



# East Northamptonshire Council

## Policy and Resources Committee - 22 February 2010

### Private Sector Housing

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#### Summary

This report sets out the Private Sector Housing funding requirements beyond April 2010

#### Attachment(s)

- 1) Appendix 1 - Northamptonshire Disabled Facilities Grants - Spending Status
  - 2) Appendix 2 - Equalities Impact Assessment
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### 1 Background

- 1.1 The Committee agreed, at its meeting on 12 October 2009 (minute 178) additional funding of £225,000 for Disabled Facilities Grants (DFGs) in 2009-10. The Finance Sub Committee on 26 October 2009 amended the Capital Budget and asked that a further report be made to this Committee to consider the feasibility of limiting the Disabled Facilities Grants budget to £300,000 annually.
- 1.2 The Committee also requested a further report setting out funding requirements for 2010-11 and future years, once the Council's allocation from the Department of Communities and Local Government (DCLG) is known. Unfortunately we have still not been advised of the amount for 2010-11 from DCLG and need to set the amount to feed into the capital programme. However based on previous allocations this can be expected to be in the region of £150,000.
- 1.3 The Head of Environmental Services wrote to a variety of other local bodies including Hospital Trusts, Northamptonshire County Council and the Primary Care Trust to ask for support but they were either unable to help at this time due to their own budgetary constraints or they did not feel it was their responsibility.

### 2 Current Spending

- 2.1 The additional funding approved by Members for 2009-10 will be fully committed during this financial year. This would put the total spend on Housing Grants during this year at £770,000 - the majority being spent on mandatory disabled facilities grants and £72,000 on discretionary grants that were approved in 2008-09 but not completed until this financial year. This spend relates only to private households and some RSLs but does not include any provision made for supporting Spire Homes with their stock, for which Members provided separate funding of £75,000.
- 2.2 A decent homes grant was received from DCLG for £434,000, which included £126,000 as part of a combined initiative with the Borough Council of Wellingborough to set up a 'Handyman' scheme. The remaining £308,000 'decent homes' funding has also been included in the total spend on DFGs.
- 2.3 It can be seen from the table at Appendix 1 to this report that other Northamptonshire Councils are receiving a similar level of DCLG allocation and have relatively similar demand, with the exception of Northampton BC.

### 3 Limiting Future Requirements

- 3.1 The spend during 2009-10 included some £80,000 of DFG commitment that was held

over from 2008-09 but there is no indication that the need for 2010-11 would be less than this year. The number and value of applications for DFGs is expected therefore to be in the region of £650,000 during 2010-11.

- 3.2 No further discretionary grants enquiries have been accepted during 2009-10 and all decent homes programmes have been stopped at this time.
- 3.3 As detailed in the previous report to the Committee, Section 36 of the Housing Grants Regeneration Act 1996 allows for payments to be deferred for a period of up to one year. On current spend if the budget was set at £300,000 this would result in some £350,000 of applications being deferred to the next financial year, which would fully commit the next year's budget if it were to remain the same. This would mean that from April 2011 the payment of all applications would need to be deferred for a maximum 12 months. After this time the Council would be legally obliged to make payment of the grant in full on completion of the works.
- 3.4 If no discretionary grants are made it is likely that there will be a decline in general housing standards, particularly for those on lower incomes and enforcement action may increase as a result.
- 3.5 Through discussion with the Occupational Therapists we have some influence on the type of adaptation but are required to be guided by their knowledge. Whilst it might be possible to make some short term savings by choosing cheaper adaptations options it is likely that there would be a need for further adaptations in the future, which could be more costly.
- 3.6 It can be seen from the table at Appendix 1 that other District and Borough Councils in the County face similar problems in terms of funding DFGs. However the average cost per grant is less in other Councils this year but this is probably due to a number of major applications at the maximum being progressed this year in East Northamptonshire.
- 3.7 County groups have looked at different procurement arrangements to try and reduce the costs for many years but have been unable to find a viable way forward. Negotiating with equipment providers is one area to be explored but a similar approach by Northamptonshire County Council to set up bulk procurement around 2006 failed. This was generally due to a lack of interest from suppliers. This is a niche market and there was no real incentive for suppliers to tender as the competition is not great. This is one area that we continue to explore as and when opportunities arise.

#### **4 Case Review Panel**

- 4.1 In order to prioritise cases an assessment panel could be considered. This has been used by the County Council for over a year in relation to top up grants for DFGs over the maximum amount.
- 4.2 A panel would be able to set priorities and review individual cases on appeal to the panel. This would allow the Council to better manage a limited budget and give individuals a chance ask for a review and to prioritise their case.
- 4.3 If a panel is considered the details of this would need to be subject to a further report to include; the make up of panel, administration, procedures, governance and terms of reference. There would naturally be some resource implication in setting up the panel and administering it that Members will need to consider.

