

**SUBJECT: HOUSING ASSISTANCE POLICY AMENDMENT –
 EMERGENCY HOUSING GRANTS SCHEME**

DIRECTORATE: COMMUNITIES AND ENVIRONMENT

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1. Purpose of Report

- 1.1 To propose an amendment to the Housing Assistance Policy, suspended in March 2015, to temporarily reintroduce the minor works grant scheme.

2. Executive Summary

- 2.1 All local housing authorities are granted the power to provide “housing assistance”, and directed housing assistance can help achieve corporate aims. Lincoln has a housing assistance policy but this was suspended by Executive in March 2015 for reasons discussed at that time.
- 2.2 The proposal presented in this report is the adoption of an amendment to the policy which would make provision for urgent help. It would mean that City council has not placed itself in a position of having a universal answer of “no” to applications for assistance. The proposal seeks to limit officer involvement with the proposed works and to allow applications to be determined swiftly.

3. Background

- 3.1 Article 3 of *The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002* allows the Council for the purposes of improving living conditions in its area to provide assistance to any person, directly or indirectly, for the purpose of enabling him:
- a) to acquire living accommodation;
 - b) to adapt or improve living accommodation;
 - c) to repair living accommodation;
 - d) to demolish buildings comprising or including living accommodation;
 - e) where buildings comprising or including living accommodation have been demolished, to construct buildings that comprise or include replacement living accommodation.
- 3.2 A council may not exercise these powers unless :
- a) they have adopted a policy for the provision of assistance
 - b) they have given public notice of the adoption of the policy
 - c) they have secured that:
 - i. a copy of the policy is freely available for inspection
 - ii. a summary of the policy is available
 - d) the power is exercised in accordance with the policy.

- 3.3 In June 2007 the Council adopted its current Housing Assistance Policy. Executive at its meeting of 2 March 2015 resolved to suspend the discretionary housing assistance grant scheme in order to focus resources on the control of HMOs.
- 3.4 The Policy Scrutiny Committee at its meeting of 26 March 2015 considered an appraisal of the Housing Assistance programme since its adoption in 2007 and expressed the desire that some form of assistance should continue to be made available.
- 3.5 In October 2015 and October 2016 members agreed to fund emergency works through use of an amended Minor Works Grant, until the end of the relevant financial year only and 4 applications were approved in each of 2015/16 and 2016/17. It is proposed that a similar arrangement is made for this financial year and on a yearly basis by means of an amendment to the existing policy.

4. Main Body of Report

- 4.1 The proposal, which is described in more detail in the appendix to this report, aims:
- a) to target those most in need
 - b) to provide help for the most urgent works
 - c) to make the scheme as accessible as possible
 - d) to make the scheme simple to administer
 - e) to limit the financial burden to the Council
- 4.2 **Persons in Need**
This proposed amendment to the housing assistance policy is limited to helping those people living in owner occupied property that requires urgent remedial work but which they cannot afford, either from cash savings or through a loan. Households living in social housing or privately rented accommodation can expect their landlord to undertake the necessary repairs and the council has enforcement powers to resolve these issues. In determining financial need the proposed amendment will take into account receipt of means tested welfare benefits as well as those households who fall just outside welfare thresholds but are still be unable to fund necessary repairs.
- 4.3 **Help for the Most Urgent Works**
Outcome 4 of the Lincoln Housing Strategy 2017-22 seeks to introduce an emergency housing assistance policy. This proposal makes a temporary provision under this objective to meet the most urgent need over the Winter months. The proposal is not to assist with maintenance, nor with long term improvements to properties, but to help manage the most immediate problems which are giving rise to conditions which directly impact upon health. In the appendix, detail is given as to the types of problems which fall within these criteria.
- 4.4 **Accessible Scheme**
The administration of the grant removes traditional barriers to the delivery of grant aided works:
- a) there will be no prior registration of an enquiry; application forms will be sent on demand,
 - b) there will be no eligibility inspection of the property before the application for grant can be received
 - c) there will be no schedule of eligible work
 - d) one estimate of the proposed works will suffice

Basic controls will make sure that the applications are legitimate and that funds are only paid upon receipt of contractor invoice when work is satisfactorily completed.

4.5 Simple Administration

The council's role will be strictly that of funder and homeowners will be responsible for management of the works. The council will carry out no building survey to determine the works needed.

