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| Key Decision Required: | No | In the Forward Plan: | No |
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PORTFOLIO HOLDER FOR HOUSING & PLANNING

REPORT OF THE ASSISTANT DIRECTOR (HOUSING AND ENVIRONMENT)

31st May 2024

Minor Alterations To The Financial Assistance Policy For Private Sector Housing

(Report prepared by Emma Blake)

PART 1 – KEY INFORMATION

1.1 PURPOSE OF THE REPORT

To recommend some minor alterations to the Financial Assistance Policy for Private Sector Housing.

1.2 EXECUTIVE SUMMARY

The current Financial Assistance Policy For Private Sector Housing, has been in place since 2020 and on the whole this has been very successful despite the difficulties experienced during the Covid 19 pandemic. Minor alterations are now proposed to improve the schemes on offer and increase access to the funding we currently have. New guidance from Department for Levelling Up, Housing and Communities has been issued to assist Council's in their spending of the Better Care Fund.

A full review of the policy will be undertaken later this year and in 2025 the Government is expected to review the legislation, set out their priorities and decide on levels of funding for the continuance of the Disabled Facilities Grants (DFG). The updated Better Care Funding Plan will also be released.

1.3 RECOMMENDATION(S)

It is recommended that the Portfolio Holder responsible for Housing agrees to the following amendments to the Financial Assistance Policy for Private Sector Housing:

1. Local Council Tax Reduction (CTR) be added as a qualifying benefit for means testing for grant purposes;
2. The Discretionary Emergency Repairs Grant to be titled Discretionary Essential Repairs Grant; and
3. The local land charge registration process for the Discretionary Stairlift Grant be altered and aligned with that used for the Disabled Facilities Grant.

PART 2 – IMPLICATIONS OF THE DECISION

2.1 DELIVERING PRIORITIES

The proposals in this report will contribute to our commitment to ensure the Council delivers its priorities; that resources are effectively managed and utilised to deliver value for money; and that risks are managed and opportunities for improvement are not missed.

Specifically, the Financial Assistance Policy contributes to the following Corporate Plan

2024-28 (Our Vision) objectives:

- Pride in our area and services to residents
- Working with partners to improve quality of life
- Financial sustainability and openness

2.2 FINANCE, OTHER RESOURCES AND RISK

There is a need to increase uptake and improve timescales of the Disabled Facilities Grant and the budget is in place to allow this with Tendring District Council having received £2,247,571 allocation for the last three years. The allocation for the financial year 2023/24 was spent by 75 % and we currently have approximately £2,700,000 worth of work moving through the system.

Following these alterations with the Policy, there is expected to be an increase in approved and completed cases and reduction in length of application but not a general increase to the workload of the team; therefore, there is no additional resource issue pressure expected at this time.

Risk

There are few risks associated with this decision. Any legislation, guidance, Council Tax Reduction or funding changes that require an alteration of the service will be considered and the policy altered or suspended as needed.

2.3 LEGAL

The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 introduced flexibilities for Council's to adopt policies on financial assistance. The current policy was adopted by Cabinet in 2020 and one of the recommendations agreed was delegation to the Portfolio Holder for Housing to make changes to policy as required – a copy of current policy with the proposed amendments is attached.

Minute number 24 from the June 2020 Cabinet meeting refers.

2.4 OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement.

The minor nature of this proposal means that there are no equality issues that have a direct impact on this report.

PART 3 – SUPPORTING INFORMATION

3.1 BACKGROUND

The Housing Grants, Construction and Regeneration Act 1996 set out the types of financial assistance, both mandatory and discretionary, that Local Authorities could offer for Housing purposes. The only remaining grant in this piece of legislation is the mandatory Disabled Facilities Grant (DFG) which is a means tested grant intended to help people (including children) living with disabilities and long-term health conditions to live safely and independently at home for longer. Following the introduction of The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 Local Authorities have had to make their Financial Assistance offerings available in a standalone policy for this purpose.

Since 2015 the Disabled Facilities Grant (DFG) budget determined by central government has been a part of the wider Better Care Fund (BCF) and administered by Tendring District Council on behalf of Essex County Council. This is currently the only source of funding available to the Housing Grants Team. Although the mandatory requirement to provide the Disabled Facilities Grant still exists, the funding can also be used for other capital projects to support Social Care and Health and this allowed the introduction of discretionary forms of assistance into the policy when it was last reviewed in 2020. These new grant offerings have been very successful, despite the difficulties experienced during and after the Covid-19 pandemic, with a total of 205 households assisted using our discretionary grants by the end of 2023/24.

