



**OPEN REPORT  
COMMUNITY AND ENVIRONMENT COMMITTEE**

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**Community and Environment Committee – 13 July 2023**

**HOUSING RENEWAL POLICY 2023-2026**

**Report of Director of Regulatory Services**

**Report Author and Contact Details**

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**Wards Affected**

District-wide

**Report Summary**

This report seeks approval to update and amend the District Council's Housing Renewal Policy, which sets out the ways in which the Council will work to improve the existing stock of good quality private sector housing. In particular it proposes the use of a relatively small amount of Disabled Facilities Grant funding to support applicants to the Homes Upgrade Grant scheme.

**Recommendations**

1. That the draft Housing Renewal Policy 2023-2026 attached as Appendix 1 to this report be approved.

**List of Appendices**

Appendix 1 Draft Housing Renewal Policy 2023-2026

**Background Papers**

Minutes of the Community and Environment Committee 14 October 2020

**Consideration of report by Council or other committee**

Not required

**Council Approval Required**

No

**Exempt from Press or Public**

No

# Housing Renewal Policy 2023-2026

## 1. Background

- 1.1 The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 enables local authorities to use specific disabled facilities grant funding for wider purposes, to support the strategic priorities which integrate health, wellbeing and housing, for the benefit of local residents. In order to make use of these flexibilities local authorities are required to have adopted a specific policy setting out how they intend to use that funding. This policy is known as the Housing Renewal Policy.
- 1.2 Derbyshire Dales District Council adopted its first Housing Renewal Policy in March 2003 and has updated the policy through Committee, when amendments have been required. Systems have worked well and relatively few amendments have been required in recent years. However, there is now an opportunity to enhance the level of support given applicants for Homes Upgrade Grants where costs might exceed the average allowed under the scheme. As the aspirations of the Homes Upgrade Grant are aligned with those of the Disabled Facilities Grant (DFG) there is the opportunity to use DFG funding to support the scheme in relation to 'hard-to-treat' properties.
- 1.3 Disabled Facilities Grant funding is provided to housing authorities from the Better Care Fund (BCF), which is a programme that supports local systems to successfully deliver the integration of health and social care in a way that supports person-centred care, sustainability and better outcomes for people and carers. Whilst DFG funding represents a relatively small part of the overall BCF, it is recognised as an important way of supporting the overall aims and objectives of BCF and as a consequence housing authorities are encouraged to investigate innovative methods of supporting householders and carers in their homes.

## 2. Key Issues

- 2.1 Derbyshire Dales District Council has successfully run Disabled Facilities Grant programmes for more than 30 years. Throughout most of this period the programmes have concentrated on the delivery of mandatory DFGs only, as the funding allocated to the Council was only sufficient to meet the level of demand for mandatory grants. However, in recent years demand has fallen. The reasons for this decline are not fully understood, but there has been a noticeable and significant fall in the number of enquires and completed schemes since the advent of the Covid pandemic. This decline has, in turn, led to significant underspends, such that the Council held £782,136 in reserve as of 1 April 2023. As DFG funding is ring-fenced for work that supports the aims of the Better Care Fund, these reserves cannot be used to support other, unrelated District Council priorities.
- 2.2 In 2020 Committee approved an amendment to the Housing Renewal Policy which waived the Test of Resources contributions of DFG applicants who were assessed as having to make a contribution of up to £5,000 and this has been found to work well, having had the desired effect of supporting applicants who might otherwise have dropped out of the system whilst still being unable to self-fund an adaptation. It is estimated that increased demand on the DFG budget by approximately £19,000 in 2022/23.

