

Brighton & Hove City Council

Housing Committee

Agenda Item 25

Subject:	Private Sector Housing Grants and Loans Policy
Date of Meeting:	28 September 2022
Report of:	Executive Director Housing, Neighbourhoods & Communities
Contact Officer:	Gerrard Martin,
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Ward(s) affected:	All

For general release

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 This report seeks approval for a new Private Sector Housing Grants and Loans Policy which incorporates the recommendations from the Carbon Reduction in Housing report approved at Housing Committee 17 November 2021. The policy was formerly the Disabled Facilities Grant (DFG) Housing Policy but has been renamed to better reflect the range of assistance on offer.
- 1.2 The DFG Housing policy, approved by Housing Committee in September 2017 and updated in September 2018, offers a wide range of DFG funded discretionary grants to eligible households in the private sector for housing adaptations, repairs, and renewals. It helps promote choice and independent living, enabling older and disabled households to live safe and well at home. It takes a prevention led approach, targeted at reducing accidents in the home, tackling fuel poverty, and reducing delayed transfers of care.
- 1.3 The policy is delivered by the Housing Adaptations service with the Home Improvement Agency services (HIA), formerly provided by Mears HIA, having been successfully in-sourced 1 June 2021. The policy is closely aligned to Health and Social Care priorities and contributes to delivering our Fuel Poverty and Affordable Warmth Strategy and the Carbon Reduction in Housing action plan.

2. RECOMMENDATIONS:

That Housing Committee:

- 2.1 Approves the revised policy up to 2025, including the recommendations of the Carbon Reduction in Housing report already approved at Housing Committee in November 2021.

- 2.2 Notes a change in grant conditions: *Dispensing with the Means Test* for works up to £5,000. Previously all cases were subject to a Primary Test of Resources (PToR) regardless. This has now been updated to avoid unnecessary PToR taking place and PToR will now only be applied to cases £5,000 or over (or where the proposed works are likely to exceed £5,000).
- 2.3 Notes the allocation of current resources in 2022/23, including a proposal to increase their year budget allocation for Warm, Safe Homes Grant (paras 3.25 - 3.28)

3. CONTEXT/ BACKGROUND INFORMATION / SUMMARY OF DISCRETIONARY GRANTS AVAILABLE:

- 3.1 The Housing Adaptations Service is an integrated team of Housing Occupational Therapists (OTs) and Technical Officers responsible for the specialist assessment for all major housing adaptations (over £1,000) and the administration of the Disabled Facilities Grant (DFG) available to low-income households in the private sector to fund major adaptations, repairs, and renewals.
- 3.2 Demographic trends and an ageing population increase the demand for housing adaptations and highlight the importance of investing in housing adaptations and a preventative approach. Enabling disabled adults and children to live as independently as possible at home for as long as possible can significantly improve people's quality of life, deliver direct savings in relation to care costs, defer entry into residential care and prevent unnecessary hospital admissions¹
- 3.3 In 2017 Housing Committee adopted the DFG Housing policy, introducing a wider range of discretionary grant assistance targeted at reducing accidents in the home, relieving fuel poverty, and reducing delayed transfers of care, noting the contribution to the wider strategic aims and promotion of independent living and wellbeing for older and disabled adults and disabled children and their families.
- 3.4 In the last financial year, 2021/22, the service completed 149 mandatory DFG assisted major adaptations totaling £1,069,293 and 91 discretionary grants totaling £ 247,741 in total 240 grants investing £1.32m housing adaptations, repairs, and renewals. The DFG spend from April 2022 to August 2022 is £619,995 with a further £1,132,772 committed and expected to be completed work by the end of the financial year.
- 3.5 The Housing Adaptations Service works in partnership with Possability People to coordinate applications and assistance available under the *Hospital Discharge Grant*.

¹ Better Outcomes, lower costs – ODI/University of Bristol.

3.6 The Hospital Discharge Grant:

The nature of this work is particularly time sensitive, the grant available to support any older person or disabled person discharged from hospital or intermediate care to return home. This extra help is available to help make sure that the home is safe and ready to return to. The maximum grant is set at £2,500.

3.7 The coordination of applications for assistance under *Hospital Discharge Grant* has been well managed working in partnership with Possability People. Outturn last year shows 187 referrals into the Link Back Early Response service, 128 delayed transfers of care avoided thanks to Link Back Early Response service interventions. It is estimated 256 hospital bed days saved at an estimated cost saving of £102,400, based on a conservative estimate of two days saved per patient at £400 per overnight stay - days saved have potentially range from 1 – 14 in some cases.

