1.0 PURPOSE OF REPORT

1.1 To obtain approval from Cabinet to amend the Housing Assistance Policy to include changes to the funding for discretionary disabled aids and adaptations and the inclusion of Empty Homes Loans

2.0 RECOMMENDATION/S

2.1 It is recommended that, with immediate effect,

1. The Housing Assistance Policy Appendix A (including the Disabled Facilities Grant Appendix B and Empty Homes Loans Procedure Appendix C) is adopted
2. Minor changes to the Housing Assistance Policy are delegated to the Cabinet Member (Housing and Safer Communities)
3. Minor changes to the Disabled Facilities Grant Procedure (Appendix B) are delegated to the Cabinet Member (Housing and Safer Communities)
4. Minor changes to the Empty Homes Loans Procedure (Appendix C) are delegated to the Cabinet Member (Housing and Safer Communities)

3.0 RECOMMENDED REASON/S FOR DECISION/S

3.1 Offering a wider range of discretionary assistance will enable the Council to assist a greater number of disabled people, their families and carers and to help people remain as well as possible at home.
To ensure, in line with the Empty Homes Budget approved by Cabinet on 26 June 2019, there is a process in place to administer an Empty Homes Loan.

**4.0 ALTERNATIVE OPTION/S CONSIDERED AND RECOMMENDED FOR REJECTION**

4.1 Not offering discretionary assistance. This is not recommended as demand for mandatory works is insufficient to spend the increased budget received from the Ministry of Housing, Communities and Local Government (MHCLG). The funding must be spent on adaptations work and to underspend the budget is not an efficient use of public funding. Offering additional discretionary works will enable the funding to be spent as intended not only to assist disabled people but to help people remain as well as possible in their own homes.

4.2 Offering discretionary DFG assistance in the form of a loan. This is recommended for rejection as it is envisaged it will likely deter vulnerable people from accessing the assistance and will increase the administrative burden.

4.3 Not to approve the method and terms of an Empty Homes Loan to facilitate the voluntary return of empty properties into occupancy. This would mean the council would not be in a position to offer support to empty property owners where needed and might weaken the case of progressing a property to a CPO without evidence of offered support provided.

4.4 To offer Empty Homes Grants, this is not recommended as works of repair and renovation increase the value of a property so it is equitable that the community, in the form of the Council, share in this increased value.

**5.0 THE REPORT**

5.1 The Housing Grants, Construction and Regeneration Act 1996 places a duty on unitary and district councils to provide Disabled Facilities Grants (DFG). The grant is means tested and funds certain eligible works to enable a disabled person to remain as independent as possible in their home. The grant may fund works in the private sector only. Aids and adaptations for council tenants are paid for through the Housing Revenue Account.

5.2 The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002, (the Order), gives local authorities the power, but not the duty, to adopt a Housing Assistance Policy. A policy may contain a wide range of assistance at the discretion of the local authority. The policy may include additional works of repair and improvement, not included in the mandatory works listed in the 1996 Act. It may also include assistance to improve living accommodation. Before such powers are used the council must adopt and publish a policy.

5.3 The current Harrogate Borough Council policy adopted under the provisions of the Order includes a range of actions to assist disabled people and other home owners. A review of the policy highlighted a number of potential changes to increase the number of people assisted and to improve housing conditions.
5.6 The proposed Housing Assistance Policy is attached at Appendix A. The main proposed changes are:

1. To change the means test for Disabled Facilities Grants so that the first £5k of all contributions are paid for by the Council.
2. Grant aid a wider range of activity to support health and wellbeing such as falls prevention, energy advice and wellbeing actions.
3. The introduction of Empty Homes Loans.

5.7 The proposed Empty Homes Procedure is attached at Appendix C.

6.0 REQUIRED ASSESSMENTS AND IMPLICATIONS

6.1 The following were considered: Financial Implications; Human Resources Implications; Legal Implications; ICT Implications; Strategic Property/Asset Management Considerations; Risk Assessment; Equality and Diversity (the Public Sector Equality Duty and impact upon people with protected characteristics). If applicable, the outcomes of any consultations, assessments, considerations and implications considered necessary during preparation of this report are detailed below.

6.2 Equality and Diversity implications (the Public Sector Equality Duty and impact upon people with protected characteristics)

6.3 An Equality Impact Assessment is attached at Appendix B

Financial Implications

6.4 Harrogate Borough Council has committed a budget of £800,000 to progress CPOs, as part of the enforcement element of the Empty Homes Strategy, and empty property loans.

6.5 A total of £800,000 has been included for empty homes purchases and empty property loans in the latest update of the Capital and Investment Programme. The funding for these costs will come from the estimated £600,000 of capital receipts from the sales of the properties, with the remaining £200,000 coming from the Housing Business Reserve, which currently has £200,000 set aside for CPOs.

6.6 It should be noted that this is currently a one-off budget that has been included in 2019/20 as part of a trial. The processes and associated costs will need to be reviewed once the first loans have taken place and a decision taken as to what level of budget, if any, to include going forward. The scheme as a whole is currently cost neutral because of the £200,000 funding available from the Housing Business Unit reserve. This balance is likely to be depleted though, as there are costs associated with CPO that cannot be recouped, and therefore alternative funding would be required.

6.7 The empty property loans will be interest-free loans, with a maximum term of five years, the value of loan to be repaid will, in cash terms, be equal to or higher than the original loan granted, as the repayable amount is based on a proportion of the property value (see Appendix 1).
Legal Implications

6.8 There are implications from potential increased enforcement activity. Capacity within the Legal team may mean that the council has to consider outsourcing on a case by case basis. If borrowers of the Empty Homes Loan fail to meet the terms of the contract, such as missing the final pay date at the end of the five year term, additional work will be required with the enforcement of the loan, which could include the sale of the property.

7.0 CONCLUSIONS

7.1 The Order gives local authorities the power to adopt their own adaptation polices in order to offer discretionary financial assistance. The adoption of a policy would allow both the efficient use of the budget and improve the outcomes for disabled residents, owner occupiers and the owners of empty homes.

Background Papers – None

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