

**HOMES POLICY DEVELOPMENT GROUP
17 JANUARY 2023**

PRIVATE SECTOR HOUSING ASSISTANCE POLICY UPDATE

Cabinet Member(s): Councillor Stuart Penny, Cabinet Member for Housing

Responsible Officer: Simon Newcombe, Corporate Manager for Public Health, Regulation and Housing

Reason for Report: To present a revised Housing Assistance Policy under Article 4 of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002, following a review of the current Housing Assistance Policy 2019-22.

Recommendation:

- 1. That Cabinet approve the revised Housing Assistance Policy 2022-2025 attached in Annex A.**
- 2. That delegated authority is given to the Corporate Manager for Public Health, Regulation and Housing, in consultation with the Cabinet Member for Housing, to make minor adjustments to the policy based on demand and local priorities.**
- 3. That delegated authority is given to the Corporate Manager for Public Health, Regulation and Housing, in consultation with the Cabinet Member for Housing, to suspend some or all non-mandatory parts of the revised Housing Assistance Policy attached in Annex A (all elements of the Policy other than Section 4 Mandatory Disabled Facilities Grants) if adequate funding is not available.**

Financial Implications: Part One of the revised policy relates to the mandatory and discretionary assistance to be provided utilising the Better Care Fund (BCF). The Better Care Fund is an annual allocation from Government that is awarded to Devon County Council (DCC). DCC are then responsible for allocating funding to the District Council to deliver the mandatory disabled facilities grant programme. Government publish the DFG allocation for each Local Housing Authority and DCC are required to transfer that funding to the district by 30th June. In Devon a local agreement is in place that allocates the overall BCF pot on a needs basis. In 2022/23 the Government allocation for Mid Devon was £817,853 but under the local agreement our share of the Devon pot was £1,173,079. The Government allocation of BCF is expected to remain stable for the next three years.

Part Two of the revised policy relates to local assistance that utilises the Council's available Rough Sleeping Initiative (RSI) funding and the Homelessness Prevention Grant. For the first time we have put in policy the types of assistance we will provide – subject to funding – to prevent homelessness and rough sleeping. The RSI allocation of £345,076 is for three years until 2025. Financial assistance was identified as part of the bid with an award of £17,000 per year towards this. The Homelessness Prevention Grant is an annual allocation from Government to assist with the delivery of our services to tackle homelessness and in 2022/23 this was £197,431. There is no specified amount that should be used on grants but the funding is to be used to deliver

homelessness prevention activities, including staff time, accommodation costs and the assistance in this policy. By providing these small grants the aim is to reduce the need for Bed and Breakfast (B&B) accommodation and the burden this places on the Council's budgets.

In addition to directly funding the grants and loans set out in the policy, the Council applies provision under both BCF and RSI to use these (locally held) funds to cover staff delivery costs. Consequently, all parts of the policy and its delivery are funded through external and ring-fenced mechanisms with the control to suspend discretionary grant elements if budget funding comes under pressure as set out in Recommendation 3.

Budget and Policy Framework: As detailed above all the discretionary assistance in the policy is subject to external funding being available. The policy makes it clear throughout that assistance is only available whilst funding is in place. In terms of policy framework, the policy seeks to deliver some of the ambitions and priorities set out in the Housing Strategy 2021-25, in particular Chapter 3 (Making the most of our existing homes) and Objectives 36-38. In addition, there are legal reasons for having a policy in place as set out below.

Legal Implications: The Council must have an up to date and relevant Housing Assistance Policy under Article 4 of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 in order to provide different types of discretionary housing assistance other than the mandatory disabled facilities grant (DFG).

Risk Assessment: Not having a relevant policy means that the Council would be unable to utilise the BCF for anything other than the mandatory DFG. This would have an impact on the Council's ability to meet housing priorities and help vulnerable households across the district. This could lead to increased homelessness; a greater number of accidents in the home; an increase in admissions to hospital and care; and bed blocking in local hospitals.

