and the end of the first assessment period of Universal Credit has passed



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4. Qualifying Criteria

- 4.1 Each application will be treated on its own merits having regard to relevant legislation and Department for Work and Pensions (DWP) guidance.
- 4.2 Should the conditions for entitlement above be met, as per section 3, assessments are then approached in two ways:
 1. Using a true financial assessment of income and essential outgoings, to establish if there is need for additional financial support, or
 2. A health and welfare assessment based on a person's ability to cope with day-to-day matters.

5. Awards

- 5.1 Normally awards will be made towards the current rental liabilities rather than past debts. It is not expected that a significant award will be made towards past periods and customers should make applications for assistance within a reasonable time of their knowing that they will not be able to pay their rent.
- 5.2 Awards of Discretionary Housing Payments should focus on enabling people to secure or retain a sustainable tenancy. Consideration will be given in particular to residents who have been clearly making an effort to pay their rent, who have been engaging with us and are taking steps to resolving their financial difficulties. A higher priority will be given to those with short term difficulties; and a lower priority to people whose financial commitments are unsustainable and likely to remain so.
- 5.3 Many people have difficulty paying their rent. Among these are:
 - those whose benefit is restricted because their rent is considered too high;
 - those whose benefit is restricted because their home is considered too large under the government's size criteria
 - those whose benefit is reduced by deductions for non-dependants who may not contribute adequately to cover those deductions;
 - those whose benefit is reduced by the taper for excess income;
 - those who have general difficulty managing the income they have, including those subject to the household benefit cap;



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- those who are returning to work after a long period of unemployment who have difficulty in managing finances during the transition from benefit to a stable in-work income.

5.4 In making decisions on discretionary housing payments, the Council will also be mindful of national objectives to promote an individuals responsible behaviour, for example in the choice of a home or engagement in activities to address worklessness, debt or problematic behaviour.

5.5 The Council therefore expects payments to be made in unusual circumstances where additional help with current rent will have a significant effect in alleviating hardship, reducing the risk of homelessness or alleviating difficulties that may be experienced in the transition from long term benefit dependence into work.

5.6 With regard to awards towards deposits or rent in advance, supporting evidence must be provided and they will be limited to the equivalent of

- 5 weeks rent for deposit; and
- 4 weeks rent for rent in advance for weekly rent charges
- 1 month rent for rent in advance for monthly rent charged

5.7 Help towards removals if they are accompanied by valid supporting evidence.

Where awards cannot be made:

5.8 Discretionary Housing Payments cannot be awarded towards any of the following:

- service or support charges that are ineligible for Housing Benefit and Universal Credit Housing Element, including the provision and costs of white goods
- furnishing, decorating or flooring costs
- any charges for water, sewerage or allied environmental services
- any notice period
- rent on two homes (overlapping tenancies), in most situations
- any council tax liability
- increases in rent to cover rent arrears
- reductions in any benefit due to the recovery of an overpayment of Housing Benefit/Universal Credit, or to sanctions relating to jobseekers, child support or benefit offences
- shortfalls caused by overpayment recovery
- HB that is suspended;



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- The claimant and/or partner have over £4,000 in capital.
- Failure to follow recommendations the council have made on a previous Discretionary Housing Payment award.

- 5.9 All awards are at the discretion of South Kesteven District Council.
- 5.10 Where a request for a discretionary housing payment has been refused, repeat requests will not be considered unless the resident can demonstrate that the situation has worsened significantly, or a substantial period of time has elapsed.
- 5.11 The Council recognises that there may be circumstances in which Discretionary Housing Payments will be made other than as set out above.

6. Application Process

- 6.1 Applications should be made using the online application form on the council's website here: <https://www.southkesteven.gov.uk/housing/social-housing/extr支持-discretionary-housing-payments>

Should someone not have the required skill or capacity to apply using this method the council will provide an alternative method of making an application that meet the persons needs.

- 6.2 Wherever possible, the council will link in with other council departments and trusted partners, who can signpost applicants to the scheme or make applications and recommendations on a person's behalf.
- 6.3 The council may request any reasonable evidence in support of the application. The customer should provide the information within one month.
- 6.4 Evidence and information provided to decide the Housing Benefit or Universal Credit claim may also be considered.
- 6.5 If the customer does not provide the requested evidence, the council may still consider the application, however it may disregard any unsubstantiated statements or draw its own conclusions from other evidence available.
- 6.6 The council may in any circumstances verify any information or evidence provided by the claimant by contacting third parties, other organisations and the customer.



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7. Decisions

7.1 All decisions made will be recorded on the Discretionary Housing Payment spreadsheet and input on the operating system. Decision letters will be sent to the customer either in writing or electronically (and landlord if they are being paid the Discretionary Housing Payment). The letter will set out whether an award has been made, and if so, the amount and duration of the award.

8. Payment and overpayments

8.1 Discretionary Housing Payments will be paid directly to the customer; however it may be paid to an agent, an appointee or a landlord if it is deemed appropriate. There will be instances of overpaid Discretionary Housing Payments and the council will seek ways to recover this where the overpayment is a result of a misrepresentation or failure to disclose a material fact by the claimant, or an error was made when the application was determined.

9. Change of circumstances

9.1 A customer receiving a Discretionary Housing Payment must notify the council of any change which may be relevant to their application or award. A change in circumstances may mean the level of Discretionary Housing Payment is amended.

10. Refusal, Reconsiderations, Reviews and Appeals

10.1 Where an applicant believes that a decision is incorrect, they can ask for it to be looked at again only on the basis that the decision maker has not correctly applied this policy. Where an applicant is aggrieved by a decision, but the basis of the disagreement is not that the policy was incorrectly applied, there is no right of appeal through the Social Security Tribunal for discretionary decisions



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however the route of judicial review is available if there is an allegation of maladministration.

10.2 In the interest of fairness, the Council will operate the following internal procedure.

- Reconsideration: Ask for the original decision to be looked at again if they have additional information that was omitted on the original application, or they believe the information was overlooked or misunderstood.
- Review: If the applicant believes that the decision maker has not correctly applied this policy, a second officer will look at the reasons for the decision, whether it complies with this policy and decide if any changes should be made to the decision.

11. Managing the Risk of Fraud

11.1 The Council and the Government will not accept deliberate manipulation and fraud. Any business or person caught falsifying their records or the information submitted to gain an award will face prosecution and any funding issued will be subject to clawback, as may relief paid in error.

11.2 The Council also reserves the right to use any details submitted by person(s) to check against national records and databases to highlight any potentially fraudulent activity.

12. Policy Review

12.1 This policy has been written in line with Government guidance and Local Priorities. Delegated powers of authority are in place, which allow for the policy to be reviewed annually, and recommended changes considered and approved by the Council's committee process. This is to ensure support is provided to residents efficiently and effectively.

South Kesteven District Council – contact details:

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