



## Housing Select Committee

### **Report title: Review of the Private Sector Housing Assistance Policy**

**Date:** 6<sup>th</sup> June 2023

**Key decision:** No

**Class:** Part 1

**Ward(s) affected:** All

**Contributors:** Director of Housing Strategy

### **Outline and recommendations**

The purpose of this report is to outline to Housing Select Committee the proposed refreshed Housing Assistance Policy and ask for comments.

## Timeline of engagement and decision-making

April 2006	Housing Assistance Policy was originally adopted by the Council in April 2006
March 2012	Revised Housing Assistance Policy approved by Mayor & Cabinet
January 2019	Revised Housing Assistance Policy approved by Mayor & Cabinet
June 2023	Housing Select Committee review of the Housing Assistance Policy

## 1 Summary

- 1.1. This report details the reason that Lewisham is required to have a Housing Assistance Policy, and contains a summary of the key changes that are proposed to the policy.
- 1.2. Mayor and Cabinet approved the current version of the Housing Assistance Policy in January 2019. At this time, delegated authority was given to allow the Executive Director for Customer Services to approve minor changes to the policy, where these do not result in a reduced service or grant/loan amount.
- 1.3. The updated version of the policy is being presented to Committee members for comment before it is presented to the Executive Director for Housing, Regeneration and Public Realm for approval.
- 1.4. The proposed Housing Assistance Policy is included as Appendix A.

## 2. Recommendations

- 2.1. It is recommended that Housing Select Committee:
  - Note the changes to the Private Sector Housing Assistance Policy, as detailed in this report and particularly set out in Appendix A.

## 3. Policy context

- 3.1. The policy supports the aims of Lewisham's Housing Strategy 2021-26, including:
  - **Delivering the homes that Lewisham needs** - By bringing long term empty property back into residential use wherever practical to ensure an on-going supply and by the creation of new additional homes, through the conversion of empty commercial use properties.
  - **Supporting our residents to live safe, independent and active lives** - Vulnerable residents will have access to advice, assistance and support to receive a tailored solution to adapt, repair and improve their home environments and safeguard their improved health outcomes.
  - **Improving the quality, standard and safety of housing** – We will work collaboratively to support good landlords to manage to high standards and help to provide a good supply

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of safer, healthier and more energy efficient private accommodation. By offering various incentives such as accreditation, loans and grants and advice.

## 4. Background

- 4.1. Around 27% of residents Lewisham live in the private rented sector (PRS). The private sector stock condition survey 2010, estimated that 47% of the private sector stock was constructed before 1919, with 22% built before 1945. This is significant as older housing stock tends to have more problems as it ages, especially where routine or urgent maintenance has not taken place. The Council recognises that there are many households who are unable to maintain their homes because of age, disability, lack of resources or lack of knowledge.
- 4.2. In its capacity of a housing authority, Lewisham Council has a statutory duty to provide Disabled Facilities Grants (DFGs) to applicants who qualify. The primary aim of DFGs is to provide aids and adaptations to enable people with disabilities to live independently and safely in their own homes.
- 4.3. The Regulatory Reform Order (Housing Assistance) (England and Wales) 2002 (RRO) gave local housing authorities the power to adopt additional discretionary policies to promote independent living and wellbeing. In order for the Council to use its discretionary powers under the RRO it must have a policy.
- 4.4. Mayor and Cabinet approved the current version of the Housing Assistance Policy in January 2019. At this time, delegated authority was given to allow the Executive Director for Housing, Regeneration and Public Realm (formerly the Executive Director for Customer Services) to approve minor changes to the policy, where these do not result in a reduced service or grant/loan amount.
- 4.5. A number of changes to the Housing Assistance Policy have been proposed. The main changes include:
  - The introduction of the Hospital Prevention and Discharge Grant and the Energy Efficiency Grant
  - An increase in grant, loan and fee amounts to take into account the present-day costs of materials and works. No grant or loan amounts are being reduced.
  - The current policy is a 55-page long document and officers have proposed changes to create a shorter, clearer and more user-friendly version for applicants.
- 4.6. The updated version of the policy is being presented to Committee members for comment before it is presented to the Executive Director for Housing, Regeneration and Public Realm for approval.

