

## Review of Housing Assistance Policy

Cabinet	<b>25 July 2019</b>
Report Author	<b>Tim Willis, Deputy Chief Executive</b>
Portfolio Holder	<b>Cllr Lesley Game, Cabinet Member for Housing and Safer Neighbourhoods</b>
Status	<b>For Decision</b>
Classification:	<b>Unrestricted</b>
Key Decision	<b>Yes</b>
Reasons for Key	<b>Significant effect on communities</b>
Previously Considered by	<b>Overview and Scrutiny Panel - 18 July 2019</b>
Ward:	<b>All</b>

### Executive Summary:

The Council's Housing Assistance and Disabled Adaptations Policy 2015-2019 is the framework governing the award of disabled facilities grants and other types of grants and loans to householders. There have been significant funding changes since the policy was written and the policy has been reviewed. The proposed policy aims to maximise the use of the available funding and offer more appropriate kinds of assistance to local residents. Speeding-up the process by new ways of working is also proposed.

### Recommendation(s):

1. Approve the draft of the Housing Assistance and Disabled Adaptations Policy attached (Annex 1) of this report.
2. Delegate authority to the Head of Housing and Planning in consultation with the Cabinet Member for Housing and Safer Neighbourhoods to make any minor changes to the policy and from time to time when needed.

### CORPORATE IMPLICATIONS

<b>Financial and Value for Money</b>	<p>The cost of funding Disabled Facilities Grants and associated assistance is met primarily by an annual grant from the Better Care Fund, supplemented by receipts from the repayment of grants given in earlier years on sale of adapted properties.</p> <p>The funding for other types of financial assistance is already in the budget and derives from capital receipts from the sale of properties which were the subject of repayable grants and loans in earlier years.</p> <p>The proposals enable the available funding to be properly used and re-invested to benefit local residents.</p>
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<b>Legal</b>	The draft policy changes the details of the financial assistance to be offered to residents but does not change the legal basis upon which the policy is founded.								
<b>Corporate</b>	The proposals set out in this report provide significant support to vulnerable residents and residents with physical disabilities in the district. They contribute to the council's Corporate Objectives to support neighbourhoods and communities.  The proposals present a low risk to the Council.								
<b>Equality Act 2010 &amp; Public Sector Equality Duty</b>	Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to the aims of the Duty at the time the decision is taken. The aims of the Duty are: (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people who share a protected characteristic and people who do not share it, and (iii) foster good relations between people who share a protected characteristic and people who do not share it.  Protected characteristics: age, gender, disability, race, sexual orientation, gender reassignment, religion or belief and pregnancy & maternity. Only aim (i) of the Duty applies to Marriage & civil partnership.  <table border="1"> <tr> <td colspan="2">Please indicate which aim is relevant to the report.</td> </tr> <tr> <td>Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act,</td> <td></td> </tr> <tr> <td>Advance equality of opportunity between people who share a protected characteristic and people who do not share it</td> <td>X</td> </tr> <tr> <td>Foster good relations between people who share a protected characteristic and people who do not share it.</td> <td></td> </tr> </table> <p>The aim of DFGs is to adapt the homes of people with disabilities so that the disabled occupant is able to access the building and the rooms and facilities within the building independently.</p> <p><i>The Equalities Impact Assessment is attached at Annex 2.</i></p>	Please indicate which aim is relevant to the report.		Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act,		Advance equality of opportunity between people who share a protected characteristic and people who do not share it	X	Foster good relations between people who share a protected characteristic and people who do not share it.	
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Foster good relations between people who share a protected characteristic and people who do not share it.									