Equality Impact Assessment: An updated equality impact assessment has been undertaken in respect of the revised policy. No equality issues have been identified within the policy and none have arisen to date as a result of its previous implementation. The Public Sector Equality Duty will apply to decisions made under this policy. The assessment can be seen in Annex B.

Relationship to Corporate Plan: The Housing Assistance Policy has a direct relationship with all four priorities in the Corporate Plan 2020-24.

Under the Homes priority the policy contributes towards the improvement of existing housing stock and reducing homelessness, as well as working with private landlords. Under the Environment priority the policy aims to improve energy efficiency of homes through supporting retrofit schemes. In respect of Economy the policy aims to help people remain in their own homes and reduce the impact on local services. For Community, the policy promotes integrated approaches to health and wellbeing, addresses disparities in the community, and aims to prevent unnecessary hospital admissions due to accidents in the home.

Impact on Climate Change: Although not directly relevant to climate change the policy does aim to help improve the energy efficiency of homes through retrofitting measures where appropriate to do so.

1. Introduction/Background

- 1.1 In 2015 the Government introduced the Better Care Fund (BCF) with an aim to bring health and social care together in an integrated way. The fund is a combination of government funding from the Department of Health and the Department for Levelling Up, Housing and Communities and includes the grant allocation for Disabled Facilities Grants (DFG).
- 1.2 The change in funding has allowed Devon District Councils in partnership with Devon County Council to deliver more innovative approaches to meet the needs of local residents beyond the DFG.
- 1.3 In 2018, the first Devon Wide Housing Assistance Policy was adopted and following a review of the first year was expanded to provide more flexible assistance. The current policy was adopted in 2019-2022 and following a more detailed review this year has resulted in the policy being enhanced further.
- 1.4 The review has been undertaken in consultation with the other District Councils and Devon County Council. As part of the process the group has considered a range of criteria including:
 - Local demand;
 - Frequently requested types of work;
 - Use of the Exceptions to the policy section;
 - The increase in the cost of materials and labour;
 - Affordability in respect of the cost of living crisis;
 - Grant maximums;
 - Local priorities;
 - Issues that have fallen outside of the policy that we would like to address
- 1.5 In addition to the county wide review relating to the BCF it was agreed that the Policy would be split into two parts to allow for locally funded assistance that falls outside of the BCF.
- 1.6 For Mid Devon this means that Part Two of the policy focusses on assistance to prevent homelessness and rough sleeping by utilising external funding such as the Rough Sleeper Initiative fund and the Homelessness Prevention Grant.

2. Scope of the Policy

- 2.1 The Policy is presented as two parts; Part One covers the Devon wide assistance covered by the BCF, whilst Part Two focusses on local assistance that falls outside the scope of the BCF.
- 2.2 All the discretionary assistance in this policy is subject to available funding, and could be withdrawn at any time. However, the Council has a mandatory duty to provide Disabled Facilities grants (DFG) and therefore, in the event that there

is an issue with funding, priority must be given to the delivery of the DFG programme.

3. Summary of Part One of the Policy

Mandatory Disabled Facilities Grant (DFG)

3.1 The delivery of the Disabled Facilities Grant programme is mandatory and a statutory function of the local housing authority. The delivery of this function is governed by the Housing Grants, Construction and Regeneration Act 1996.

Stair Lift Grant

3.2 This grant provides internal and external straight track or curved track stair lifts, step lifts and through-floor lifts without a means test for the applicant.

3.3 The review of the policy has shown that providing a lift can prevent accidents in the home and often is the only adaptation needed. By removing the means test, the grant can be processed quickly and the lift installed within a few weeks.

3.4 Over 50% of lifts are installed within 8 weeks of the customer being referred to us. Where this has taken longer, it is likely that a bespoke lift has had to be manufactured or there are complexities in the case that mean it is not straight forward.

3.5 Compared to the time frame to complete a DFG application and associated works this is a much more efficient approach for the customer and allows to help more people in the community.

Bathroom Adaptation Grant

3.6 This is a new grant that has been added to the policy as a result of the review.

3.7 The grant provides level access showers, automatic wash-dry WCs and other bathroom adaptations and/or equipment without a means test for the applicant.

