

Report to Cabinet

Subject: Warm Homes on Prescription Pilot –
Revised Private Sector Housing Grants and Assistance Policy
2015

Date: 25th June 2015

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Wards Affected:

Daybrook, Ernehale, Redhill, Cavendish, Carlton, Gedling, and Phoenix.

Purpose

- 1) To outline details of the proposed Warm Homes on Prescription pilot;
- 2) To authorise virement of £50,000 from the Disabled Facilities Grant capital budget to the Housing Assistance capital budget enable the Warm Homes on Prescription pilot to proceed;
- 3) To authorise changes to the Private Sector Housing Grants and Assistance Policy 2015 and adopt the new policy;
- 4) To authorise virement of £29,100 from Fuel Poverty grant income to the contribution of £29,100 to Newark and Sherwood District Council to employ a Project Manager to co-ordinate the Nottinghamshire wide Warm Homes on Prescription scheme.

Key Decision

This is not a key decision.

Background

Cold, damp homes continue to be a key contributor to significant problems in both public health and energy affordability in the UK. Fuel poverty – when a household cannot afford to heat its own home to an adequate standard of warmth – affects millions of UK households.

Daily life for people living in a cold home can be distressing. The UK has one of the highest excess winter death rates in Europe. Many people will become ill as a result of living in cold homes and because of fuel poverty. The costs to the NHS of treating the illnesses caused and aggravated by cold homes are estimated to be about £1.36 billion per year and additional social care costs are likely to increase this further.

In Derbyshire, the District Councils and the County Council are working in partnership with the Clinical Commissioning Groups (CCG) on the 'Derbyshire Public Health and Affordable Warmth Project'. The project is funded by Derbyshire County Council Public Health and aims to share housing and benefits data with health data to target households at risk of fuel poverty to improve the energy efficiency of their housing stock. Funding is drawn in through underspend of a previous fuel poverty project and the Government's Energy Company Obligation to deliver measures such as replacement boilers, insulation, or fuel switching to improve the living conditions for residents. The whole project is being evaluated to provide local evidence to demonstrate whether tackling housing conditions improves the health outcomes for residents. The District Councils in Nottinghamshire are committed to developing a similar scheme to the Derbyshire project but Nottinghamshire Public Health have indicated they do not have the funding available. The proposal section below outlines a potential Nottinghamshire scheme.

The Regulatory Reform (Housing Assistance) (England and Wales Order 2002) allows Local Authorities the discretion to provide Housing Assistance grants with their own eligibility criteria and the freedom to set their own maximum grant limits. The Order also enables Local Authorities provision to recover grant funding from recipients.

The current Private Sector Housing Grants and Assistance Policy has remained in place since 2011. The 2011 Policy included a provision to enable discretionary Housing Assistance grants of up to £5,000 for works that were in conjunction with a Disabled Facilities Grant (DFG) but were not eligible works through a DFG. Only two Housing Assistance grants have been awarded in the past four years. The proposal below aims to amend the Housing Assistance section of the policy to enable the pilot to proceed.

Proposals

Warm Homes on Prescription pilot and proposed virement

The Nottinghamshire Local Authorities are developing a pilot scheme which has been named Nottinghamshire 'Warm Homes on Prescription'. The scheme aims to work with a small number of GP practices in each district council area to identify patients who are suffering with a medical condition that could be exacerbated by the condition of their home. The scheme will then aim to improve the living conditions and improve the resident's health.

Early discussions have taken place with the Nottingham North and East Clinical Commissioning Group (CCG) who have confirmed an interest to work with Gedling Borough Council on this pilot. The CCG have approached local GP practices and to date Park House Medical Centre (Carlton), and Daybrook

Medical Practice (Daybrook) have expressed an interest in participation, while Westdale Lane Surgery (Carlton) is considering the pilot. The wards affected by this report, listed at the beginning, are believed match the wards covered by these practices, though a precise match is unlikely.

The CCG were presented with a list of medical conditions that are a priority for the NHS and have selected 'acute asthma' as the condition to focus on for the pilot in Gedling Borough. This condition is known to be affected by cold and damp housing.

The pilot would entail the GP writing to the householder and recommend they contact an Environmental Health Officer (EHO) at Gedling Borough Council, who will visit and inspect their home and draw up a schedule works to address any defects linked to the hazards of excessive cold or dampness. If the householder is on a low income as defined by the revised Private Sector Housing Grants and Assistance Policy 2015 then the householder will be eligible to apply for grant assistance of up to £10,000 for an owner-occupier or £5,000 for a private-rented property (with the landlord contributing 50% of the total cost of the works). The grant would be recorded as a local land charge and the money awarded can be recovered when the property is sold in the future. If the householder lives in rented accommodation the EHO also has the option of utilising enforcement powers to ensure the landlord brings the property up to standard.

The CCG have also been approached to assist with; evaluation, and possible future funding if the scheme is a success and reduces costs to the NHS.

To deliver this pilot project it is proposed to vire £50,000 from the Disabled Facilities Grant (DFG). Details are included in the financial implications section below and recommendation (b) of this report.