<b>CORPORATE PRIORITIES (tick those relevant) ✓</b>	
A clean and welcoming Environment	
Promoting inward investment and job creation	
Supporting neighbourhoods	✓

<b>CORPORATE VALUES (tick those relevant) ✓</b>	
Delivering value for money	
Supporting the Workforce	✓
Promoting open communications	

## 1.0 Introduction and Background

- 1.1. The Council has a statutory duty to award Disabled Facilities Grants (DFGs) to people who qualify for assistance, subject to means testing.
- 1.2. The only way to offer any additional kinds of financial assistance for adaptations, repairs or improvements to people's homes is by including them in a Housing Assistance Policy which has been adopted and published by the Council.

- 1.3. The council's current Housing Assistance Policy is now out of date and reflects a time when the council held a waiting list of people wanting grants. Times have changed; the council no longer has a waiting list, government funding for adaptations has increased significantly and there is now an opportunity to expand our policy to provide additional assistance.
- 1.4. In the past, funding for DFGs came directly from the government. Now the funding for DFGs is part of the Better Care Fund (BCF). The BCF is a pooled budget across district and county councils and health services. The fund is administered by KCC and is available to be spent on things which contribute to the BCF Plan, including DFGs. The purpose of including the DFG funding in the BCF was to enable spending on wider joint housing, health and social care outcomes, such as reducing hospital admissions and enabling earlier discharge from hospital. KCC are required to pass the DFG element of the BCF fund to the district and borough councils each year.
- 1.5. Work has been completed with neighbouring councils to ensure that there are similar approaches to the use of the funding across East Kent, potentially enabling greater joint working in the future.

## 2.0 The Current Situation

- 2.1 Since the current Policy was adopted in January 2015 there have been changes in the funding for DFGs at local and national level. In particular, the government has increased funding for the BCF which in turn has resulted in year-on-year increases in the DFG budget. The government has allocated a total of £505m to DFGs for 2019/20. At this moment, Thanet's DFG budget is around £3m per annum and is the highest of all non-metropolitan district councils in England. Allocations are determined by the MHCLG and the table below shows the allocated DFG funding for Thanet over the past four years.

2016/17	2017/18	2018/19	2019/20
£2,342,439	£2,568,686	£2,794,932	£3,015,899

BCF Allocations to Thanet

- 2.2 The works which qualify for a mandatory DFG are tightly defined in law. The increases in funding have enabled the council to provide increasing numbers of grants and the available budget now comfortably exceeds the demand for mandatory grants and the council no longer holds a waiting list for grants. The chart below shows the number of grants made and the number of applicants waiting for a grant over the past 5 years.

