

This Report will be made public on 10 July 2018



Report Number **C/18/18**

To: Cabinet
Date: 18 July 2018
Status: Key Decision
Head of Service: Andy Blaszkowicz, Head of Commercial & Technical Services
Cabinet Member: Councillor Alan Ewart-James, Cabinet Member for Housing

Subject: Private Sector Housing Assistance Policy 2018-2022

Summary: This report presents the new Private Sector Housing Assistance Policy and highlights the changes and additions made since the previous policy was published in 2012.

REASONS FOR RECOMMENDATIONS:

The recommendations are made because:

- 1) The policy supports the continued investment in improvement of the housing stock of the district, enables more vulnerable and sick people who are on low incomes to remain in their homes for longer, thus preventing them from burdening hospitals and care systems too early, and enables timely discharge from hospital where housing conditions are preventing a discharge.
- 2) The changes in how the funding is delivered to local authorities for Disabled Adaptations, the new guidelines on the Better Care Fund and the significant increase in funding means that our policy needs to change to take these changes into account.
- 3) The Better Care Fund guidelines allow for more flexibility in how Disabled Facilities Grant (DFG) money can be spent and encourages innovation. By allowing the Cabinet Member for Housing to make minor changes to the policy, we can ensure that the policy reflects the work of the Council's Private Sector Housing Team and any new schemes to enable timely spending of the DFG as they are brought about.
- 4) The No Use Empty Plus loans scheme has been successfully running since 2015, helping to bring more empty properties back into use, but this needs to be set out in the new policy.
- 5) The Home Safe loan limit of £5,000 is not enough to deal with the majority of cases where vulnerable persons' homes are in need of repair to remove hazards.
- 6) A consultation exercise for a period of six weeks will commence after the policy is approved by Cabinet by publishing on the website and by sending to interested parties, including disabled charities, KCC Occupational Therapists, Home Improvement Agencies and the pensioner forum.

Cabinet is asked to:

- 1) To receive and note this report

- 2) To agree the Private Sector Housing Assistance Policy 2018-2022
- 3) To note the additional resource from the Better Care Fund (BCF) and the continued delivery plan for Disabled Facilities grants (DFG) and hospital discharge schemes in line with the BCF guidelines
- 4) To agree that the Cabinet Member for Housing has delegated authority (in consultation with the Head of Service) to make any minor changes to the policy as necessary, (provided it remains substantially within the budget framework) and subject to any comments received through the public consultation.

1. Background

- 1.1 This report sets out the main changes and additions to the 2012 Policy to form the new policy. All of the loans and grants are currently funded within existing approved budgets and will continue to be funded within these budgets.
- 1.2 Some of the additional schemes (within the scope of the BCF guidance) have been running since October 2016 and were reported in a Cabinet report for information in October 2016.

2. Key Themes

2.1 Disabled Facilities Grants and the Better Care Fund

- 2.2 Since the approval and implementation of the Council's Housing Assistance Policy in 2012, guidance surrounding DFG and how DFG allocations are administered to district level have changed and DFG allocations have significantly increased. Since April 2015 the DFG funding has been integral to the Better Care Fund allocation which is issued direct from government to the first tier authority (KCC). KCC then pass the allocation on to the Kent local authorities.
- 2.3 Folkestone and Hythe Council's Disabled Facilities Grant (DFG) allocation from the Better Care Fund was:-

Year	BCF allocation	Reallocated to KCC for Social capital shortfall	Spend (not inc. KCC reallocation)
2015/16	£622,000	N/A	£690,000
2016/17	£1,048,000	£167,000	£648,000
2017/18	£1,139,000 + £137,000 in December 2017 = £1,276,000	£167,000	£616,000
2018/19	£1,229,558	£167,000	-