## 5. The Housing Assistance Policy

- 5.1. The Private Sector Housing and Improvement service has responsibility for improving housing conditions in the private housing sector in the borough. The key aims of the housing assistance policy are to improve health outcomes and promote independent living; improve the stock and energy efficiency in the private rented sector; reduce the number of empty properties and assist residents to adapt their homes to their changing needs.
- 5.2. There are 10 main grants and loans schemes that are administered by Lewisham Council:

### **Mandatory**

- **Disabled Facilities Grant (DFG)**, a mandatory 'means-tested' grant which the Council has a duty to provide under the Housing Grants, Construction and Regeneration Act 1996

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## Discretionary

- **Discretionary Disabled Facilities Grant** to provide discretionary financial assistance to applicants requiring a fast track to accessing certain adaptations carried out in their home
- **Help with moving grant** to provide financial assistance with the cost of moving for people who are eligible for a DFG, but the property is not able to be adapted to meet their needs.
- **Hospital Prevention and Discharge Grant** to provide support to residents being discharged from hospital or at risk of a hospital admission, where the return from hospital would be delayed due to a lack of suitable aids and adaptations
- **Discretionary Disabled Adaptations Loan (DDAL)** to assist with disabled adaptations which are not eligible for the mandatory Disabled Facilities Grant (DFG).
- **Home Repairs Grant** to provide safe, warm and decent homes for older and vulnerable residents living in private sector accommodation.
- **Home Repair Loan** to help older and vulnerable home owner's undertake repairs to remove identified hazards, used as a top-up to the Home Repair Grant.
- **Accredited Landlord Grant** for accredited landlords to help ensure the supply of good quality private rented accommodation, free of hazards.
- **Energy Efficiency Grant** to provide assistance to make low cost emergency efficiency changes to homes.

## Empty Homes

- **Empty Homes Grant** to help eligible empty property owners undertake repairs, improvements or conversion works to bring long term empty property back into residential use.
- **Empty Homes Loan** to help eligible empty property bring long term empty property back into residential use, used as a top-up to the Empty Homes Grant.

5.3. Since the publication of the current policy in 2019, the council provided Disabled Facilities Grants to improve 285 homes in the borough. The actual DFG spend for over this period was **£5.2m**. A further 268 properties were provided with assistance via discretionary grants or loans totalling £1.9m. A detailed breakdown is provided in the tables below.

### Mandatory DFG spend 2019 - 2023

Financial Year	Allocated Budget	Actual Spend	Number of completed adaptations
2019-2020	£1,338,708.00	£961,780.81	105
2020-2021	£1,518,708.00	£1,140,917.64	57
2021-2022	£1,518,708.00	£1,692,609.95	64
2022-2023	£1,518,708.00	£1,479,018	59
<b>Total</b>		<b>£5,274,326.55</b>	<b>285</b>

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## **Discretionary Grants/Loans Spend 2019 - 2023**

Financial Year	Allocated Budget	Actual Spend	Number of completed repairs / works
2019-2020	£600,000.00	£546,941.00	109
2020-2021	£600,000.00	£378,039.91	60
2021-2022	£400,000.00	£563,798.32	61
2022-2023	£600,000.00	£475,632.66	38
<b>Total</b>		<b>£1,964,411.89</b>	<b>268</b>

5.4. Key amendments to the Housing Assistance Policy are proposed in this paper to make it easier for grants and loans to be administered, to introduce new grant opportunities and to update the level of grant and loan assistance available given the increase in costs in completing work since the policy was last amended in 2019.

## **6. Summary of changes**

6.1. Changes to the refreshed Policy document are set out in full in Appendix B. All proposed changes are assimilated into the draft policy at Appendix A. There are three larger key changes to highlight:

6.2. **Energy Efficiency Grant** - A new Energy Efficiency Grant has been introduced to provide assistance with low cost energy efficiency changes to homes. The current policy includes the Home Repairs Grant and Loan which are available help with higher cost works that create warm and decent standard homes, including replacement of boilers or installing insulation. This new grant provides a £1,000 grant that would allow residents to request assistance for works such as installation of energy efficient windows, installation of programmable thermostats, draught proofing and other works that fall outside the remit of a Home Repairs Grant/Loan. Any type of energy efficiency intervention may be considered provided it can be shown to have long term benefits and be practical and possible to install.

6.3. **Hospital Discharge and Prevention Grant** - A new Hospital Discharge and Prevention Grant of up to £3,000 has been introduced to provide support to residents requiring lower cost works that will enable them to be discharged from hospital, or prevent admission into hospital. The current policy includes the Discretionary Fast Track Grant of up to £15,000 where higher cost works such as installation of a stairlift, ramp or level access shower would assist in the applicant's discharge from hospital. However, due to the many housing-related issues that can prevent a timely hospital discharge, an additional lower cost grant is proposed to widen the support available to people to reside in their own homes. These include:

- moving necessary furniture
- mowing overgrown lawns
- tackling trip hazards
- clearing a room to make it safe
- deep cleaning a room to make it safe
- necessary equipment to enable the person to be discharged from hospital

This will enable more residents to be discharged from hospital where home adaptation is the main factor preventing them from being discharged.

6.4. **Uplift to grant and loan amounts** - It is suggested that a number of the discretionary grant and loan amounts are increased to take into account the higher cost of materials

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and labour at present, compared with costs in 2019 when the current version of the policy was published. As such, the maximum grant amounts have been increased as set out in the table below. The mandatory DFG is fixed a statutory maximum of £30,000 and remains unchanged.