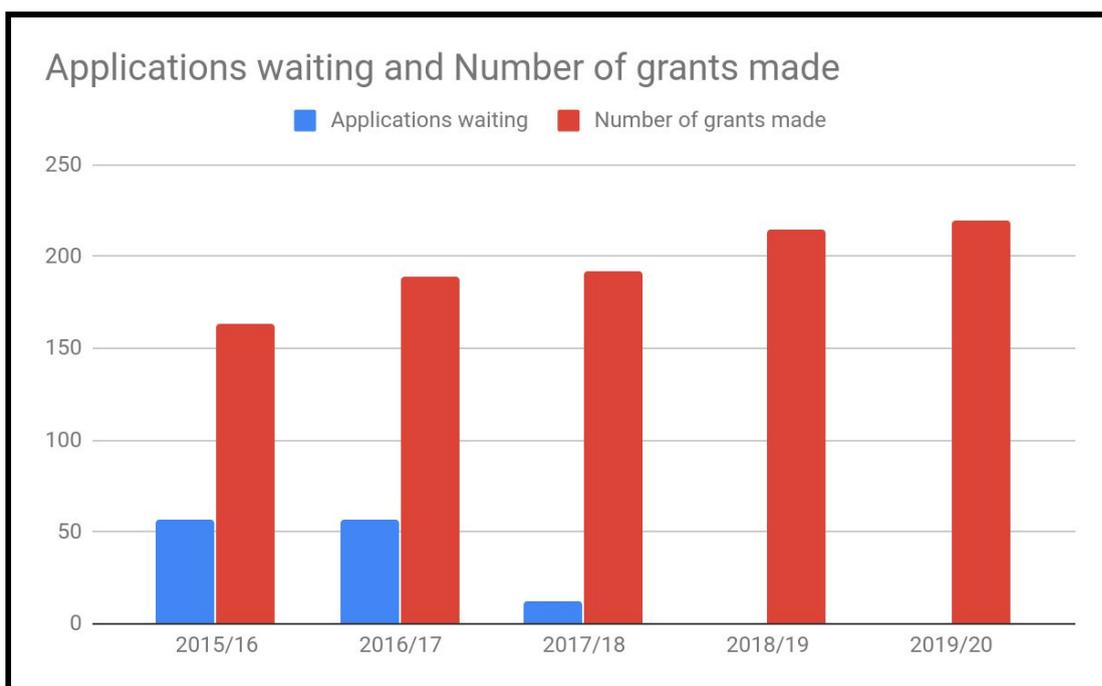


Chart showing completed DFGs and applications waiting for funding

- 2.3 The chart projects a requirement for the council to provide around 220 DFGs during the financial year 2019/20. Over the past three years the average cost of a completed DFG has been £10,300. Assuming this continues throughout 2019/20, it is anticipated that the council will commit a total of £2.27m to mandatory DFGs. During 2017/18 and 2018/19 the government allocated additional funding to DFGs part way through the year. These additional funds were committed and spent, leaving some of the original DFG funding unspent. These unspent amounts have been carried forward and are now available for additional services.
- 2.4 Prior to 2016/17 KCC had an additional allocation of Social Care Capital Grant (SCCG) totalling £2.1m for the county. This funding was used for enhancements to the mandatory DFG service and could provide fixed or removable equipment for people with physical disabilities to use in their own home, such as ceiling track hoists or equipment needed urgently. The funding could also be used to top-up mandatory grants or fund minor adaptations of less than £1,000. In administering the BCF grant, KCC have top sliced district allocations each year so that these services could be continued, pending a review of the arrangements. The amount of the KCC top slice has been agreed annually between all kent councils.
- 2.5 The table below provides a summary of the current funding available for DFGs and related projects. In certain circumstances mandatory DFGs are required to be repaid to the council, and these funds are recycled to provide further assistance and the amounts are included within the table below.

Description	2016/17	2017/18	2018/19	2019/20 Projected
B/fwd	£0	439	£591,991	£1,428,064
Core BCF Grant	£2,342,439	£2,568,686	£2,794,932	£3,015,899
Top sliced/payment to KCC	-£344,500	-£374,686	-£375,132	-£405,000

Additional grant allocation	£0	£261,175	£336,312	£0
Grants paid back to TDC from homeowners	£74,270	£101,982	£182,154	£120,000
Spend	-£2,071,770	-£1,965,605	-£2,102,193	-£2,266,284
<b>C/fwd</b>	<b>£439</b>	<b>£591,991</b>	<b>£1,428,064</b>	<b>£1,892,679</b>

Currently available BCF funding

- 2.6 It cannot be assumed that funding will continue at this level, however it does currently present an opportunity for the council to adopt a more flexible approach to the use of the funding than it has in the past. The current Housing Assistance Policy does not include discretion to exceed statutory amounts for DFGs and this has resulted in reduced schemes of work being carried out in some cases and some adaptations not going ahead at all where the applicant could not afford to pay their share of the costs. The council has not previously had sufficient funding to offer much “discretionary” assistance, but now has the opportunity to do so. Funding can also be used to help speed up the application process, completing works more quickly and providing assistance that may otherwise have not been available. Additional discretionary services will need to be reviewed on a regular basis to ensure that funds continue to be available to support them, once budget has been set aside for mandatory grants.
- 2.7 Within the BCF Plan there is particular emphasis on reducing long stays in hospital (bed blocking) by speeding-up the provision of care and adaptation services and on reducing admissions to hospital by improving energy efficiency, security and safety in the home. Councils are able to offer additional types of assistance to alleviate these problems, if funding is available.
- 2.8 In the past the council has also received other capital funding for private sector housing renewal. In the main this funding has been used to provide loans to owners and landlords of properties within the private sector. As funds are repaid to the council they become available to be recycled for further housing renewal activity. The table below provides a summary of the currently available funding.

