

HOME DECORATION SCHEME

Report of the Head of Housing Management

1. SUMMARY

- 1.1 Tenants are responsible for keeping the internal decoration of their home up to a reasonable standard as defined by the Tenancy Agreement.
- 1.2 The Home Decoration Scheme (HDS) was initially introduced to help maintain the internal decoration standard for those tenants that lived in properties that were part of a sheltered scheme. We no longer have properties that are identified as sheltered living, but we do have approximately 2,300 properties that are now identified as Supported Living Accommodation (SLA).
- 1.3 SLA is available throughout the City and the properties are allocated to people who are 60 years old and above. At the discretion of the landlord, this type of accommodation can also be offered to younger disabled people who are receiving Personal Independence Payment. However, some of the SLA is specifically set aside for occupation by our most vulnerable tenants such as people who have learning disabilities. The SLA properties are usually smaller, mainly consisting of bungalows and ground floor flats.
- 1.4 The HDS is a chargeable service and there is a need to redefine the eligibility criteria to join the scheme. This will help keep the number of tenants on the scheme to a manageable level. This in turn will ensure tenants remain satisfied with the service and the delivery of it and help sustain the service into the future for those tenants who need it.

2. RECOMMENDATION

- 2.1 That the Operational Board approves the new criteria from January 2021 for entrants onto the scheme to be limited to tenants who are living in SLA who are of:
 - State Retirement Age **or**
 - in receipt of Personal Independence Payment (or legacy Disability Living Allowance) payments
 - and**
 - do not have an able-bodied working age person living with them unless that person is claiming carers allowance for looking after the tenant.

3. REASONS FOR RECOMMENDATION

- 3.1 The current eligibility criteria allows tenants who are of working age to join the scheme, even though they may be perfectly capable of maintaining the internal decoration of their home.
- 3.2 Limiting future eligibility to those tenants who live in SLA that have reached State Retirement age or that are of working age and disabled is more likely to target the service towards people that need assistance with the internal decoration of their home.
- 3.3 The HDS is an eligible charge to be covered by housing benefit, and the tenants who will be eligible to join the scheme under the new criteria will be tenants that are able to claim housing benefit if they are entitled to.
- 3.4, People who are eligible to receive housing benefit are less likely to have the capacity to increase their income due to their age or disability. If people do not have the capacity to earn more, they are less likely to be able to find additional income to pay others to provide things that they are no longer able to do such as decorating their home.

4. MATTER FOR CONSIDERATION

- 4.1 The scheme runs throughout the year and tenants will be entitled to have one room decorated each year. Additional decoration maybe be required for those new tenants coming onto the scheme to bring the internal decoration of their home up to a reasonable standard, this will usually happen during the first scheduled visit.
- 4.2 Changing the future eligibility will require Housing Management staff to work with the tenants that are not eligible for the scheme and suggest alternative support in maintaining the internal decoration of their home. This could include:
- One off decoration works to get a property up to a reasonable standard as a rechargeable repair.
 - Suggesting the tenant moves on to accommodation that is smaller, which will make it easier to maintain, or to a SLA property if they would be eligible to receive the HDS service if the tenant was to live in this property type. This will also help free up larger general needs' properties.
- 4.3 The HDS is currently eligible for housing benefit because it is classed as a property related charge. Tenancy agreements are updated to note that Derby Homes becomes responsible for the internal decoration and a service charge is due. Tenants cannot opt out of the service, as the service remains a tenancy condition for the duration of the tenancy.
- 4.4 If tenants need help with their rent, they can only apply for housing benefit if they are in one of these groups:
- Single and state pension age;
 - Couple and both tenants are state pension age;

- Receive Severe Disability Premium (SDP) as part of a benefit award;
 - Living in Specified Accommodation (and you need care, support or supervision).
- 4.5 Around 95% of tenants on the HDS are in receipt of housing benefit and will have the service charge covered within their Housing Benefit claim. Those tenants in receipt of Universal Credit do not have the service charge covered.
- 4.6 There are approximately 1,463 existing tenants on the HDS of these tenants 1,297 are currently living in SLA properties all these tenants will remain on the HDS until their tenancy ends.
- 4.7 We would like to introduce this as soon as possible, so new applicants can be assessed under the new criteria from January 2021.

5. CONSULTATION IMPLICATIONS

- 5.1 None at present as this report does not adversely affect tenants currently receiving the HDS service.

6. FINANCIAL AND BUSINESS PLAN IMPLICATIONS

- 6.1 The HDS is currently partly recharged via a weekly service charge of £4.98 per week plus VAT = £5.98 per week. Annually this costs the tenant (48 weeks x £5.98) £287.04. The level of the service charge is in line with the costs of delivering and administering the service.
- 6.2 Annual income (net of VAT) from the HDS scheme is approx. (£4.98 per week x 48 weeks x 1463 on scheme) £350,000.
- 6.3 The HDS is currently supported by housing benefit (but not Universal Credit) on the basis that, once on the scheme, it is a property related charge for the duration of the tenancy. Tenants cannot opt in and out of the scheme.
- 6.4 For those tenants where housing benefit stops covering the service charge (for example if their financial circumstances change), they may experience difficulty in paying for the service and request to come off the scheme. To allow such a request could impact on the wider housing benefit eligibility of the scheme and the request will not be accepted. We will look to work with any tenants financially impacted because of this.
- 6.5 Around 95% of tenants on the scheme have the service charge covered by Housing Benefit. If this service charge was not supported by Housing Benefit, then it is likely that the scheme would not continue to cover its costs as current. A decision would then have to be made on the continuation of the scheme.

7. COUNCIL

- 7.1 The Councils Housing Revenue Account retains the income generated from the service charge. The costs of running the service by Derby Homes are funded via the annual management fee paid by the Council to Derby Homes. The proposed changes to the scheme entry criteria are not expected to materially affect annual income and spend figures.

8. EQUALITIES IMPLICATIONS

- 8.1 This HDS is not offered by many similar organisations and offers a service to allow tenants to remain within their Tenancy Terms, who meet the set criteria.

The areas listed below have no implications directly arising from this report:

Legal
Environmental Implications
Personnel
Health & Safety
Risk
Policy Review

If Board Members or others would like to discuss this report ahead of the meeting please contact:

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Background Information: None

Supporting Information: None

This report has been approved by the following

Managing Director	Maria Murphy	11/11/20
Head of Service – Finance & Income	Michael Kirk	20/10/2020
Head of Governance and Corporate Services -	Taran Lalria	21/10/2020
Company Solicitor		