



Report to: Cabinet Meeting: 24 September 2024
 Portfolio Holder: Councillor Lee Brazier, Housing
 Director Lead: Matthew Finch, Communities & Environment
 Lead Officer: Jenny Walker, Business Manager – Public Protection, Ext: 5210

Report Summary	
Type of Report	Open report, key decision
Report Title	Private Sector Housing Grant Amendments
Purpose of Report	This report sets out the proposed amendments to the adopted standalone policy covering the administration and distribution of mandatory and discretionary Disabled Facilities Grants (DFG) and changes to the private sector housing Minor Works Grant (MWG) scheme.
Recommendations	<p>That Cabinet approve:</p> <ul style="list-style-type: none"> a) the inclusion of the Armed Forces Covenant into the policy; b) the increase in the discretionary Disabled Facilities Grant funding from £20,000 to £30,000 to be funded through the Better Care Fund Allocation; c) the increase to the Minor Works Grant funding from £5,000 to £10,000 to be funded through the Better Care Fund Allocation; d) a review of the outcome of the amendments to the discretionary grant maximum amounts after 6 months of the policy update approval; and e) delegated authority to the Director – Communities * Environment, following consultation with the Portfolio Holder - Housing and the Leader of the Council to increase the discretionary grant by a further £10,000 without requiring a further report to the Cabinet, if considered appropriate, following the review.
Alternative Options Considered	<p>Do nothing – this would not allow inclusion of the Armed Forces Covenant in line with other Council policies, limit the number of disabled facilities grants that can be approved due to maximum limits reached and prevent additional minor works to be completed.</p> <p>Consider differing funding limits – The proposed amended grant maximum have been based on the current costs of</p>

	adaptations that are being managed by the team. There will always be a few cases that will exceed any limit but these levels represent the majority of cases.
Reason for Recommendations	To ensure that the Council can continue to deliver necessary adaptations to enable residents to live independently at home for longer.

1.0 Background

- 1.1 Disabled Facilities Grants are a mandatory grant and are designed to provide adaptations to the home to allow a disabled person to continue living in the community. These grants are subject to a means test and some applicants do have to pay a contribution towards the cost of the work. Referrals for these grants come from the Occupational Therapy teams of the County Council.
- 1.2 The Council adopted its standalone DFG policy in 2015 and this was further amended and updated in 2021 with the previous Committee approval. In addition to the DFG policy document Members also approved a small-scale Minor Works Grant scheme in 2017, the purpose being to support either DFG applicants or vulnerable households with essential repairs to their private properties by the provision of a limited grant offer. All councils are required to set out in writing what discretionary grants are provided and the conditions relating to them under the Regulatory Reform Order. What grants we choose to offer, the funding allocated to them and the process for administering is solely down to the authority to determine and operate.
- 1.3 This report seeks to gain approval for a number of amendments to both the DFG and MWG schemes which reflects feedback from service users and partner organisations over recent years, a recognition that building and labour costs have increased significantly since 2021, plus the Councils commitment to the Armed Forces Covenant and assisting ex-service personnel and their families.

2.0 Proposal/Details of Options Considered

- 2.1 The revised policy does not differ fundamentally from the previous document but seeks to address the issues faced in delivering complex adaptations because of the significant increases in building costs experienced over recent years. **Appendix 1** provides the proposed revised policy will amendment proposals in red.
- 2.2 The principal proposal is to increase the maximum discretionary Top Up that the Council might offer to a DFG applicant. There has been no major national DFG review for some years and Government has provided no indication that it is their intention to increase the mandatory grant maximum (£30k), preferring to recognise the option of Councils to adopt local discretionary powers to reflect local issues. Although there is no legal requirement for a policy in relation to DFGs it is considered prudent and appropriate that such a policy should exist. This provides a transparency of approach to service users and they can clearly see the circumstances that might apply to their need. It also enables the Council to set out the circumstances under which it will provide discretionary grant assistance. Given this situation and the inability to fund high value schemes within current grant limits an increase in our discretionary offer is an appropriate response by the Authority.

- 2.3 Members will also be aware of the Council's commitment to supporting service personnel and their families by the adoption of the Arms Forces Covenant. Feedback from representatives of the armed forces and evidence of limited take-up of DFG from this group indicates that the means tested nature of the DFG scheme and the impact of armed forces specific pensions and compensation schemes is a potential barrier to DFG applications. In addition, the often relatively lengthy application process is seen a deterrent to application. The proposed policy changes seek to recognise these barriers and propose practical solutions to assist this specific group.