#### **5 Options**

##### **Option 1**

- 5.1 Consideration is given to revising the budget for 2010-11 and 2011-12 to £650,000 per year to reflect the current expected demand and review the need after this period.

This level of funding would provide the same level of service currently received and most applicants would receive their grant when required on completion of the works. The Council would still not be in a position to actively promote the grant to vulnerable groups as this would have an inevitable impact on demand. No discretionary grants could be made and the Council's grants policy would need to be revised.

**Option 2**

- 5.2 The budget is revised to £400,000 and an additional £100,000 to be allocated to priority need budget which is assessed by a review panel. Any approvals above this amount to be deferred until the next financial year and or further assessment by a review panel in that year.

This level of funding would mean that proportion of the applicants would not receive their grant funding for up to 12 months from it being approved but the most serious and urgent cases will be given priority. Unless level of demand reduces, Government grant funding is enhanced or the Council increases its capital support that in 2 – 3 years that the number of people on the waiting list would mean that some may exceed the statutory 12 month minimum period for deferral. No discretionary grants could be made and the Council's grants policy would need to be revised.

**Option 3**

- 5.3 A capital budget of £300,000 is allocated for Disabled Facilities Grants and any payments due above this amount are deferred until the next financial year.

This level of funding would mean that over 50% of the grant applications would need a deferred payment and if the funding remained the same would be fully committed for the next financial year and beyond that applicants would need to wait more than the 12 month maximum period. No discretionary grants could be made and the Council's grants policy would need to be revised.

**6 Equalities Implication**

- 6.1 Provision of adaptations for disabled people is a mandatory requirement of the Housing Grants, Construction and Regeneration Act 1996. If the Council fails in its statutory duty then it could be considered to be discriminating against this group.

**7 Recommendations**

- 7.1 The Committee is recommended to:-
- 1) Identify the preferred option from those in section 5 for the funding of Private Sector Housing Grants from April 2010.
  - 2) Approve, in principle, the setting up of a case review panel.

<b>Implications:</b>		
<b>Corporate Outcomes or Other Policy/Priority/Strategy</b>		
Good Quality of Life	<input checked="" type="checkbox"/>	Good Reputation <input checked="" type="checkbox"/>
Good Value for Money	<input type="checkbox"/>	High Quality Service Delivery <input type="checkbox"/>
Effective Partnership Working	<input type="checkbox"/>	Strong Community Leadership <input type="checkbox"/>
Effective Management	<input type="checkbox"/>	Knowledge of our Customers and Communities <input type="checkbox"/>
Employees and Members with the Right Knowledge, Skills and Behaviours		<input type="checkbox"/>
<b>Other:</b>		<input type="checkbox"/>
Decision(s) would be outside the budget or policy framework and require full Council approval		<input type="checkbox"/>
<b>Financial</b>	There are no financial implications at this stage <input type="checkbox"/>	
	There will be financial implications – see paragraph 5.1, 5.2 and 5.3 <input checked="" type="checkbox"/>	

	There is provision within existing budget	<input type="checkbox"/>
	Decisions may give rise to additional expenditure at a later date	<input type="checkbox"/>
	Decisions may have potential for income generation	<input type="checkbox"/>
<b>Risk Management</b>	An assessment has been carried out and there are no material risks	<input type="checkbox"/>
	Material risks exist and these are recorded at Risk Register Reference - 514 inherent risk score - 4 residual risk score - 4	<input checked="" type="checkbox"/>
<b>Staff</b>	There are no additional staffing implications	<input type="checkbox"/>
	Additional staff will be required – see paragraph 4.3	<input checked="" type="checkbox"/>
<b>Equalities and Human Rights</b>	There will be no impact on equality (race, age, gender, disability, religion/belief, sexual orientation) or human rights implications	<input type="checkbox"/>
	There will be an impact on equality (see categories above) or human rights implications – see paragraph 6.1 (disability)	<input checked="" type="checkbox"/>
<b>Legal</b>	Power: Housing Grants, Construction and Regeneration Act 1996	
	Other considerations:	
<b>Background Papers:</b> None		
<b>Person Originating Report:</b> Darren Hale, Environmental Protection Officer 01832 742209		
<b>Date:</b> 21 January 2010		
<b>CFO</b>		<b>MO</b>
		<b>CX</b>

(Committee Report Normal Rev. 19)

