

Report to: Cabinet

Date: 13 July 2023

Title: Private Housing Financial Assistance Policy 2023-25

Report of: Tim Whelan, Director of Service Delivery

Cabinet member: Councillor Mark Slater, Cabinet member for tenants and those in housing need

Ward(s): All

Purpose of report: To introduce an updated Financial Assistance Policy for Disabled Facilities Grants, Housing Renewal Grants and loans

Decision type: Key

Officer recommendation(s):

- (1) To seek Cabinet endorsement of the Private Sector Housing Financial Assistance Policy for Disabled Facilities Grants, Housing Renewal Grants and Loans 2023-2025 ('The Policy') as set out in Appendix 1
- (2) That delegated authority is given to the Director of Service Delivery in consultation with the Cabinet Member for Tenants and Those in Housing Need to make minor changes within the Policy where necessary.

Reasons for recommendations:

- (1) Whilst Disabled Facilities Grants remain a statutory requirement, additional funding through the Better Care Fund provides a continued opportunity to support innovative measures to improve the housing in the District and enable residents to remain at home safely for longer.
- (2) To ensure that the Policy can be kept up to date without needing to bring minor amendments back to Cabinet.

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1 Introduction

- 1.1 The Private Housing Financial Assistance Policy sets out the financial tools for providing assistance to households across Lewes District Council for adaptations for the disabled and housing renewal initiatives. The Council is required to have such a policy under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (RRO 2002). The revised LDC's revised Financial Assistance Policy 2023-2025 can be found in Appendix 1.
- 1.2 In 2014 the funding of Disabled Facilities Grants (DFGs) moved from DCLG ownership to become part of the Better Care Fund (BCF). The BCF is a ringfenced capital grant and its introduction came at the same time as the Care Act 2014 introduced legislation encouraging local authorities to 'collaborate, cooperate and integrate'.
- 1.3 The Care Act reforms introduced in April 2018 focus on wellbeing, prevention and delaying the need for social care. In support of these principles, the 2018 Spending Review included over £500 million for DFGs encouraging Councils to adopt policies that embrace the BCF. The most recent BCF policy framework published in April 2023 has allocated £563 million of funding to DFGs for 2023 to 2025. The review also confirmed that there will be an additional £102 million to be announced in the White Paper: 'Next steps to put People at the Heart of Care' to be disbursed as an additional tranche of the DFG funding over the next two years that Councils can bid for.
- 1.4 In May 2023 The Department of Health and Social Care announced the DFG allocation for Lewes District Council for 2023/24 to be **£1,225,885**.
- 1.5 The Private Housing Assistance Policy in 2017 introduced discretionary assistance, namely, to increase the maximum grant amount from £30k-40k in certain circumstances. The 2019-2022 policy extended the support available to include five additional forms of discretionary assistance utilising the funding received through the Better Care Fund:
- i) Standard Discretionary Grant -£8000 cost of work threshold before a means test is needed, or if the adaptation includes only one prescribed item. No means test for hospital discharge cases or palliative care applicants as recommended by health or social care professionals.
 - ii) Maximum grant for disabled facilities An additional £20,000 be made available as 'top up' from the DFG budget before recourse to funding from ESCC. £60k maximum grant made up from £30k mandatory and £30k discretionary
 - iii) Home Relocation To provide up to £10,000 towards removal costs of moving to a property which is deemed suitable either for immediate use or for adaptation at reasonable cost. Private rental tenants will be eligible for up to £2,000 for moving to an adaptable property.
 - iv) Hardship DFG There are a small number of cases each year where DFG applicants have a means tested contribution but have insufficient capital to meet that obligation. Under certain circumstances the Council will provide discretionary funding to a maximum of £10,000.

- v) Feasibility assistance. Up to £1,000 per household is available to fund feasibility studies for complex cases before the grant process commences.
- vi) Hospital Discharge Grants. Where the only reason a patient cannot return home is that a simple adaptation or heating repair is required a fast-track grant to a maximum of £3500 would be supported. Such interventions may include, but are not restricted to; decluttering, deep cleaning, and clearing properties to enable a supportive visit from an OT.

