



## PORTFOLIO: HOUSING

CABINET - 7 November 2001

# PROPOSED CHANGES TO IMPROVEMENT GRANT POLICY

## 1. Introduction

- 1.1 The purpose of this report is to propose two changes to the current improvement grant policy which was set at Cabinet on the 2 May 2001. The first proposed change is to increase the priority threshold for people over 60 who apply for a Home Repairs Assistance (HRA) Grant. The second proposal is to limit the amount of Renovation Grant for individual applications to £30,000.

## 2. Background

- 2.1 There are a range of Improvement Grants available to assist people to carry out repairs, improvements and adaptations to their homes. These grants are fully described in the report dated 2 May.
- 2.2 HRA's are available to anyone on an income related benefit or over 60. Due to demand we have a policy for the over 60s which prioritises applicants who are on an income related benefit, or on the basic state pension and with savings of less than £6,000. This policy is designed to ensure the budget is spent on those who are vulnerable and in most need.
- 2.3 Renovation Grants are discretionary and are available to carry out works to dwellings that fail the standard of fitness for human habitation. Such works may include dealing with rising damp, rotten windows, dangerous wiring and leaking roofs. The applicant's contribution is set by a DETR means test and the grant makes up the difference. However people on an income related benefit or on a low income will get a 100% grant.

## 3. Home Repairs Assistance Proposal

- 3.1 It is proposed that the priority threshold for the over 60s who apply for an HRA is increased. Since setting the original policy we have found that our policy threshold (the basic state pension) is lower than the one for Minimum Income Guarantee (the new name for Income Support). This has resulted in some applicants who are not on Income Support being rejected even though they would qualify for Income Support if they were to apply.
- 3.2 We believe our threshold should be brought in line with Minimum Income Guarantee. Therefore over 60s who have an income of less than the Income

Guarantee level and with savings of less than £6,000 would be given equal priority to applicants who are already on an income related benefit.

- 3.3 For people who are disabled and require adaptations to a mobile home we are proposing to return to the DETR criteria of all people over 60 being eligible and under 60s who are on an income related benefit. This special status for mobile home occupiers is due to them not being eligible for a Disabled Facilities Grant which are available for normal dwellings.

#### **4. Setting limit on Renovation Grant**

- 4.1 At present there is no limit on the amount of Renovation Grant that we can approve for a dwelling. The average Renovation Grant last year was £12,000 but over the past two years we have approved eight Renovation Grants over £30,000 with the highest being £62,000.
- 4.2 This year we have a budget of £585,000 for Renovation Grants and HRA's. Demand for these grants is very strong and we are currently trying to slow down the rate of expenditure to prevent an overspend. We believe that setting a limit at £30,000 will ensure resources are used to help as many people as possible.
- 4.3 Where the cost of works are going to exceed £30,000 we would anticipate referring applicants to our new Care and Repair Agency who will investigate other sources of funding or encourage the use of equity release. This is in line with a recent DTLR proposal to place a greater emphasis on people using their own resources when carrying out repairs and improvements.

#### **5. Financial implications**

- 5.1 Setting a £30,000 limit for Renovation grants will help enable the Housing Improvements Manager control the grant budget which is over subscribed.
- 5.2 Increasing the HRA threshold should not make any significant difference to the grant budget.

#### **6. Environmental implications**

- 6.1 There are no environmental implications.

#### **7. Crime and disorder implications**

- 7.1 There are no crime and disorder implications.

#### **8. Consultations with the Portfolio holder for housing**

- 8.1 Cllr.Greenfield's comments on this report are 'The Council have to make use of the available money wisely and target the most deserving cases, and because it is clear that unless some controls are put in place demand will exceed available funds. Therefore the Portfolio holder supports the changes with the above comments'.

## **9. Recommendations**

- 9.1 The HRA policy be changed to prioritise applicants who are on an income related benefit or if they are over 60 have an income less than the Minimum Income Guarantee level and with savings of less than £6,000.
- 9.2 We change our Renovation Grant policy to set a limit of £30,000 for each application.

### **For Further Information:**

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### **Background Papers**

Improvement Grant Policy. Advisory Cabinet 2 May 2001