Minor Works Grant

- 2.4 The MWG was implemented in 2017 to offer support to DFG applicants who, in addition to essential adaptations, also required assistance in resolving significant disrepair problems. The grant was also available to those applicants who were accessing the Warm Homes on Prescription scheme for energy efficiency/heating upgrade schemes, for similar works, plus any particularly vulnerable households on low incomes that needed assistance toward essential repairs that represented a risk to their health. This grant was purposefully limited to a modest £5,000 as it was not intended to provide a comprehensive renovation scheme but provide targeted assistance in very specific circumstances.
- 2.5 The draft revised DFG Policy and MWG eligibility criteria are attached as Appendix One to this report (proposed amendments being highlighted in red). A commentary on the main points of change is also provided below.

Summary and Rational for the Proposed Changes

- 2.6 The following is a summary of the proposed amendments to the 2021 policy and a description of why these changes are proposed. All of the proposed amendments and increased will be financed through our Better Care Fund Allocation for Disabled Facilities Grants and will not impact our existing capital or revenue budgets and programmes:
- The current mandatory grant maximum of £30,000 has been fixed at this level since 2008 and this no longer reflects the costs associated with delivering the most complex and often expensive adaptations. As a result, in 2015 the Council adopted and implemented an effective discretionary 'Top Up' scheme which was further amended in 2021. The policy currently provides an additional £20,000 assistance over and above the mandatory £30,000 maximum.
 - The costs associated with this type of scheme, generally the construction of extensions, have risen significantly over recent years and when considering architectural costs and VAT (which the Council is not able to reclaim) the current arrangements are insufficient to fund such complex schemes, leaving grant applicants in the difficult position of being unable to progress their DFG. The policy seeks to increase the maximum level of discretionary grant to £30,000 that will enable these complex schemes to progress without the need to identify significant additional funding sources and avoid unnecessary delays in delivering essential adaptations. All the existing conditions regarding recovery of grant in the event of disposal of the property within 10 years will remain unchanged. Any discretionary grant offer will be secured as a Land Registry charge. The maximum award to any one scheme will be £60,000, made up of £30,000 mandatory DFG and £30,000 discretionary Top Up.

Subject to Committee approval of the revised policy it is proposed that the increased discretionary offer be made available retrospectively to all DFG schemes that have received formal approval but the agreed works have yet to start on site.

- A new Armed Forces grant will be implemented that although mirroring the DFG in terms of eligible works, conditions, and application process it will have an amended test of resources that will disregard armed forces personnel pensions and compensation schemes, thus lowering the likely contribution these applicants will be required to make. We will also commit to fast-tracking such applications wherever practicable. These changes will, we hope, make the grant process more attractive and simpler for this group and illustrate in real terms our commitment to the Covenant.
- Since its implementation in 2017 the MWG has proved an effective tool in assisting particularly vulnerable homeowners resolve serious and potentially harmful housing defects and ensuring that proposed adaptations or energy efficiency schemes are not delayed as a result. This scheme is currently limited to £5,000 maximum award and again the general and significant increase in building costs has begun to limit the scope of this scheme. In order to allow the maximum effectiveness of the grant it is proposed that the maximum award be increased to £10,000 thus ensuring the most common identified works (roof repairs, electrical installation defects, damp and mould issues etc.) can be easily accommodated within the scheme.

2.7 The previous DFG Policies have been considered at length by the Nottinghamshire DFG Consistency Group including NCC Occupational Therapy Services and a number of service users that have contributed to the work of the group. It should be noted that the proposed amendments have been shared with the group but given the differing financial pressures across the County it is unlikely that these changes, although supported, will be adopted unilaterally. Although our approach will result in some differences across the County the proposals will not in any way disadvantage the residents of Newark and Sherwood and will ensure best use of available resources.

3.0 Implications

In writing this report and in putting forward recommendations officers have considered the following implications; Data Protection, Digital and Cyber Security, Equality and Diversity, Financial, Human Resources, Human Rights, Legal, Safeguarding, Sustainability, and Crime and Disorder and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

Financial Implications (FIN24-25/2453)

- 3.1 The funding for Disabled Facility Grants and Warm Homes on Prescription comes from the Better Care Fund, received via Nottinghamshire County Council annually.
- 3.2 The costs are fully funded, therefore there are no financial implications to the Council, however, the increases will increase the spend on the Better Care Funded schemes.
- 3.3 Since 2016/27 the income for the three projects described in the report has gone from £722,574 to £1,124,455 in 2023/24 which is a 56% increase.

3.4 Spend over the last three years has been between 58% and 77% (detailed below) of the available allocation for Mandatory and Discretionary DFGs and WHOP only, therefore it is considered that the funding available is sufficient to cover the increases.

	2021/22	2022/23	2023/24
BCF Allocation (DFG & WHOP only)	1,084,836	1,022,252	1,124,455
Spend	836,198.61	677,179.39	648,849.61
% Spend	77.08%	66.24%	57.7%

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

None