New guidance has been published by Government to assist local authorities to work around the cumbersome Disabled Facilities Grant legislation and fulfil their responsibilities to those needing adaptations (see background document link below). The following amendments will assist the Housing Grants Team to provide a faster service for those currently undertaking means testing who have already been through the process for Council Tax Reduction and provide clear advice to those applying for assistance.

a) Adding Council Tax Reduction as a passporting benefit for means testing:

For both the mandatory Disabled Facilities Grant and some discretionary types of assistance the Council financially assess those not in receipt of a means tested benefit. This is a prescribed test set out in the legislation and relates to how much Government believes someone can afford as a high street loan. Passporting benefits are those where someone has already been means tested for another government benefit and therefore the applicant does not need to be tested again. By having the benefit, they are considered a low-income household. Being in receipt of a passporting benefit saves both the applicant and the Housing Grants team a lot of time but for some applicant's the process of finding or ordering documents can also be quite difficult or even traumatic. Passporting benefits currently included in the policy are Guaranteed Pension Credits, Housing Benefit, Universal Credit, Income Support, Income-based Job Seeker's Allowance, Income-related Employment and Support Allowance and Working Tax Credit and/or Child Tax Credits (where the assessed income for the tax credit assessment is below £15,050). The means testing for Disabled Facilities Grants has not been updated in the legislation for many years.

Council Tax Benefit was a passporting benefit for means testing until April 2013 when the national Council Tax Benefit scheme was abolished and in its place every council in England has a local scheme for reducing the Council Tax charge payable by people on low incomes. The Tendring scheme for support is known as Council Tax Reduction (CTR).

The Council undertake pre-Disabled Facilities Grant means tests in conjunction with Occupational Therapists from Essex County Council, as well as preliminary means tests when a case is initially received, to enable the Council to advise those who do not financially qualify or have large assessed contributions. In 2022/23 the Council carried out 103 means tests in total but only 9 were final means tests with a total contribution for the year of just £7,450 with an average of £800 per applicant. The Council examined new cases over a three month period in early 2024 and discovered that approximately 1/3rd to 1/5th of applicants currently means tested would not require this lengthy process should Council Tax Reduction (CTR) be added as a means tested benefit.

One of the topics in the new guidance that has been released to Local Authorities is to reconsider Council Tax Reduction (CTR) as a passporting benefit despite the original advice being that this was no longer relevant as a passporting benefit. This change has been implemented by only a few Local Authorities so far (All the West Sussex Authorities, Dorset and West Northamptonshire Council have implemented this discretionary option).

Discussions have taken place with officers from the Finance and Benefit service, and they can see no reason why Tendring District Council cannot include this locally, as the means testing for the Tendring scheme does not differ from the original test that was in place nationally prior to its abolishment. The wording proposed to be used is taken directly from the newly released Foundations Financial Assistance Policy template – “Works are subject to the statutory means test as set out in legislation, with a local amendment to include Local Council Tax Reduction (not single-person reduction) as a passporting benefit.”

b) Alter the name of the Discretionary Emergency Repairs Grant to Discretionary Essential Repairs Grant:

A simple change to the title of the Discretionary Emergency Repairs Grant is proposed to make it clearer that the Council is unable to provide an emergency service for applicants. Keeping the initials the same allows for document management and numbering systems to carry on being used as they are.

c) Alter the land charge process for the Discretionary Stairlift Grant in keeping with the Disabled Facilities Grant:

The Discretionary Stairlift Grant has been very successful and has allowed over 100 applicants to follow a streamlined process for a quicker installation of stairlifts. The Discretionary Stairlift Grant is not means tested and a local land charge is registered should the works cost over £5,000 for the full amount of the grant for repayment during the 5 year grant condition period, with 19 land charges registered so far.

The only issue that has been identified is where an owner-occupier is on a passporting benefit it can be difficult to advise at the outset whether the Discretionary Stairlift Grant or a Disabled Facilities Grant is the better option, due to the difference in the amount registered against their home as a local Land Charge.

The Council are suggesting that the local Land Charge for the Discretionary Stairlift Grant is made only for any amount above £5,000, in line with the Disabled Facilities Grant conditions rather than for the full amount of grant. All other conditions will remain as they currently are and the conditions for repayment are the same as for the Disabled Facilities Grant. Those that have already had a local Land Charge registered for the full amount will only be required to pay back any amount over £5,000 in the future subject to repayment conditions. This is administered solely by the Housing Grants team so has no implication of using resources from other teams.

3.2 BACKGROUND PAPERS FOR DECISION

[Disabled Facilities Grant \(DFG\) delivery: guidance for local authorities in England - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/421242/DFG_delivery_guidance_for_local_authorities_in_England.pdf)

3.3 APPENDICES

Appendix A – Financial Assistance Policy (as currently used)

Appendix B – Financial Assistance Policy (including minor amendments)