Grant/Loan	Current Policy	Updated Policy
Home Repairs Grant	£5,000	£10,000
Home Repairs Loan	£25,000	£30,000
Accredited Landlord Grant	£4,000	£5,000
Empty Property Grant	£15,000	£20,000
	£7,000 studio flats	£9,000 studio flats
Empty Property Loan	£10,000 per unit	£15,000 per unit
	£50,000 per scheme	£60,000 per scheme
	£5,000 studio flats	£7,000 studio flats

- 6.5. There are also various professional and ancillary fees which may be incurred by applicants during the grant and/or loan application process, which are taken into consideration when processing an application for assistance. For example, professional agents' fees such as an architect or building surveyor, planning and application fees, or fees to employ the council as a project management service. To reflect the present-day cost of works and services, officers have completed a benchmarking exercise and increased these fees in line with the London average (see appendix B).
- 6.6. **Communications** – Actions are underway to update and improve information on the support available through the Housing Assistance Policy. As well as updating the policy, officers will develop an executive summary version of the document, alongside updated and improved information on the Lewisham Council website regarding the grants and loans available. The council will ensure that residents who are less digitally confident and competent will be able to make full use of and access services.

## 7. Financial Implications

- 7.1. This report is recommending changes to the discretionary schemes in the Private Sector Housing Assistance Policy, no changes are being made to the mandatory scheme.
- 7.2. The discretionary grants/loans schemes are funded through the Council's capital programme. No additional funding is being provided so all variations to the policy are being contained within existing resources. The proposed uplifts reflect the rising cost of prices due to inflation compared to costs in 2019.
- 7.3. Section 5.3 above details the actual spend against allocated budgets from 2019 to 2023. An underspend of £236k has accumulated over the four-year period and the above proposals will enable these funds to be utilised effectively.
- 7.4. All loans are registered as a charge on the affected property with HM Land Registry and must be repaid if the property is disposed of, or if any other loan condition is not complied with.

## 8. Legal Implications

- 8.1. The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002/1860 ("The Order") provides authority to local housing authorities to provide assistance, for the purpose of improving living conditions in their area, to any person for the purpose of enabling that person:

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- 8.1.1. to acquire living accommodation (whether within or outside their area);
  - 8.1.2. to adapt or improve living accommodation (whether by alteration, conversion or enlargement, by the installation of any thing or injection of any substance, or otherwise);
  - 8.1.3. to repair living accommodation;
  - 8.1.4. to demolish buildings comprising or including living accommodation;
  - 8.1.5. where buildings comprising or including living accommodation have been demolished, to construct buildings that comprise or include replacement living accommodation.
- 8.2. This power may be exercised to assist a person to acquire living accommodation only where the authority:
- 8.2.1. have acquired or propose to acquire (whether compulsorily or otherwise) his existing living accommodation; or
  - 8.2.2. are satisfied that the acquisition of other living accommodation would provide for that person a benefit similar to that which would be provided by the carrying out of work of any description in relation to his existing living accommodation.
- 8.3. The Assistance may be provided in any form and may be unconditional or subject to conditions, including conditions as to the repayment of the assistance or of its value (in whole or in part), or the making of a contribution towards the assisted work; but before imposing any such condition, or taking steps to enforce it, a local housing authority shall have regard to the ability of the person concerned to make that repayment or contribution.
- 8.4. Before the Council provides assistance to any person, it must:
- 8.4.1. give to that person a statement in writing of the conditions (if any) to which the assistance is to be subject; and
  - 8.4.2. be satisfied that that person has received appropriate advice or information about the extent and nature of any obligation (whether financial or otherwise) to which he will become subject in consequence of the provision of assistance.
- 8.5. The Council may take any form of security in respect of the whole or part of any assistance.
- 8.6. The Council may only exercise these powers if it has adopted a policy for the provision of assistance, the public has been given notice of the adoption of the policy and the policy is available for inspection at the Council's offices. The power must be exercised in that case in accordance with that policy.

## **9. Equalities implications**

- 9.1. A draft Equalities Analysis Assessment has been completed and is included at Appendix C.

## **10. Climate change and environmental implications**

- 10.1. There are no anticipated climate change and environmental implications.

## **11. Crime and disorder implications**

- 11.1. There are no anticipated crime and disorder implications.

## **12. Health and wellbeing implications**

- 12.1. The continuation and extension grant and loan support available will have a positive impact on health and wellbeing, by providing support to tackle health inequalities and promote independence for older and disabled tenants. Addressing housing conditions

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can help people improve their health and financial circumstances and allows residents to play a more active part in the community.

### **13. Appendices**

13.1. Appendix A: Proposed Housing Assistance Policy 2023

13.2. Appendix B: Summary of changes to policy

13.3. Appendix C: Equalities Analysis Assessment

### **14. Background papers**

14.1. [Mayor & Cabinet Decision – Housing Assistance Policy \(2019\)](#)

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