3.8 In 2021 Possability People re-launched the Link Back Early Response service as the Hospital Discharge Support team. To manage the increase in take up of *Hospital Discharge Grant* and provide additional outreach and support including coordinating applications for the *Handyperson Grant* for people recently discharged from hospital, raising the profile of the DFG particularly with younger disabled people, providing additional outreach to clients with mental health impairments. The total DFG contribution for these grants in 2021/22, was £57,593 (£9,964) Handy Persons Grant & £47,628 (Hospital discharge Grant). Possibility People provide quarterly and annual reports detailing the expenditure, (see Appendix 2).

3.9 The Handypersons Grant:

This grant can be applied for directly or via the following organisation's; Social Care, allied health professionals and volunteer /charitable organisation's. The grant allows for necessary minor remedial works, adaptations that reduce increase falls prevention. Targeted at older and disabled adults. The maximum grant is set at £2,500. In 2021/22 £9,964. was spent on the Handy Persons Grant.

3.10 Dispensing with the means test:

This grant enables the service to provide minor adaptations up to a maximum of £5,000 with the minimum of intervention, intrusion, and delay. Any application that appears likely to be in excess of £5,000, would require a standard means test to be applied as part of the application process.

3.11 Warm Safe Homes Grant:

This grant is made available to provide significant remedial and property improvements such as cavity/wall and loft insulation, improved energy efficient heating solutions, energy efficient windows and doors. This grant also provides access to necessary adaptions to increase safety in the home. This grant is targeted at low-income homeowner's and, private tenants in fuel poverty. The grant seeks to provide the most energy efficient installations that reduce energy costs. The grant is limited to £20,000.

- 3.12 Considering the future commitment to fund and to provide greater certainty about the availability of the DFG funded discretionary assistance and investment in improving the quality of homes in the city it is proposed a new Private Sector Housing Grants & Loans Policy is introduced.
- 3.13 In addition, the recommendations of the Carbon Reduction in Housing report already approved by Housing Committee November 2021 and consistent with the Carbon Reduction Report (for September 2022 Committee) additional funding for *Warm Safe Homes Grant* should be incorporated. The maximum amount of grant available under *Warm Safe Homes Grant* remaining at £20,000. This will enable a complete package of works and the opportunity to use more sustainable technologies such as heat pumps where appropriate, reducing emissions, improving affordability for the household. In the last financial year, 2021/22, 48 Warm Safe Homes Grants were approved amounting to a total spend of £191,642. the average being £3,992 per approved grant.
- 3.14 **Relocation Grant:**
This grant offer assistance to those people eligible for a DFG but where their current accommodation/ property isn't suitable to meet their needs currently and into the future and where adaptions are either unfeasible or unlikely to meet future needs with a five-year period. The grant is limited to £20,000 and subject to the means test.
- 3.15 **Basic Adaptations Grant:**
This grant enables non-Occupational Therapy professionals to organise and provide minor adaptions up to a limit of £5,000, such as intercoms & entry systems, external / internal rails. This avoids delays and allows speedier access to necessary adaptions without the need for a full Occupational Therapy Functional Assessment and subsequent professional recommendations.
- 3.16 **Making Homes Dementia Friendly:**
This enables access to help to make accommodation better suited and so safer to meet the needs of people with dementia or other deteriorating neurological conditions such as Huntington's Disease, Parkinson's Disease, MS. The grant is limited to £2,500.
- 3.17 **DFG Fees grant:**
This grant is available to eligible applicants to offset the costs of application and subsequent scheme costs – in relation to professional fees. This would include the provision of private Occupational Therapy assessment and or Structural Engineer assessment and reports. The grant is limited to £2,500.
- 3.18 **Funding in Excess of the Maximum Mandatory Grant:**
This grant enables the Local Authority to have discretion to increase the grant award beyond the current statutory level of £30,000. This provides essential access to deliver larger more complex schemes that enable people with higher levels of need to remain living in their homes, for as long and as safely as possible. The current discretionary level is limited to £20,000 and it is recommended in this report that this is uplifted to £30,000.