1.6 The Discretionary policy 2019-22 also introduced the in-house enhanced Occupational Therapy Service adopted across East Sussex which was awarded The DFG Home Adaptations Service of the Year Award 2022 at the National Healthy Housing Awards

2.0 Proposal

2.1 The Policy contains provisions for DFGs, housing renewal grants and loans but for 2023-2025 only the DFGs have been amended:

2.2 The mandatory element of the DFG policy has not changed and all 6 elements of the Discretionary Funding will remain as listed above but with 2 monetary increases due to the increased cost of living:

- Standard Discretionary Grant – the threshold will increase from £8000 to £10,000.
- Home Relocation – the maximum relocation amount will raise from 2k to 5k for private rental tenants

2.3 There will be **5 new discretionary elements** to DFGs:

i) Shared Equity Loans (to enable a home move)

Since 2008 housing renewal loans have been offered to eligible households for the repair and improvement of private sector properties, together with DFG ‘top ups,’ delivered through the council’s existing partnership with Parity Trust.

Parity Trust is a not-for-profit organisation established in May 2000 which has Community Development Finance Institution (CDFI) status. The core objective of Parity Trust is to deliver fair finance for vulnerable groups via loan or equity release products to help people improve/carry out repairs to their homes. They currently work with 16 local authorities in the south and south east region.

The 2023-25 policy has been amended to include loans to provide capital assistance to owner occupiers on a shared equity basis for families whose current home cannot be adapted or is not suitable for their long term disability needs. This will enable families to purchase an alternative property whose financial circumstances do not permit an increase in their borrowing capacity. The DFG will loan them the increase in Capital required to purchase a suitable property and that loan will be lodged as a Land Charge. The applicant would have no monthly repayments, with the loan being repayable on disposal of the

property. The Council would benefit from the appropriate percentage increase in value when the property is sold.

Reason -Access to additional Capital will provide an option for families to secure suitable accommodation. No monthly payment is required on the capital assistance provided, applicants can pay back the loan earlier or by instalments if they so wish.

ii) Fast Track Equipment Grants to prevent injury

Falls are the largest cause of emergency hospital admissions for older people and for parents of disabled children there is a high incidence of musculo-skeletal issues with lifting children. This grant will be tenure blind ensuring that all disabled households have access to the benefits of the Better Care Fund to ensure hospital admissions are reduced. The health, safety and wellbeing benefits of providing non-means tested support for equipment outweighs the potential for higher numbers of applications from different tenures.

Reason - These proposals will reduce not only the risk of residents experiencing accidents and requiring acute care, but they will ensure that work can be carried promptly allowing people to return from hospital. This supports the BCF criteria to enable safe and suitable accommodation when a patient returns from hospital, to prevent bed blocking and any unnecessary returns to hospital.

iii) Handyperson Assistance

Up to £1000 to undertake repairs to existing disabled adaptations, eligible to those on a passporting benefit in all tenures. This assistance will also cover small works/repairs/installations, other than equipment, for disabled Owner Occupiers in their home.

Reason – Once the adaptation work has been completed all ongoing maintenance that is outside of the warranty is the responsibility of the homeowner. If there is an equipment breakdown, this can be costly to repair especially in recent years with the cost of building materials and labour having risen considerably.

iv) Second Home

Up to £20,000 for essential adaptations where parents of a disabled child/ren have separated and the child cannot stay safely with the second parent without home adaptations.

Reason - Mandatory DFGs are only available for the main residence but can leave children at risk in the home of the other parent.

v) Respite Accommodation

Funding for respite care to a maximum of £5,000 per DFG whilst works take place where the home is unliveable, ensuring the families safety whilst works are carried out.

Reason No other agencies currently provide funding for families who need to

move out whilst adaptations are carried out, the accommodation required needs to be accessible and can be expensive and unsafe if not sourced appropriately.

3 Outcomes and performance management

- 3.1 A sustainable Private Housing Assistance Policy will help vulnerable households most in need to maintain a decent housing standard and for those with disabilities to remain at home for as long as possible. It is important that corporate performance is monitored regularly otherwise there is a risk that reductions in service levels are not addressed in a timely way

Continued monitoring of the budget is essential to ensure spend remains within budget and action can be taken where necessary.