- 2.4 The proposed initiatives in this report will be covered by the current total allocation for this year. A review of the budget for 2018/19 has taken into account the increased allocation from the BCF and the widening scope of the DFG in future years. The current budget for 2018/19 is set at £1,000,000.
- 2.5 The BCF allocation is determined by the Department for Communities and Local Government and whilst there are no claw-back provisions if we under spend (i.e. we can carry any unspent balance to 2019/20) there are strict guidelines around what the allocation must be used for.
- 2.6 The Better Care Fund guidance encourages using DFG funding in more innovative ways to ensure that people can remain independent in their own homes for longer. Traditionally it has only been used to adapt people's homes, but now we can work

towards reducing “delayed transfers of care” (which is bed-blocking due to lack of a safe home environment to be discharged into), and reducing admissions to hospital by making improvements in energy efficiency, security and safety in the home. The schemes detailed in this policy contribute towards these targets.

- 2.7 The new schemes which utilise DFG allocations include the Folkestone & Hythe Home Enablement Scheme , Winter Warmth loans, the Health and Housing Co-coordinator based at the William Harvey Hospital and discretionary use of DFG funding in certain circumstances where ordinarily people may miss out on disabled adaptations (either due to outdated means testing or extensive cost of works whilst still on a low income).
- 2.8 Further work will be carried out to encourage uptake of DFGs and the services provided by Peabody South East in order to maximise the spend of the allocation. A publicity campaign will be devised in conjunction with the council’s communications team to promote the DFG process and the other loan products we provide.
- 2.9 Measures carried out using DFG allocations contribute towards NHS, Social Care and Public Health targets. Improvement and adaptation of housing can help to reduce the cost burdens on health by reducing hospital admissions, GP visits and specialist consultations. This approach is also in line with the Council’s Health and Wellbeing agenda and the work that all Kent local authority Private Sector Housing teams are doing with regard to improving health through housing.
- 2.10 All of the Kent Local Authorities have been working in partnership with KCC and health professionals on a Kent wide DFG integration project. The project officer has carried out a detailed review of the current delivery of DFGs and has put forward recommendations to the Chief Executives Group to shape a new model of delivery. The Kent Private Sector Housing Group have now been tasked with implementing an East Kent pilot. Work is due to start on this project in May 2018. Folkestone and Hythe Council, along with other local authorities including Dover are implementing initiatives as described in the reviewed policy to enable spend to remain stable until any new delivery model is in place.

3. Home Safe loans

- 3.1 Home Safe loans have been offered to vulnerable home owners since 2012 and were the replacement for Decent Home Loans. The current policy set the limit for a Home Safe loan at £5,000. Over the last five years, it has been evident that £5,000 is not enough to help the most vulnerable home owners who are dealing with significant disrepair and hazards in their homes due to not being able to afford to maintain their homes themselves.
- 3.2 There is discretion built into the current policy to approve loans over the £5,000 limit. However, due to the high number of approvals above the limit, it is proposed to raise the limit to £20,000. Of the eighteen loan cases completed between January 2016 and January 2018, six of these were approved above the loan limit due to the extensive nature of works required to make the property free from hazards (this is assessed by the Home Improvement Agency’s surveyor with guidance from the Private Sector Housing Team Leader where needed). Any loans that need approval over the new £20,000 limit will be considered in consultation with the Cabinet member for Housing.
- 3.3 The Home Safe loan budget is set at £100,000 per year. Even with the increased loan limit, the scheme will still be able to be provided within the current budget. For

2017/18 the expenditure was £60,000. Loans are repaid to the council when the property is sold and are interest free.