<b>Financial Year</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20 (to date)</b>
Funding B/fwd	£462,192	£396,547	£431,126	£446,505
Grants repaid	£62,951	£85,370	£56,692	£1,474
Expenditure	-£128,596	-£50,791	-£41,312	£0
<b>Funding C/fwd</b>	<b>£396,547</b>	<b>£431,126</b>	<b>£446,505</b>	<b>£447,980</b>

Capital funding available private sector housing renewal

- 2.9 The current Housing Assistance Policy provides for some assistance to be offered to owner occupiers and private sector landlords to improve their homes. There is however an opportunity to review the arrangements and offer some additional support with the available resources, on a repayable grant basis.

### 3.0 Proposals

- 3.1 The draft Housing Assistance and Disabled Adaptations Policy at Annex 1 sets out a package of different kinds of assistance to be offered to householders in the district

which will supplement the mandatory grants currently on offer and contribute towards some of the BCF aims.

3.2 The proposed policy is very similar to policies which have been adopted by neighbouring councils. Having a common Housing Assistance Policy across East Kent will potentially facilitate greater joint working with neighbouring councils and ensure that people can receive similar services wherever they live in East Kent, with similar qualifying criteria.

3.3 The table below summarises the discretionary assistance that could be provided under the proposed Housing Assistance Policy in relation to the BCF. The level of funding available for these initiatives is not certain into the future and the table shows indicative amounts only, which will be subject to fluctuation, depending upon future funding allocations. The table assumes that future mandatory grants will continue to be funded through future BCF allocations and that the current carry forward amount of £1.89m is allocated across the range of proposed discretionary projects over the coming 3 years. Actual capital allocations are reviewed and set annually through the budget setting process.

<b>Initiative</b>	<b>2019/20 (£000s)</b>	<b>2020/21 (£000s)</b>	<b>2021/22 (£000s)</b>
Discretionary top-up for mandatory DFGs	150	150	150
Discretionary DFGs (for works that do not qualify for a mandatory DFG)	150	150	150
Assisting DFG applicants to move to a more suitable home where existing home cannot be adapted	20	20	20
Stairlift grant - rapid response scheme to facilitate hospital discharge for people with disabilities	50	50	50
Home enablement service to facilitate hospital discharge - including funding for minor works to facilitate a return home for where the person is elderly or disabled	50	50	50
Handyperson scheme: minor adaptations and safety-related works for elderly disabled or vulnerable people on low incomes	50	50	50
Paying for the services of an occupational therapist if necessary (may be top-sliced from the DFG budget by KCC before we receive it)	52	52	52
Administration of the DFG programme	70	70	70

Home Improvement Agency support to design and deliver discretionary works @10%	35	35	35
<b>Total Indicative Funding</b>	<b>627</b>	<b>627</b>	<b>627</b>
<b>3 year total</b>			<b>1,881</b>

Proposed discretionary BCF projects and indicative funding

- 3.4 The proposed Housing Assistance Policy also includes additional support for home owners and private sector landlords, particularly where homes are currently empty or hazardous. There is currently £447k in the approved capital programme for housing renewal initiatives and the table below shows indicative allocations of this funding over the coming 3 years. Over the past 3 years an average of £68k has been repaid to the council each year. It is anticipated that this will continue. As a result the receipts anticipated for 2019/20 and 2020/21 have been included in the table. It is anticipated that a total of £585k will be available for these initiatives over the next 3 years. Actual capital allocations are reviewed and set annually through the budget setting process.

