

BOROUGH OF KETTERING

Committee	EXECUTIVE	Item 14	Page 1
Report Originator	John Conway (Head of Housing)	Fwd Plan Ref: A18/014	
Wards Affected	All	12 th June 2019	
Title	PRIVATE SECTOR HOUSING GRANTS POLICY		

Portfolio Holder: Councillor Mark Rowley

1. PURPOSE OF REPORT

1.1 To seek adoption of the revised Private Sector Housing Grants Policy 2019.

2. BACKGROUND INFORMATION

2.1 A Changing Environment

2.2 Kettering last reviewed its Private Sector Housing Grants Policy in 2015. However, the environment in which we deliver our services is changing rapidly, and this has consequences for the Council's role in the private housing sector. In summary:

- There has been a rapid increase in the number of private rentals across the Borough in recent years as many new buy-to-let landlords have entered the market, with a significant increase in the number of houses in multiple occupation (HMO).
- We are increasingly looking to the private rented sector to provide affordable homes for local people as funding for registered providers to build new homes has reduced significantly. In addition, the Homelessness Reduction Act 2017 has extended the Council's duties to homeless households; leading to increasing demand for good quality, affordable housing in the private rented sector.
- There have been a number of changes to the legislative framework in which the Private Sector Housing team operates. These include changes to the mandatory HMO licensing requirements and the introduction of Minimum Energy Efficiency (MEES) Standards for rented properties.

BOROUGH OF KETTERING

Committee	EXECUTIVE	Item 14	Page 2
------------------	------------------	------------	--------

- With the numbers of elderly and disabled people in our Borough rising, there is an increasing demand for grant funding to carry out adaptations to private homes. The Government award for Disabled Facilities Grants doubled three years ago and continues to increase each year since, thus enabling us to meet this demand.
- The Government commissioned a report into the Disabled Facilities Grant regime in 2018. The report made a number of recommendations about the future of this grant which Ministers are currently considering.
- The Council adopted a new Private Sector Housing Enforcement Policy in 2018. The Private Sector Housing Grants Policy will complement that policy and is another component in our strategic policies for private sector housing in the Borough.

3 PRIVATE SECTOR HOUSING GRANTS POLICY

- 3.1 It is necessary to revise the Council's Private Sector Housing Grants Policy so that we can make best use of the capital resources to meet the needs of our most vulnerable customers.
- 3.2 The Council receives capital resources from the Government to fund Disabled Facilities Grants. The amount received for 2019/20 is £647,698, which represents a small increase on the £600,243 received in 2018/19. The table below sets out the Council's capital programme for Disabled Facilities Grants between 2014/15 and 2018/19.

Table 1: Capital expenditure on Disabled Facilities Grants 2014/15 – 2018/19

Type of Assistance	Financial Year	Total Grant Spend	Number of Households Assisted	Average Spend per Household
Adaptation via a Disabled Facilities Grant to assist a person to remain in and continue to enjoy their own home	2014/15	£307,801	68	£4,526
	2015/16	£192,636	53	£3,634
	2016/17	£406,529	79	£5,145
	2017/18	£464,191	88	£5,274
	2018/19	£535,429	90	£5,949

- 3.3 The main proposed changes to the Council's Private Sector Housing Grants Policy are summarised overleaf:

B O R O U G H O F K E T T E R I N G

Committee	EXECUTIVE	Item 14	Page 3
------------------	------------------	------------	--------