4. No Use Empty Plus Loan Scheme

- 4.1 Kent County Council's No Use Empty Loan scheme has been running for in excess of 10 years. Through working in partnership with KCC to introduce owners of empty homes to the scheme, we have brought many properties back into use over the last 10 years or more. In 2016/17 alone, we brought 73 properties back into use, and many of these were through owners taking advantage of KCC loans.
- 4.2 In 2015 Folkestone and Hythe Council decided to provide a "top up" loan to the KCC No Use Empty loan in order to assist owners of larger scale projects. From September 2015 onwards, we have allocated £1.1 million to the Shepway No Use Empty Plus scheme (£350,000 per year for three years). The funding provides an extra £15,000 per unit (making a total of £40,000 per unit) to empty property owners in order to bring them back into use.
- 4.3 The scheme has proved successful and we won an award for Innovation from the Empty Homes Network in 2017 which recognised our achievements.
- 4.4 A budget of £350,000 in 2018/19 for the empty homes initiative has recently been approved. It is proposed to go back to Cabinet for approval to extend the scheme past 2019 by using recycled funds (from loans repaid).

5. Winter Warmth Loans

- 5.1 KCC Public Health Department had a Winter Warmth scheme for elderly and vulnerable occupants to provide funding for heating and/or insulation. The criteria for eligibility was that the occupant was suffering from a long term serious illness such as a heart condition, COPD, asthma, or a mental health condition etc. and is over 65 years of age. The funding from Public Health ceased in 2015/16 and Folkestone and Hythe Council decided to continue the scheme using Disabled Facilities Grant funding (which is within the Better Care Fund guidelines).

6. The Way Forward

- 6.1 All of the changes and amendments within the policy are as a direct result of changes in guidance from government and through a significant increase in funding for schemes to enable occupants to remain independent in their own homes for longer. These changes will not affect current budget levels.
- 6.2 Further innovative schemes will be devised to enable more spend within the current DFG allocations. We have recently approved the partial funding of a Health and Housing Coordinator role at the William Harvey Hospital (Dover Council are also contributing to this), which will assist more patients to be discharged in a more timely manner, by making sure that their home is safe and secure to return to. There may be other schemes which will evolve through time and cannot be specified in the policy in detail. Therefore a paragraph at 4.3 in the policy states that further schemes may be devised to allow for greater spend and to help more people.
- 6.3 The success of all of these initiatives will be monitored and recorded by the Private Sector Housing Team Leader in partnership with the Home Improvement Agency. Statistics regarding successful cases can then be used to promote the schemes

amongst health professionals and other agencies to encourage more take up in future. The successful cases are fed into the Private Sector Housing Team target and monitoring for number of homes improved and number of empty homes brought back into use in the service plan and reported to the Cabinet Member for Housing accordingly.

7. Risk Management Issues

A summary of the perceived risks to the council is shown below:

Perceived risk	Seriousness	Likelihood	Preventative Action
Failure to achieve the housing priorities set out in the Council's Corporate Plan.	High	Low	Adoption of an effective Private Sector Housing Assistance Policy for the district.
Failure to adopt an effective Private Sector Housing Assistance Policy for the district.	High	low	Adoption of the Private Sector Housing Assistance Policy which is underpinned by legislation and government guidance.

8. Legal, Resources and other policy matters

8.1 Legal (DK)

There no legal implications arising directly out of this report.

8.2 Finance Officer's comments (LW)

There are no financial implications arising directly from this report. The projected spend for 2017/18 and the approved budgets for 2018/19 for the various private sector housing initiatives capital schemes are outlined in the report.

8.3 Equalities (AH)

The purpose of the different types of housing assistance is to assist disabled, elderly and vulnerable people to live independently in their own homes and to provide more homes through improvement and bringing empty homes back into use. No negative impacts have been identified in continuing with widening the scope of the DFG as set out in this report.

Contact Officer and background documents

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The following background documents have been relied upon in the preparation of this report:

Department of Health/DCLG "2017/19 Better Care Fund Policy Framework"(March 2017)

Care & Repair England "Integration Briefing 1 – Disabled Facilities Grant Funding via Better Care Funds – An Opportunity to Improve Outcomes" (April 2015)

Folkestone and Hythe Draft Housing Strategy 2018

Shepway Stock modelling Report 2016 – Building Research Establishment.

Circular 05/03 "Housing Renewal" ODPM June 2003.