Northamptonshire

## Current DFG Budget Status and Profile to Dec 2009

	No of referral received waiting to be action <sup>1</sup>	No of Referrals received and being actioned – working towards duly made application (formal approval) <sup>2</sup>	No of referrals/grants approved (Commitment to date) <sup>3</sup>	No of grants paid (Budget spend to date) <sup>4</sup>	Total No of grants	Value of Grants Paid to date (1000s)	Budget allocation for the year 2009 - 2010 (1000s)	DCLG Allocation 2009-10 (1000s)
<b>Corby</b>	0	95	41	19	155	£50	£500	£150
<b>Daventry</b>	0	120	53	30	203	£132	£560	£126
<b>East Northamptonshire</b>	0	66	22	89	177	£463	£460 (revised)	£150
<b>Kettering</b>	74	32	17	35	158	£135	£350	£193
<b>Northampton</b>	0	191	67	221 (estimated average)	258	£1,100	£1,700	£422
<b>South Northamptonshire</b>	0	76	26	31	133	£241	£500	£127
<b>Wellingborough</b>	0	86	34	60	180	£359	£580	£168

1. Referral sent by OT to LA and no action yet been taken
2. Referral sent by OT to LA action taken to work towards a formal application
3. No of referrals that have been formally approved – now a formal grant
4. Total expenditure from the budget for that financial year

Northamptonshire

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**Procedure for conducting a  
Full Equality Impact Assessment**

SECTION A				
<b>Category:</b>	Policy <input type="checkbox"/>	Function <input checked="" type="checkbox"/>	Procedure <input type="checkbox"/>	Strategy <input type="checkbox"/>
<b>Status:</b>	New <input type="checkbox"/>	Existing <input checked="" type="checkbox"/>		
<b>Title:</b>	Private Sector Housing Grants Function			
<b>Assessor:</b>	Darren Hale			
<b>Date:</b>	19 January 2010			

SECTION B – Aims & Objectives
<b>1. What is the aim/purpose of the policy/function?</b>
To seek a decision on the future funding of Disabled Facilities Grants as required by the Housing Construction and Regeneration Act 1996.
<b>2. Who is intended to benefit from this policy/function and in what way?</b>
The beneficiaries of the function are the disabled, elderly and vulnerable people living within the district. A Disabled Facilities Grant is a grant to help towards the cost of adapting a home to enable the occupant to continue to live there.
<b>3. How have they been involved in the development/review of this policy/function?</b>
The review relates to the capital expenditure only and users have not been directly involved in the development or options. The function is mandatory and guidance directs Council's on what must be considered. Scrutiny Committee carried out a review of the Care and Repair Service that includes this function in the latter half of 2007.
<b>4. What outcomes are intended from this policy/function?</b>
<ul style="list-style-type: none"> <li>• To provide grants to all eligible applicants in a timely manner. (High Quality Service Delivery)</li> <li>• Allow vulnerable people with disabilities to stay in their homes (Good Quality of Life in East Northamptonshire.)</li> </ul>
<b>5. What resource implications are linked to this policy/function?</b>
The private sector housing team consisting of 2.5 FTE and the support of Spire Homes who are contracted as a Home Improvement Agency. Capital funding is provided each year by the Council to provide the grants, with an allocation each year from the Department for Communities and Local Government.

<b>SECTION C – Research and Evidence Based Practice</b>	
<b>1. What data/research has been used to inform this policy/function?</b>	
Review of historical data in terms of need and previous funding levels. Review of legislative requirements. The amount of budget required to deliver the mandatory grants has been assessed using historical spend information and predicted future demands.	
The findings of the Scrutiny Committee Review of Care and Repair have also been considered.	
<b>2. Are there any gaps in knowledge/data?</b>	
Need is based on historical information only and may not reflect total need if the service were to be widely publicised	
The demand is assessed using only historical information. The service is not widely publicised as it is likely to lead to a higher demand, which is currently not financed. We currently do not know the expected demand of all people who are in need of adaptations and entitled to a grant.	
<b>3. Are there any experts/relevant groups whom you can/should approach to explore their views on this issue?</b>	
Northamptonshire CIEH Housing Sub Group. Foundations. Occupational Therapists. Spire Home (Care and Repair). Supporting People (NCC), Age Concern and Help the Aged.	
<b>4. Describe any potential difficulties of access or compliance with the aim of the policy/function</b>	
Funding from DCLG is 100% of their assessment of need. However this level never reflects the true need and short fall in funding would have a severe impact on the function. If a decision is made not to fully fund the function then at current demand the length of time to wait for a grant would extend beyond the maximum 12 months required in law.	