- 2.3 The District Council is now also delivering Homes Upgrade Grants (HUG), which are centrally funded grants aimed at retrofitting homes with no connection to the mains gas network. Whilst the Council has successfully delivered round 1 of HUG funding, it has been noted that additional costs associated with a number of 'hard-to-treat' properties have the potential to be a significant barrier to delivering the scheme for those living in such properties, impacting as they do, on the need to maintain average HUG funding to £18,000 per property. Officers are of the view that it is inequitable to exclude these properties from the scheme and it is therefore recommended that DFG funding be utilised to support these applications. It is estimated that a funding pot of £35,000 per year would be sufficient to provide this support and it is recommended that this level of funding should be made available for 2 years, to match the current HUG programme.
- 2.4 Colleagues at Derbyshire County Council Adult Social Care and Health have been consulted on this proposal and they are in support. It is recognised that improving the energy efficiency of homes and making warmth more affordable matches the aims of the Better Care Fund and that this proposal should therefore be supported.
- 2.5 Members are asked to approve these changes to the Council's Housing Renewal Policy, which will allow the amendments to come into effect, and to note the potential for further innovation, should the level of demand for mandatory DFGs not return to its pre-pandemic level.

### **3. Options Considered and Recommended Proposal**

- 3.1 The option to increase levels of HUG funding in relation to hard-to-treat properties is not available to the District Council as funding levels are controlled centrally. Therefore the only option has been to exclude these properties from the scheme. This is seen as inequitable and therefore it is recommended that sufficient funding is provided from the DFG reserve to support HUG applications in relation to listed properties.

### **4. Consultation**

- 4.1 Derbyshire County Council Adult Social Care and Health have been consulted on the proposed changes and are in support.

### **5. Timetable for Implementation**

- 5.1 A small number of expressions of interest from the owners of har-to-treat properties have already been received but have not been able to progress. The approval of the changes outlined above will enable these schemes to progress towards full applications immediately following approval. It is currently proposed that the funding be made available for 2 years to match the known availability of HUG funding.

### **6. Policy Implications**

- 6.1 In order for the proposed fund to be established it is necessary for the recommended amendments to the Council's Housing Renewal Policy to be approved.

## **7. Financial and Resource Implications**

- 7.1 The total financial implications of the proposed amendments are £70,000 over a 2 year period. This level of commitment can be financed from the Disabled Facilities Grant funding currently held in reserve.
- 7.2 Subject to the committee's approval of this report, it will be necessary to increase the amount included in the capital programme for DFG expenditure by £30,000 for 2023/24 and by £40,000 for 2024/25. This will be reflected in the updated capital programme that will be presented to full Council on 27 July 2023.
- 7.3 The proposed expenditure is fully financed by grants held in reserves and will be monitored by officers to ensure that it is within budget. Therefore, the financial risk is assessed as low.

## **8. Legal Advice and Implications**

- 8.1 It is a duty that local authorities publish a policy on their interventions in the private housing sector in order to maintain and improve as necessary the housing stock in their area, and also that the local authority publish their enforcement policy for the application of their legal powers and duties. As this report proposes an update to the policy, the legal risks are assessed as low.

## **9. Equalities Implications**

- 9.1 Currently householders living in hard-to-treat properties have not been able to access the HUG scheme. Approval of the proposed changes would have the benefit of making the scheme equally available to those householders. Other eligibility requirements of the scheme are set centrally and therefore there are no other equalities implications for the Council at this time.

## **10. Climate Change Implications**

- 10.1 In addition to improving the energy efficiency of domestic properties, HUG assists in reducing carbon emissions from housing. As such the scheme has positive climate change implications.

## **11. Risk Management**

- 11.1 The delivery of the Homes Upgrade Grant scheme is covered by its own specific risk register. The use of DFG funding to support this scheme is considered to be low risk, given that the proposal has the support of the administrators of the Better Care Fund, from which the DFG funding is derived.

## Report Authorisation

Approvals obtained from Statutory Officers:-

	<b>Named Officer</b>	<b>Date</b>
Chief Executive	Robert Cogings on behalf of Paul Wilson	04/07/23
S.151 Officer (or Financial Services Manager)	Karen Henriksen	29/06/2023
Monitoring Officer (or Legal Services Manager)	James McLaughlin	05/07/2023