Authorise changes to Private Sector Housing Grants and Assistance Policy 2015

It is proposed that the Private Sector Housing Grants and Assistance Policy 2011 is amended to enable the Warm Homes on Prescription pilot to proceed. The policy has been revised as the Private Sector Housing Grants and Assistance Policy 2015 . A copy of the revised policy is attached at **Appendix A** – section 11 describes the policy changes to enable the pilot. The pilot is only being delivered in financial year 2015/16 as funding arrangements are only in place for this year. The pilot will be reviewed at the end of the financial year and if considered successful and funding permits a further report will be submitted to extend the scheme, if it is decided to not extend the scheme a report will be produced to seek approval to amend or withdraw the Housing Assistance section of Private Sector Housing Grants and Assistance Policy

The provision remains in section 18.7 of the Policy to allow the Portfolio Holder to authorise grant assistance where there are exceptional or compelling

circumstances and where an application would normally be refused under the policy. It is considered that this provision could be used if the rare circumstances occur that would have previously allowed a Housing Assistance grant under the 2011 policy.

Nottinghamshire-wide project details – to authorise transfer of RIEP funding to Newark and Sherwood District Council to employ Project Manager

Each district Council in Nottinghamshire is currently considering options to provide a local 'Warm Homes on Prescription' service and developing links with their CCGs. At the moment Gedling Borough Council are the only Council considering offering Housing Assistance grants as described in this report, but other councils propose to assist individuals to access the finance for home improvements through the Government's Energy Company Obligation (ECO)¹ and the national Green Deal scheme². Officers from Gedling will also look to access these finance mechanisms to stretch the Housing Assistance fund further via the proposed partnership described in the paragraphs below.

Ashfield District Council have employed dedicated Green Deal assessors who can access Green Deal and ECO funding to improve the energy efficiency of properties. Ashfield have offered to extend this service to all districts in Nottinghamshire as part of this pilot. However it is considered that a Project Manager will be required to liaise with the various partners including utilities companies to ensure finance is accessed and a consistent level of service is provided throughout Nottinghamshire.

In 2011 Gedling Borough Council received Fuel Poverty grant funding from the former Regional Improvement and Efficiency Partnership (RIEP) for expenditure on projects across Nottinghamshire. £29,100 of the money remaining and held in a reserve for application to suitable projects.

It is proposed that the remaining RIEP funding is used to support the Nottinghamshire 'Warm Homes on Prescription' project to employ the countywide Project Manager to manage/supervise the project. The Nottinghamshire Authorities who are part of the project - which includes all district councils and

¹ The Energy Company Obligation is the requirement of utilities companies to deliver energy efficiency measures to domestic premises. The Council has previously worked with British Gas and EON to utilise this funding which has specific criteria, but data on performance has not been forthcoming and feedback from customers has sometimes criticised the scheme and the utilities companies

² The Green Deal is a finance mechanism set up by Government to enable householders to pay for energy efficiency improvements to their homes through the savings they make in their energy bill through installing the measure. In effect the Green Deal is a loan attached to the householder's electricity or gas meter.

Nottinghamshire County Council - have all provided their support to spend the RIEP money on the Project Manager. Newark and Sherwood District Council (NSDC) have agreed to host the Project Manager.

The contribution to NSDC will required approval of the following budget virement in the Public Protection Portfolio:

Contribution to Warms Home Project Management	£29,100
Grant Funding – Fuel Poverty Grant	(£29,100)

The RIEP funding has also recently been identified as match funding to access further finance to deliver the project. A successful bid was submitted (by a partner authority) to the Department of Energy and Climate Change for the Fuel Poverty and Health Booster Fund which has successfully accessed a further £29,000 which will also be used to employ the Project Manager as a full-time position.

Alternative Options

Retain existing Housing Assistance policy as described in Private Sector Housing Grants and Assistance Policy 2011, and do not amend the policy to incorporate the changes described in the proposal section above. This will not enable the pilot to proceed and the likely health benefits to be delivered.

Develop an alternative discretionary Housing Assistance policy - however it is felt it would make sense to draw on and learn from the Derbyshire scheme rather than develop a completely new scheme.

Financial Implications

In 2014/15 the Council spent £490,000 on DFGs. The service is virtually up-to-date processing referrals for DFGs with a small waiting list of clients. The 2015/16 current approved capital budget for DFGs totals £689,000 which is financed by £464,000 of grant from the new Better Care Fund awarded by Government but received via Nottinghamshire County Council, and £225,000 of GBC funding. Approximately £100,000 of the total budget is capitalised for staff salaries to cover the costs of providing the DFG service. Based on the rate of referrals being received it is not anticipated that the expenditure will significantly differ from 2014/15 so therefore an underspend on the DFG budget is projected for 2015/16.

It is proposed that £50,000 of the GBC funded element of the DFG budget is vired to the Housing Assistance budget for the purpose of the 'Warm Homes on Prescription' pilot for expenditure which meets the criteria for capital purposes, as detailed in the Proposal above.

Appendices

Appendix A - Private Sector Housing Grants and Assistance Policy 2015

Appendix B – Equalities Impact Assessment of the Private Sector Housing Grants and Assistance Policy 2015.

Background Papers

Gentoo Boiler on Prescription Report to illustrate similar successful partnership working elsewhere in the Country.

Recommendation(s)

- a) To approve the changes described in the Private Sector Housing Grants and Assistance Policy 2015 and adopt this as the new policy.
- b) To approve the virement of £50,000 from the DFG capital budget into the Housing Assistance capital budget.
- c) To approve the virement of £29,100 from Fuel Poverty grant income to the contribution of £29,100 to Newark and Sherwood District Council to employ a Project Manager to co-ordinate the Nottinghamshire wide 'Warm Homes on Prescription scheme'.

Reasons for Recommendations

To enable the Council to deliver the pilot 'Warm Homes on Prescription' pilot.