3.8 As with the stair lift grant experience shows that straight forward bathroom adaptations can have a positive impact on the disabled person, providing them with a safe method of washing and maintaining dignity.

3.9 Removal of the means test will make these applications quicker to process and we envisage a similar result to the stair lift grants in terms of ease of application and efficiency.

Accessible Homes Grant – General

3.10 The existing policy has the Accessible Homes Grant (AHG) in One section outlining that it can be used for a variety of purposes.

3.11 The review has found that the approach in the current policy is confusing for customers and has been open to interpretation by the different Councils.

3.12 In the new policy the AHG has been split into three separate grants. The General Accessible Homes Grant can be used in the following circumstances:

- To provide a top up to the DFG where the cost of the works exceeds the DFG maximum;
- For works that are not covered by the DFG but are needed in relation to adapting the home and making it safe;
- To cover fees associated with feasibility surveys to determine if the adaptation can proceed.

Accessible Homes Grant – Contribution

3.13 The Accessible Homes Contribution Grant is available where the DFG means test identifies that a contribution is required.

3.14 There are regulations in place that prescribe the method by which the disabled person must be assessed financially. This is called a test of resources or means test and takes account of all income and savings.

3.15 The methodology has not been updated since it was introduced and does not take account of the outgoings of the disabled person. This can result in the disabled person being assessed as having a contribution with no means to pay it.

3.16 This part of the policy has been in place since the original policy in 2018 and has been invaluable in making sure essential adaptations can go ahead. Prior to this grant a number of applicants would withdraw from the process as they could not afford the contribution.

3.17 In order to try and make this straight forward originally the contribution element was allocated where the contribution towards the DFG was more than One third of their savings. This has been interpreted differently across the Councils and for some people resulted in a situation where they may only miss out on the grant by a small margin.

3.18 The new policy allows for an assessment of the savings against the contribution using a calculator that has been developed by Exeter City Council. This ensures that the contribution grant is provided on a sliding scale to help more people.

Accessible Homes grant – Moving application

3.19 This grant may be available to assist a disabled person to move to more suitable accommodation where the current home cannot be adapted.

3.20 This grant already exists in the current policy and is unchanged.

3.21 The only addition to be considered is that the policy places a £40,000 limit for the combined applications under an AHG for general, contribution and moving purposes.

Healthy Homes Grant

3.22 The Healthy Homes grant is a flexible grant to provide repairs and other works to the home to ensure the health, safety and welfare of the occupier(s).

3.23 Other works include:

- Assisting an occupier with infestations and accumulations (hoarding) where the condition of the dwelling will lead to a delayed transfer of care (hospital discharge) or potential avoidable hospital admission;
- Repairs to existing disabled adaptations.
- Some heating and energy efficiency works in conjunction with the Warm Up Grant and as determined necessary by the Council.

3.24 The Healthy Homes Grant is in the current policy but has been expanded to include the works detailed above. In particular the repair to an existing adaptation is essential to avoid the customer having to go through the whole DFG process again and has been identified as a welcome revision to this grant.

3.25 The grant maximum has also been increased from £5,000 to £10,000 to take account of the increases in materials and labour.

Home Improvement Loans

3.26 These remain unchanged but the policy now provides clarity over the types of loan that can be funded using the BCF.

Warm Up Grants

3.27 This grant replaces the ECO Top grant in the current policy. Up to a maximum of £3,000 per property may be available to provide top up funding where energy providers and installers are part funding energy efficiency measures under their Energy Company Obligation (ECO) or other energy efficiency funding.

3.28 Because this grant is being offered under the BCF part of the policy it is only available to those households that meet the requirement of the BCF in terms of health and vulnerability.

4. Summary of Part Two of the Policy

4.1 All the assistance under this section is new to the policy.

Home Start Grant

4.2 This is a One off grant to help those that are moving out of an unsustainable housing situation into the private rented sector. The grant can only be applied for once and if further similar assistance is required the applicant should apply for the Home Start Loan.

