

WAVERLEY BOROUGH COUNCIL

LANDLORD SERVICES ADVISORY BOARD

28 JULY 2022

Title:

HOUSING REVENUE ACCOUNT HARDSHIP FUND UPDATE

Portfolio Holder: Co-Portfolio Holder for Housing Paul Rivers

Head of Service: Hugh Wagstaff, Head of Housing Operations

Key decision: No

Access: Public

1. Purpose and summary

To provide an update on the guidance and use of the HRA Hardship fund during Quarter One. Board to review performance for comment and/or review.

2. Recommendation

It is recommended that the Board considers the report and guidance

- 1) identifies any areas for comment or further exploration,
- 2) considers a financial threshold and application limit, and
- 3) makes any recommendations to senior management or the Portfolio Holders for Housing as appropriate,

3. Reason for the recommendation

To provide review and challenge to housing service implementation of the fund.

4. Background

4.1 The Council agreed a £30,000 Housing Revenue Account hardship fund, in the 2022/23 budget. This discretionary fund is aimed to assist tenants who are financially impacted by the 2022/23 rent increase.

4.2 Since the budget approval further resources have been made available to residents experiencing financial hardship due to the pandemic and/ or cost of living increase. Therefore, the take up and request for funds from the HRA Hardship fund is expected to be lower than originally envisaged. No referrals have been made in the first quarter of the year.

4.3 The Household Support Fund has been extended by Surrey County Council, to help the most vulnerable households with the cost of essentials such as food,

clothing and utilities. Waverley residents can apply directly, details on the Council website.

4.4 Utility providers have additional funds to assist with the increase in energy costs and other charitable organisations have increased funds available to tackle food and fuel poverty. Citizens Advice can assist residents with making claims.

4.5 The government have also announced a £650 cost of living payment for all on means-tested benefits. Payment will be made in two lump sums in July and in the autumn.

4.6 The HRA Hardship Fund was developed to assist tenants experiencing financial hardship due to the 2022/23 increase in rent and will be used when all other funding options have been considered and exhausted.

4.7 The Rent Accounts team work closely with tenants with financial difficulties and support and signpost accordingly.

4.8 The Board are asked to consider if the eligibility guidance should include a financial threshold to be eligible for support eg a month's arrears and if there should be a limit to the number of times a tenant may seek assistance through the HRA Hardship fund.

5. Relationship to the Corporate Strategy and Service Plan

The report supports the Council's Corporate commitment to promote "*Good quality housing for all income levels and age groups*" and aim to "*be the best council landlord in the South East and to be acknowledged so by our tenants.*"

Annexes:

Annexe 1 –HRA Hardship Fund Eligibility Guidance

Background Papers

There are no background papers, as defined by Section 100D(5) of the Local Government Act 1972).

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Waverley Borough Council
HRA Hardship Fund Eligibility Guidance

Introduction and Overview

The Council agreed a £30,000 Housing Revenue Account hardship fund, in the 2022/23 budget. This discretionary fund is aimed to assist tenants who are financially impacted by the 2022/23 rent increase.

This set of criteria is to be used as a guide and not as a definitive set of rules - the Rent Account Officer will use their discretion in assessing cases and making recommendations to the Rent Account Manager to agree payments.

Guidance *to be* developed in partnership with Tenants Panel.

Eligibility criteria

This funding is for those council tenants who have **either** exhausted all other support options:

- Housing Benefit
- Universal Credit
- Citizen's Advice
- Household Support Fund
- Savings
- Other benefits
- Charitable funds

and are still at risk of losing their tenancy,

Or those who are low income or who have had a reduction in income and are struggling to pay rent due to the rent increase.

In either case, the main factor to consider in administering this Hardship Fund is whether the tenancy would be at risk due to arrears without it.

Eligibility Criteria Recommendations:

- Rent Account Officers to identify tenants in arrears and needing assistance
- Not specific figures or **A month in arrears? ?limit to number of applications?**

- Evidence of a reduction in income leading to difficulty in rent payments (e.g., Housing Benefit does not cover rent and income too low to make up difference alongside other costs)
- Fund discretion for tenants who need financial support but not eligible or in receipt of benefits or charity funds
- Fund discretion for tenants whose support and income only just covered expenses and rent increase has caused difficulty

Application Process

- Tenants in financial hardship to contact Rent Account Officer (RAO)
- Applications made by Rent Account Officers to provide:
 - Some form of initial evidence that minimum criteria is met
 - Evidence of increased costs
 - Evidence that all other avenues explored and exhausted (other benefits, CAB)
 - Reason for discretionary payment
- Rent Account Manager review and accept or refuse request for payments
- Tenant advice of outcome by RAO and payment made direct to rent account

Review

Use of Hardship fund will be reported Quarterly as part of the budget monitoring process. Guidance to be reviewed as financial picture changes, or at least six monthly.