<b>SECTION D – Impacts</b>		
<b>1. What is the likely impact of the policy/function on individual services users, the general public or employees? (See attached notes)</b>		
The Council is required by statute to approve a valid grant application within 6 months. There is provision to delay payment for up to 12 months. Any unnecessary delay could impact on grant recipients and their families. The main impact on the general public relates to impact on other services due to occupiers not being able to remain in their homes. If there are insufficient funds the Council will not be able to give grants to all applicants and therefore their properties are likely to remain unadapted for their need		
<b>2. Is there likely to be a differential impact on any group?</b>		
Race/Ethnicity <input type="checkbox"/>	Disability <input checked="" type="checkbox"/>	Gender <input type="checkbox"/>
Age <input checked="" type="checkbox"/>	Religion/Belief <input type="checkbox"/>	Sexuality <input type="checkbox"/>
<b>Please give further details:</b> If full support for the funding is not provided then the affect on the groups would be negative as they could not receive grants they are entitled to in law.		
<b>3. Is the policy/function directly or indirectly discriminatory?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<b>If yes, please give further details and what changes can be made to redress:</b> A reduction in the budget would be indirectly discriminatory as the number of grants given would reduce and therefore less people in these groups would have access to the service.		
<b>4. Does this policy/function actively promote equal opportunities?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>If “Yes” please explain how – If “No” please explain why not:</b> The decision would not promote equal opportunities if the funding is reduced below the need.		
<b>5. If the policy/function discriminates and is not justifiable in law consider whether it can be:</b> - <b>Adapted</b> Not providing grants as required by the Housing, Construction and Regeneration Act would not be justifiable in law. Sign posting to other organisations such as charities or Northamptonshire County Council would offset some of the impact.		



SECTION E – Involvement and Consultation	
<b>1. What are the aims of the consultation?</b>	As the function in mandatory we cannot change the legislation and consultation would not be valuable.  If Members decision is to set up a panel to review cases it may be necessary to consult at this time in relation to the criteria and prioritisations.
<b>2. What is the planned timescale?</b>	N/A
<b>3. Who is responsible for managing the consultation?</b>	N/A
<b>4. Whom do you need to consult (what groups must be included)?</b>	N/A
<b>5. What methods of consultation are proposed?</b>	N/A
<b>6. How will consultation outcomes be fed back into the process?</b>	N/A
<b>7. Following consultation, what is the RECOMMENDATION?</b>	<ul style="list-style-type: none"> <li>- Introduce the policy/function: <input type="checkbox"/></li> <li>- Reject the policy/function: <input type="checkbox"/></li> <li>- Amend the policy/function: <input type="checkbox"/> (<i>Further consultation may be required to consider implications of changes made</i>)</li> <li>- Other – please explain: No consultation</li> </ul>

<b>SECTION F – Decision Making</b>	
<b>1. Who will make the decision?</b>	
Members, through the Policy and Resources Committee.	
<b>2. Following consultation, what is the DECISION?</b>	
- Introduce the policy/function:	<input type="checkbox"/>
- Reject the policy/function:	<input type="checkbox"/>
- Amend the policy/function:	<input type="checkbox"/> <i>(Further consultation may be required to consider implications of changes made)</i>
- Other – please explain:	
<b>Comments:</b>	

Send a copy of the completed Impact Assessment to:  
Policy & Performance Team

Assess the equality impact on the following:

**a) Individuals, groups and employees**

- Are there differences between different groups?
- Are the differences positive or negative?
- How are the differences explained? Are there underlying patterns of disadvantage?
- Are the policy and procedures fair to all groups?
- Could there be indirect discrimination?

**b) Building design**

- How accessible is the building for those with disabilities, including visual impairment, parents and pushchairs

**c) Location**

- Where a service is being provided, is it in the right location for the majority of service users?
- Is the service in the right location of a building if it needs to be accessed by the public?

**d) Service delivery**

- Positive or negative impact on one section of the community?
- Does the use of technology to deliver the service bring benefits or hinder?
- Is communication clear, accessible and widely available using different formats?
- Assessment of service failure on different groups and the impact upon them?

**e) Procurement**

Compliance with equalities duties could impact on the procurement of our services from another contractor. If the contractor will not be performing a public function, but merely providing services on behalf of the council the disability duty, for example, will not apply.

Performing a public function means that the contractor is exercising a function which would otherwise be exercised by the council, and where the council is reliant upon that contractor to exercise that function.

If the contractor will not be performing a public function the obligation to comply with the disability duty in relation to the function remains with the council. In this instance relevant disability considerations will need to be built into the procurement process including:

- Terms and conditions for contracting the service to include information about the Disability Discrimination Act (DDA) 2005
- Consideration of Government guidance on social or equality issues in procurement
- The requirement in every contract that the contractor must comply with the anti-discrimination provision in the DDA
- The specification of the evidence that a contractor may need to gather for the authority to demonstrate its compliance with the disability duty
- The reflection of disability equality in the specification, selection and award criteria, and the contract conditions, consistent with EC and UK procurement rules
- Ensuring that contractors fully understand any disability equality where relevant to the contract
- The provision of training for staff involved in procurement work so that they fully understand the provisions of the DDA and the relevance of the disability equality duty to their area of work.

If the contractors will be performing a public function, they themselves will be bound by the disability duty.