4.3 The grant is designed to prevent the need for the Council to place people in B&B accommodation by providing a deposit and rent in advance as well as an initial rent top up while benefits or wages are being organised.

- 4.4 Conditions have been added to this grant to encourage tenants to be responsible and help them to maintain a tenancy in the private rented sector.

Home Start Loan

- 4.5 This loan replaces the current DARS loan scheme (Deposit and Advanced Rent Scheme) and places the delivery of the loan with Lendology CIC.
- 4.6 Each year the Council will write off bad debt for non-payment of DARS so by moving this to a formal loan administered by Lendology CIC the aim is to ensure tenants take repayment of the loan seriously and increase collection rates.
- 4.7 Recovery of the loan is managed by Lendology CIC with the aim of recycling funds for future loans.
- 4.8 An interest rate of 4.2% APR will be charged to help cover the management costs for Lendology, this only adds a small additional amount to the loan.

Rent Arrears Grant

- 4.9 The aim is to help those households on low incomes avoid eviction from their homes by using the grant to pay their rent arrears and prevent homelessness.
- 4.10 If a private tenant has accrued rent arrears as a result of circumstances beyond their control then they may be eligible to apply for this grant.
- 4.11 By providing a grant in these circumstances we can prevent a household being evicted for rent arrears. Agreement will be required from the landlord that the only reason eviction is being considered is for this reason.
- 4.12 As part of the grant we ask the landlord to extend the tenancy by 6 months. This is to allow time for the tenants to show that the rent is affordable and that they do not fall into arrears again.
- 4.13 As part of the grant the tenant is expected to adhere to the terms of the tenancy agreement and the landlord is expected to engage with the Council if issues with the tenancy begin to arise.
- 4.14 The grant may be reclaimed if either party breach the grant conditions detailed in the policy. This is to ensure that the tenancy is sustained preventing the need for B&B accommodation.

Landlord Incentive Grant

- 4.15 As part of our Housing Duty we are able to encourage households to find accommodation in the private sector. This has not been easy as the landlord is required to give a 12 month tenancy and is likely to be taking a tenant that has complex needs or no references.
- 4.16 In order to build the relationship with private landlords the policy introduces an incentive for landlords that work with the housing options team.

4.17 By accepting a tenant that is nominated by the Council the landlord will receive the equivalent of two-month's rent as an incentive. In return, the landlord is expected to engage with the Council, raising any issues with the tenant at an early stage, to allow quick intervention to prevent homelessness through eviction.

5. Recommendations

5.1 That Cabinet approves the revised Housing Assistance Policy 2022-2025 in Annex A.

5.2 That delegated authority is given to the Corporate Manager for Public Health, Regulation and Housing, in consultation with the Cabinet Member for Housing, to make minor adjustments to the policy based on demand and local priorities.

5.3 That delegated authority is given to the Corporate Manager for Public Health, Regulation and Housing, in consultation with the Cabinet Member for Housing, to suspend some or all non-mandatory parts of the revised Housing Assistance Policy attached in Annex A (all elements of the Policy other than Section 4 Mandatory Disabled Facilities Grants) if adequate funding is not available.

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Circulation of the Report:

Cllr Stuart Penny, Cabinet Member for Housing
Members of the Homes PDG
Leadership Team
Corporate Management Team
Service/Operations Managers
Legal Services

List of Background Papers:

Mid Devon District Council Housing Strategy 2021-25
<https://www.middevon.gov.uk/media/353400/housing-strategy-2021-25.pdf>

Further information:

Department for Levelling Up, Housing and Communities. Guidance on Disabled Facilities Grant Delivery: Guidance for local authorities in England (March 2022)
<https://www.gov.uk/government/publications/disabled-facilities-grant-dfg-delivery-guidance-for-local-authorities-in-england/disabled-facilities-grant-dfg-delivery-guidance-for-local-authorities-in-england>

Lendology Community Interest Company (CIC) Social Enterprise Lender
<https://www.lendology.org.uk/>