4.6 Limit to financial burden

It is proposed to limit each award of assistance to £2,000. It would be a straightforward grant and not a loan and in the interests of making the grant accessible and the administration simple there would be no condition requiring repayment of the grant. It is proposed to limit the budget to £10,000 per year which would allow at least 5 grants to be awarded. The actual number will be affected by the cost of the works. It is proposed to exclude eligibility for the first 5 years of home ownership as owners can be expected to have budgeted for necessary works when purchasing their home, except for those owners whose financial circumstances have demonstrably changed since acquiring the property.

5. Strategic Priorities

5.1 Let's reduce inequality

The purpose of the proposal is to enable the Council to consider applications for assistance from those least able to bring about urgent repairs to their homes. It would be available to those in receipt of low income in the owner occupied sector.

5.2 Let's deliver quality housing

The proposal will reduce conditions that are hazardous to health and safety in owner-occupied housing, until a longer term replacement to the suspended Housing Assistance Policy can be developed and funded. The policy can be used to fund repairs to heating systems where vulnerable homeowners are left without central heating.

6. Organisational Impacts

6.1 Finance (including whole life costs where applicable)

In terms of the temporary amendments to the existing scheme it is proposed in paragraph 4.6 to limit the total expenditure to £10,000 per year.

Not all of the types of work identified as eligible under the scheme can be capitalised therefore the scheme will be funded from a combination of both revenue and capital funding. The different types of work are clarified in appendix A.

The £10,000 annual budget has been identified from within the current revenue budget of the Private Housing team via the 15% admin fee on DFG grants. This budget will be available for as long as the council continues to receive DFG grant contributions from LCC. An ongoing revenue budget of £10,000 will be provided within Private Sector Housing for this policy.

The £10,000 should be seen as a contingency against possible applications and not a target. Demand upon the scheme is to some extent dependent upon how severe the winter will be. Consideration also has to be given to the draw on both

types of funding and the possible depletion of one before the other. In order to mitigate the impact, particularly on the capital programme regular monitoring will be undertaken. In 2015/2016 when a similar scheme was approved, the Council approved 4 applications with a total cost of £7560, and in 2016/17 the total approved for four grants was £4735.20.

6.2 Legal Implications including Procurement Rules

The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 provides the Council with the power to provide assistance however, in order for the assistance to be exercised the Council must adopt a policy to exercise this power. As the total value of any single grant will be £2000 or less and the potential total contract value will be no greater than £10,000 and as such procurement rules allow for a direct approach to a suitable contractor. Where possible, local contractors will be used who are selected by the grant applicant on a case by case basis.

6.3 Human Resources

The scheme will be delivered within existing staff resources

6.4 Equality, Diversity & Human Rights (including the outcome of the EA attached, if required) – An Equality Impact Assessment is attached. There are positive impacts for age, disability and human rights, and no negative impacts for any protected characteristic.

6.5 Significant Community Impact

6.6 Corporate Health and Safety implications

7. Risk Implications

7.1 (i) Options Explored

To lift the suspension of the policy. The current policy was adopted in 2007 and no longer fully reflects the corporate priorities. The staffing resources currently available to the Council would prevent the effective delivery of the assistance.

To lift the suspension of part of the policy. The current policy made generous provision for grant aid and required a high officer input to deliver the service. To make Decent Homes Grants universally available may expose the Council to a high financial burden. The staffing resources currently available to the Council would prevent the effective delivery of the assistance

To make no financial provision for assistance. Section 3 Housing Act 2004 places a statutory duty on local housing authorities to keep the housing conditions in their area under review with a view to identifying any action that may need to be taken by them under various powers including Article 3 of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002. To make no provision under the Order and to have a policy of “no assistance” could expose the Council to a challenge of not having fully considered its statutory duty.

7.2 (ii) Key risks associated with the preferred approach

That no or very little claim will be made against the budget and that the funds might more usefully have been applied elsewhere.

That with very little officer involvement in each case value for money will not be achieved. This risk is limited by the amount of grant available in any one case.

That a house in very poor condition will require substantially more than the maximum amount of grant under this minor works scheme. It will be for the owner to consider whether a more appropriate long term solution is available.

Financial risks are considered in section 6.1

8. Recommendation

- 8.1 That the proposed amendment to the Housing Assistance Policy described in Appendix one to this report be adopted, and that housing assistance be made available under the terms of the amendment and under no other part of the policy.
- 8.2 That the term of the policy amendment extend to 31 March 2018, and then from 1 October to 31 March annually thereafter subject to available funds in future years, and that any grant applications approved in the time up to and including that date be paid on completion of the works.

Is this a key decision?

No

Do the exempt information categories apply?

No

Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?

No

How many appendices does the report contain?

One – Housing Assistance Policy Amendment

List of Background Papers:

None

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