If there are concerns in funding levels the DFG funding will be prioritised as follows:

- 1) Mandatory DFGs
- 2) Fast Track Equipment Grants to prevent injury
- 3) Standard Discretionary Grants
- 4) Maximum Amount
- 5) Hospital Discharge
- 6) Respite
- 7) Relocation
- 8) Handyperson
- 9) Hardship
- 10) Second Home grant
- 11) Shared Equity Loan

4 Consultation

- 4.1 A review of the existing policy in consultation with East Sussex County Council Social Services and Children's Integrated Therapy Team has given consideration on how the BCF can be most effectively used to provide increased assistance where there are identified unmet needs to improve health and safety and offer assistance to the most vulnerable and low income disabled residents.
- 4.2 Consideration has also been given to best practice as highlighted in the Disabled Facilities Grant delivery Guidance for Local Authorities in England

5 Corporate plan and council policies

- 5.1 The Policy is in line with the Corporate Plan's theme of 'Delivering Homes.'

6 Business case and alternative option(s) considered

- 6.1 The Council is required to have a publicised Financial Assistance Policy in respect to Private Housing under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002

7 Financial appraisal

7.1 Listed below are the estimated projected cost spends for each key initiative per financial year.

- a) Mandatory Grants £400k
- a) Standard Discretionary Grants – £150k
- b) Increase in maximum amount – £180k
- c) Home relocation – £50k
- d) Hardship – £20k
- e) Feasibility Assistance – £5k
- f) Hospital Discharge – £10k
- g) Shared Equity £200k
- h) Fast Track for Equipment £110k
- i) Handyperson Assistance £10k
- j) Respite Care £10k
- k) Second Home £40k
- l) OT Service –£90k

Total – £1.275 million

For grants over £5k, a Local Land Charge is placed on the property (see sections 2.8 and 3.3 of attached policy in Appendix 1) Estimated amount of DFG to be recycled per year is **£50k**

Financial Summary:

Available funds: **£1.275million** (Allocation £1.225 million + Land Charge repayments 50k)

Estimated commitment for 2023/24: **£1.275 Million**

8 Legal Implications

8.1 Under the Regulatory Reform (Housing Assistance) Order 2002, the Council may, for the purpose of improving living conditions in its area, provide assistance in any form to a person, to enable him or her to take the measures set out in article 3(1) of the Order. These include:

- acquiring living accommodation (subject to certain conditions)
- adapting or improving living accommodation
- repairing living accommodation

Article 6 of the Order enables the Council to take any form of security (including a charge) in respect of the whole or part of any assistance granted.

The Council may only offer the assistance mentioned above if they have adopted a policy for the provision of assistance of that type, hence this report seeking such adoption. The Council must also, prior to offering assistance, give

public notice of the policy adoption and make the policy available for inspection free of charge.

The changes recommended in the new policy represent a material variation of the Council's existing private housing financial assistance policy 2017-2019 and the disabled grant facilities arrangements. Changes of this nature require the approval of Cabinet.

Legal Services consulted 23.06.23

Legal ref: 012160-LDC-OD

9 Risk management implications

- 9.1 A risk assessment has been completed following the Council's guidance. No risks will arise if the recommendations are implemented. If the Policy is not implemented the risk is that the Council do not spend their allocated DFG funds which will affect allocations in future years. The Council should have a current Private Sector Housing Financial Assistance Policy that is transparent, accountable, proportionate and consistent.

10 Equality analysis

- 10.1 The additions to the DFG will positively impact residents with disabilities, older people with mobility problems, palliative patients, those on a low income, families with disabled children plus parents of young children who struggle with lifting and moving their children due to disabilities.
- 10.2 The additions will potentially broaden the support through speeding up applications, supporting with repairs and ensuring that children in need of adaptations in the home may benefit from having them in both parent's housing where the parents do not reside together. These changes may be of help for people struggling with the cost of living, potentially enhancing for some the council's cost of living response.

11 Appendices

- 11.1 Appendix 1 - Private Housing Financial Assistance Policy 2023-25

12 Background papers

[Disabled Facilities Grant \(DFG\) delivery: Guidance for local authorities in England - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/disabled-facilities-grant-delivery-guidance-for-local-authorities-in-england)

[Better Care Fund policy framework 2023 to 2025 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/better-care-fund-policy-framework-2023-to-2025)

Land Charge legislation:

<https://www.gov.uk/government/publications/the-housing-grants-construction-and-regeneration-act-1996-disabled-facilities-grant-conditions-relating-to-approval-or-payment-of-grant-general-consent-2008>

Better Care Fund Policy Framework 2023-25

[2023 to 2025 Better Care Fund policy framework - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/better-care-fund-policy-framework-2023-to-2025)

[Next steps to put People at the Heart of Care - GOV.UK \(www.gov.uk\)](https://www.gov.uk)