<b>Initiative</b>	<b>2019/20 (000s)</b>	<b>2020/21 (000s)</b>	<b>2021/22 (000s)</b>
Winter warmth - for improving heating and/or insulation where applicant has a medical need	75	75	75
Urgent repair loan for works to repair applicant's home and reduce category 1 hazards, not connected with DFG	100	100	100
Home Improvement Agency support to design and deliver discretionary works @10%	17.5	17.5	17.5
<b>Total Indicative Funding</b>	<b>192.5</b>	<b>192.5</b>	<b>192.5</b>
<b>3 year total</b>			<b>577.5</b>

#### 4.0 Administration

- 4.1 The BCF includes provision for the administration and delivery of DFGs schemes, including services provided by the council or other agencies.
- 4.2 The council works closely with partner agencies to advise residents about the available grants, assess the eligibility of applicants, approve grant applications and release grant payments as works progress. Provision for the funding of these activities is made within the indicative funding, detailed in the table at 3.3 above. The funding of this administration fee will be reviewed annually so that it remains in line with actual costs.
- 4.3 The East Kent Home Improvement Agency (HIA), currently managed by Peabody Housing Trust, provide support to grant applicants to prepare and submit applications. The role of the Home Improvement Agency includes assisting residents in applying

for support, designing schemes of work, helping residents to appoint suitable contractors, managing the work on site and certificating payments and completions. The HIA works for the grant applicant and their work is funded by a fee for each application of 10% of the grant. The £2.2m currently committed to mandatory DFGs also includes a 10% allowance for HIA fees.

4.4 The HIA also provide handyperson schemes and minor works and can work with both hospital discharge teams and occupational therapy teams to ensure that suitable adaptations are identified and installed promptly. Some of the funding for these services is provided by KCC under contract, and there is scope to commission new services, such as the proposed handyman schemes and home enablement services locally.

4.5 Improving energy efficiency in peoples' homes is one of the actions councils can take to help vulnerable people stay out of hospital. The council has some limited forms of assistance available to help with this in its current Housing Assistance Policy and the new draft policy enhances this.

## **5.0 Funding**

5.1 The capital funding available for DFGs in 2018/19 was £3,030,755.24, made up of a government grant of £2,419,800.00 through the Better Care Fund, £591,991.00 brought forward from last year and the balance from DFG repayments. Expenditure was £2.1m. In addition, there is a budget of £431,126.13 available for non-DFG works originating from other types of grants that have been repaid on sale of properties in recent years. The core BCF grant for 2019/20 totals £3.016m, although the exact level of KCC top-slice for service it provides is not yet finalised.

5.3 Some of the new types of assistance will be funded from the DFG budget in so far as they relate to the adaptation of a person's home. Other assistance, which does not relate to disability, will be funded from the accumulated capital receipts from grants repaid in earlier years.

5.4 The law governing mandatory DFGs already specifically allows certain costs, which would ordinarily be revenue costs, to be paid from the DFG/BCF budget. These include administering the grant, professional fees for an architect or surveyor, the costs of employing an occupational therapist, legal fees, etc

## **6.0 Options**

Option 1: Do nothing. This would entail leaving the current policy in place. This would result in a significant under-spend of the budget each year and would not take advantage of the opportunities to improve outcomes for people with disabilities and other vulnerable residents that the increased funding presents.

Option 2: Adopt the new draft policy with or without amendment. This would increase the level of support available to local people, bring Thanet's grant and loan offer substantially into line with the other East Kent councils. This is the recommended option.

Contact Officer:	Bob Porter, Head of Housing and Planning
Reporting to:	Tim Willis, Deputy Chief Executive

## Annex List

Annex 1	Draft Housing Assistance Policy
Annex 2	Completed Equalities Impact Assessment

## Background Papers

Title	Details of where to access copy
None	N/A

## Corporate Consultation

<b>Finance</b>	Chris Blundell, Head of Finance
<b>Legal</b>	Sophia Nartey, Interim Head of Legal Services