Proposed Change	Reason
<p>Discretionary Disabled Facilities Grants – Paying for an extended warranty towards equipment such as stair lifts, hoists, through floor lifts, step lifts, etc. up to a maximum of £1,000.</p>	<p>It has been established that many customers who receive equipment such as stair lifts do not pay for the extended warranty. This can then result in calls to the Council a year or two after the equipment has been installed to ask for another grant to replace a broken piece of equipment. By providing funds via the discretionary grant to pay for the extended warranty it is hoped that greater longevity of the equipment can be achieved for the customer.</p>
<p>Discretionary Disabled Facilities Grants - Contributing towards the cost of an applicant’s contribution up to a maximum of £1,000 where the means test has established that the applicant has to pay a contribution and yet their total savings are under £6,000</p>	<p>The values within the DFG means test have not been uprated for 10 years. As a result customers who would have received a full grant previously are now being asked to contribute towards the cost of the works. It is proposed to offer discretionary funding towards those customers who have to contribute a small amount towards their adaptations but clearly do not have sufficient means or the ability to raise funds to pay for this contribution.</p>
<p>Discretionary Disabled Facilities Grants - Contributing an additional amount towards works that are recommended by the Occupational Therapist where those works cost more than the mandatory grant limit of £30,000. For example, where a ground floor extension to provide a bedroom and level access shower room is deemed the most reasonable and practical way of meeting the applicant’s need but the cost of this work is above £30,000. The Discretionary Disabled Facilities Grant can be used to top up the maximum grant award possible, up to a maximum of £10,000.</p>	<p>The mandatory grant limit has remained unchanged for over 10 years. This means that despite the cost of labour and materials increasing in this time, the grant does not reflect this. For example, a customer recommended for an extension 10 years ago, would not have been likely to have had to pay any additional funds above and beyond the £30,000 limit, however the same job now often costs in excess of £30,000. This top up therefore aims to ensure customers that require an extension and qualify for the grant are able to receive sufficient grant funding to progress the best solution recommended for them by Occupational Therapists.</p>
<p>Landlord Improvement Grants - Provide grants to private landlords to increase the supply of good quality</p>	<p>Previously the Council offered a major and minor landlord improvement grant, the major grant required the landlord to match</p>

B O R O U G H O F K E T T E R I N G

Committee	EXECUTIVE	Item 14	Page 4
------------------	------------------	------------	--------

<p>privately rented homes available to local households in housing need, up to a maximum of £1,000.</p>	<p>fund to the same level of the grant award. The minor grant was only up to a maximum of £500. In recent years interest in both of these grants has been low due to the conditions that are attached to them. The amount of budget available for Landlord Improvement Grants (within the Private Sector Decent Homes Project fund carried forward from previous years) has been reduced due to up to £75,000 being allocated to deliver the Northants Warm Homes Fund Project over the next three years. With a budget pot of just £23,000 it was not possible to continue with the major landlord grant as only a small number of applications could have been funded. To help ensure all minor works can be funded via the grant and maximise the opportunities for the council to work alongside private landlords in meeting local housing need, it is proposed the limit is increased from £500 to £1000. It is also proposed that the limit on the amount of grant funding that one landlord can receive is removed, so that any landlord that works with housing options can receive grant funding to ensure their property meets the necessary standards.</p>
<p>Warm Homes Fund Northamptonshire - Provide top up grant funding to eligible owner occupiers who qualify for a Warm Homes Fund Northamptonshire first time central heating grant, up to a maximum of £1,000.</p>	<p>In late 2018 the County was successful in a joint bid between six district and boroughs and two registered providers in securing £3.9m to provide first time gas central heating to eligible households. As part of this bid each council/registered provider has to provide funding of approximately 25% per job. To ensure that households in this Borough are able to access the additional funding required, a top up grant is proposed of up to £1,000 per applicant. Only households that are eligible for the countywide funding will qualify.</p>

BOROUGH OF KETTERING

Committee	EXECUTIVE	Item 14	Page 5
-----------	------------------	------------	--------

4. CONSULTATION AND CUSTOMER IMPACT

- 4.1 In developing our Private Sector Housing Grants Policy, we have consulted internal and external partners, including Housing Options and the other authorities in North Northamptonshire.

5. POLICY & RESOURCE IMPLICATIONS

- 5.1 The proposed Private Sector Housing Grants Policy will not require any additional funding to deliver. The proposed changes will either be paid from centrally allocated Disabled Facilities Grant money or from the existing Private Sector Decent Homes Project budget.

6. RECOMMENDATION

- 6.1 It is recommended that the Executive Committee agree to adopt the new Private Sector Housing Grants Policy as set out in section 3 of this report.

Background Papers:

Private Sector Housing Grants Policy 2019 N/A
Private Sector Housing Enforcement Policy 2018

Previous Reports/Minutes

Report prepared by:

Dan Hannam
Private Sector Housing Manager