- 3.18.1 The £20,000 DFG Major Adaptations discretionary limit has been in place since 2005, there has been a rise in the cost of both material and labour in that time. More recently this has been increasing at a faster rate with the Office for National Statistics reporting an approximate 14.1% increase in building costs since 2017.
- 3.20 Figures taken from ONS Construction Output Price Indices (OPIs)².
- | |
|---------------------------------------------------------------|
| June 22+ 11.1% ('All new work' most recent figures available) |
| Sep 21 + 5.1% |
| Sep 20 + 0.5% |
| Sep 19 + 3.2% |
| Sep 18 + 2.3% |
| Sep 17 + 3.0% |
- 3.21 An increase would help to manage what we anticipate being ongoing inflationary pressures for the duration of the renewed policy. The proposed increase to £30,000 will allow greater latitude for adaptations assessed as required and otherwise deemed reasonable, but now exceeding the current financial limits.
- 3.22 Home improvement agency services, formerly provided by Mears HIA, has been successfully in-sourced and is now the Disabled Facilities Grant Team within the Housing Adaptations Service.
- 3.23 In terms of future funding, the Government on 1 December 2021, announced £570 million per year DFG funding through to 2025, as part of the Adult Social Care Reform White Paper. Brighton & Hove Council's share of this is £2.313m per year from 2022/23 to 2024/25. For 2022/23 the budget for DFGs is £2.240m with a budget of £0.400m for the extension to the Warm Safe Homes Grant. As well as creating certainty for people needing larger adaptations through the DFG, the government has also committed to fund a new service to make minor repairs and changes in people's homes, to help people remain independent and safe.
- 3.24 Over the life of the existing policy and to limit the total amount of DFG assistance any one household might apply for, the Housing Adaptations Service have operated on the basis that the number of discretionary grants any one household can apply for is limited to two. This has worked well in practice, ensuring sufficient funding is available where more than one need arises and managed the total spend and investment public funds in each case.

²

*Construction Output Price Indices (OPIs) Statistical Bulletin Reference Tables
Quarterly: Data for Quarter 3 2021: Editor: Matthew Thomas: Office for National Statistics: Newport
Published: Crown copyright © 2021)*

3.25 Private Sector Grants and Loans Capital Allocation (2022/23)

The total capital allocation for private sector Grants & Loans for 2022/23 is £2.24m. Within this allocation, £400k is set aside for the discretionary grants and loans detailed within the *Private Sector Grants & Loans Policy*. A separate allocation of £400k was also available for the Warm, Safe Homes Grant (see table 1).

- 3.26 In recognition of increased costs of living, particularly in relation to higher energy bills, it is proposed to allocate an additional sum of up to £600k from the *Brighton & Hove Warmer Homes Investment Fund* towards the Warm, Safe Homes Grant. This will mean the total resources available for these grants in 2022/23 as being £1m.

Grant & Loan	Detail	2022/23 Budget
Discretionary DFG	<ul style="list-style-type: none"> • Relocation Grant • Hospital Discharge Grant • Dispensing with means test • Warm, Safe Homes Grants • Handyperson service • Basic Adaptations Grant • Making Homes Dementia Friendly • DFG Fees Grant • Excess funding (by exception) 	£400k
Warm, Safe Homes Grant	<ul style="list-style-type: none"> • Warm, Safe Homes Grant (only), initially allocated in 2021/22 	£400k
Warm, Safe Homes Grant - PROPOSAL	<ul style="list-style-type: none"> • Warm, Safe Homes Grant (only) additionally allocated in 2022/23 	£600k

Table 1: Breakdown of Grants and Loans Budget Allocation (2022/23)

- 3.27 A variation to the capital scheme will be sought through the Month 5 Targeted Budget Management (TBM) report to October Policy & Resources Committee to accommodate the proposed investment.

- 3.28 It should be noted that the Warm, Safe Homes Grant is demand-led. Establishing a 2022/23 budget of up to £1m, provides contingency only, should the demand arise during a time when utility bills are set to rise dramatically, and is not a commitment to spend within the current financial year.

4 ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 Not having a Private Sector Housing Grant and Loans Policy would effectively withdraw all discretionary assistance on offer to older people and disabled households in the private sector, withdrawing the essential financial assistance to lower income household to adapt, repair and maintain their homes in line with the council's wider aims to improve housing quality and reduce carbon emissions.

- 4.2 Not approving the policy would mean the council would be unable to assist residents living in the private sector with grants and loans, including access to essential adaptations and energy efficiency measures. This would adversely impact on older and disabled people, their carers and families. It would remove choice, the choice to remain living at home as independently as possible for as long as possible, and reduce the opportunity for independent living, particularly for those on lower household incomes.

5 COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 Feedback from staff directly involved with the Private Sector Housing Grants and Loans Policy, Housing Adaptations Service staff, DFG team staff, Children's Occupational Therapy Team staff and Possability People, is at the heart of the proposed changes and in response to client feedback and having identified some gaps in provision.
- 5.2 Consultation with other housing authorities through Foundations.uk.com, the umbrella organisation for home improvement agencies nationally, supports the prevention led approach, provides best practice guidance for policies drafted and adopted under the Regulatory Reform Order general consent and which we have used.

6 CONCLUSION

- 6.1 The variations proposed to the Private Sector Housing Grants and Loans Policy are necessary to us being able to deliver a wider range of interventions, tailored to meet local need and clearly linked with our Housing and other relevant strategies.

7. FINANCIAL & OTHER IMPLICATIONS:

- Financial Implications:
- 7.1 For 2022/23 the budget for the Disabled Facilities Grant is £2.240m with a further budget of £0.400m for the extension of the Warm, Safe Homes Grant. There is also £0.353m for further DFG works in reserve due to underspending during the pandemic.
- 7.2 The report is recommending that £0.600m of *Brighton & Hove Warmer Homes Investment Fund* is used to expand the Warm Safe Homes Grant which is currently part of the Disabled Facilities Grant (DFG) Housing Policy. This will mean there is a total £1.0m available for Warm Safe Homes Grant scheme. A variation to the capital scheme will be sought through the Month 5 Targeted Budget Management (TBM) report to October Policy & Resources Committee to accommodate the proposed investment.
- 7.3 This will reduce the resources available for the *Brighton & Hove Warmer Homes Investment Fund* by £0.600m leaving total resources of £7.200m for 2022/23-2023/24.

- Legal Implications:**
- 7.4 The Housing Committee has delegated powers to discharge the council's functions as a housing authority. Article 3 of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 authorises a local housing authority for the purposes of improving living conditions in their area to provide assistance to any person to acquire living accommodation, to adapt or improve living accommodation (whether by alteration, conversion or enlargement, by the installation of anything or injection of any substance, or otherwise) and to repair living accommodation. The assistance may be provided directly or indirectly and in any form. Such assistance cannot be provided unless the council has adopted a policy for the provision of such assistance. Adoption of the proposed policy is within the Committee's remit. The previous policy expired at the end of March 2022.

Lawyer Consulted: Liz Woodley Date: 10/08/2022

- Equalities Implications:**
- 7.5 The DFG capital funding and the introduction of a wider range of forms of assistance will positively benefit more older and disabled people, their carers and families. It helps to promote choice, the choice to remain living at home as independently as possible for as long as possible, and supports independent living, providing financial assistance where old age and disability coincide with lower household incomes.

- Sustainability Implications:**
- 7.6 The aims and objectives of the strategy have a significant impact on improvements to the health and wellbeing of some of the city's most vulnerable residents. The Warm Safe Homes work will continue to support people and families in fuel poverty by helping to reduce energy bills by providing energy efficiency measures. Working alongside community partners to identify low carbon and efficient means to heat homes. We will be working with Brighton & Hove Energy Services Coop (BHESCO), to provide Home Energy Surveys that will provide specialist reports detailing a properties current energy state and suggested improvements. Including energy tariff advice, a range of energy saving measures & potential renewable energy solutions such as PV solar and Heat Pump analysis (where deemed a viable option). Alongside this the reports will provide estimated financial savings on the measures suggested to the end user. Regardless of final works carried out the report can remain with the homeowner to inform their future sustainability, energy efficiency planning.

Supports progress toward carbon reduction in privately owned and private rented properties as noted in 3.10 above.

- Any Other Significant Implications:**
- 7.7 These are included in the body of the report.

- Crime & Disorder Implications:**
- 7.8 None.

- Risk and Opportunity Management Implications:**
- 7.9 The total amount of capital funding committed to the policy is up to £800,000 in 2022/23. This funding comes from the DFG capital allocation via the Better Care Board (£400,000) and Warmer Homes funding (£400,000). The capital resource will be reviewed annually.
- 7.10 The case management and review of performance within the Housing Adaptations Service is managed by the Operational Manager Housing Adaptations through monthly review meetings, monthly case review and quarterly performance management meetings with Possibility People. The spend against agreed budgets is monitored monthly as part of the council's Targeted Budget Management (TBM) process.
- Public Health Implications:**
- 7.11 Strategically addressing the needs of older and disabled people will contribute to the prevention of falls and accidents in the home, ill health, and excess winter deaths, reduce health and social inequalities and improve wellbeing and quality of life.
- Corporate / Citywide Implications:**
- 7.12 The policy contributes to strategic aims of the council's Fuel Poverty & Affordable Warmth Strategy, developed in response to National Institute for Health and Care Excellence (NICE) guidance and Housing Strategy priorities: improving housing quality and improving housing support. It aligns to the Better Care Plan and its vision for our frail population to help them stay healthy and well by providing more proactive preventative services that promote independence and enable people to fulfil their potential.

SUPPORTING DOCUMENTATION

Appendices:

1. Private Sector Housing Grants and Loans Policy 2022-25
2. Hospital Discharge Grant Report (Possibility People) 2021-2022

Documents in Members' Rooms

None

Background Documents

1. Carbon Reduction in Housing – Housing Committee Report 17 November 2021

