

## **PRIVATE SECTOR RENEWAL POLICY**

### **1 SUMMARY**

- 1.1 This report recommends a policy for the provision of financial assistance for the repair, improvement and adaptation of private sector property.

### **2 INTRODUCTION**

- 2.1 At the meeting of this Committee in October 2002, Members were informed of changes in the legal framework relating to private sector grants and new powers to develop new forms of assistance for the renewal of private sector property.
- 2.2 Members indicated that the approach to private sector renewal should, ideally, be one of flexibility, meeting all the needs of individual persons within the context of financial parameters

### **3 BACKGROUND**

- 3.1 With high levels of owner occupation and an increasingly elderly population the Council's current policy mainly targets discretionary grant aid at home owners over the age of 60. Renovation grant aid, which is means tested, is available for remedying unfit properties. Home Repair Assistance (HRA) is available for a range of works of repair, improvement and adaptation including home security and energy efficiency to those in receipt of an income related benefit.
- 3.2 HRA is available to disabled people and their carers as well as the elderly and is administered by Springboard Home Improvement Agency. This grant, which can be up to £5000, is also available to people living in residential caravans.
- 3.3 The Council will consider giving renovation grant aid to enable a long term empty property to be brought back into use for letting purposes subject to nomination rights. To date however no applications have been received.
- 3.4 With regard to mandatory Disabled Facilities Grants, the Council will currently give assistance above the limit of £25,000. It will also consider giving discretionary Disabled Facilities Grant.
- 3.5 As from 18 July 2003 the powers to give renovation grant, home repair assistance and discretionary disabled facilities grant are removed. They have been replaced with a range of new powers to provide assistance including

loans, equity release and by supporting purchase and relocation. These powers were detailed in the previous report. The Government considers that local authorities should make some provision for assistance by way of grants.

- 3.6 In order to provide assistance it is necessary to first adopt a policy detailing the provision of that assistance and then to publicise it. The policy must be made available for public access. The policy should include who is eligible and for what works, how much assistance will be given and any conditions that apply. There should also be arrangements for dealing with those applications that fall outside of the policy.

#### **4 DEVELOPING A NEW POLICY**

- 4.1 A survey was commissioned to update the Council's information on the condition of its private sector stock. It was anticipated that the results of this would be available in time to develop a new policy. Unfortunately at the time of writing this report, although the draft findings have been produced, the report has not yet been finalised.
- 4.2 The draft findings indicate that the private sector housing stock is generally in good condition with significantly fewer unfit properties than previous estimates. The cost of repairs necessary will depend to some extent on the age of the property, but across all age bands the average cost of repairs is less than £3,000 per property.
- 4.3 Analysis of financial assistance in recent years confirms that very few renovation grants have been given. Help with maintaining homes has almost entirely been through Home Repair Assistance and has typically been for works such as rewiring, replacement of boilers, repairs to windows etc.
- 4.4 There are considerable advantages in a grant scheme like Home Repair Assistance. It is easy to understand and administer and can be used for a variety of purposes. Apart from general repairs and improvements it can for instance be used to meet Crime and Disorder objectives by financing home safety works and can facilitate early discharge from hospital by ensuring adaptations are carried out without the delays that a Disabled Facilities Grant application can present.
- 4.5 The appended policy has therefore been drafted based on the principles of Home Repair Assistance and is appended for Members consideration. HRA currently has no conditions relating to prior residence except in the case of certain works for mobile homes and does not have to be repaid in the event of the sale of the property. It is felt that conditions relating to these matters would be appropriate with exemptions in certain cases.

- 4.6 The necessary information on age groups and incomes relating to repair has not yet been provided from the stock condition survey. In the circumstances and having regard to the profile of the district, assistance under the new policy could be targeted in the same way that it is at present, as described in paragraph 3.1 to 3.4 above. There are however other vulnerable groups such as families with children on low incomes who are eligible for help under schemes like Warmfront that it was felt that Members may wish to assist and they have been included in the draft policy. The draft Community Strategy has objectives to improve the independence of older people through housing adaptations support and also to reduce the amount of non decent housing in the area and provide services which encourage home owners to adequately maintain their homes. The proposed policy will help deliver these objectives.
- 4.7 Home Improvement Agencies are recognised as having a very important role in housing renewal. They can provide advice and assistance to vulnerable people with housing related needs. Handyperson schemes can also be important in carrying out minor works of repair and adaptation. The Council currently provides funding for both Springboard Home Improvement Agency and for the Handyman Service. Under the existing grant policy, applications for Home Repair Assistance have to be submitted through the Agency and it is considered appropriate to continue with this arrangement under the proposed grant scheme.
- 4.8 The proposed grant policy will in effect restrict the amount of money available for discretionary assistance for adaptations and for topping up mandatory Disabled Facilities Grants when compared to the current situation. The new policy does however allow for financial assistance to be provided to help a disabled applicant to relocate to an alternative property where the existing home is considered unsuitable for adaptation. The Social Services Authority, Essex County Council, does provide help through its Housing Adaptation Grant (HAG) in cases of hardship and for topping up Disabled Facilities Grants. This is being reviewed under their Best Value Review of Equal Lives Strategy which will also look at the possibility of loans and equity release.
- 4.9 The previous report commented on difficulties in setting up local schemes to provide assistance by way of loans and equity release. It was recognised that such schemes are likely to take a long time to establish. The Head of Financial Services has asked the Co-operative Bank to consider the possibility of an equity release scheme and the outcome will be reported in due course.
- 4.10 The policy on private sector renewal, including the provision of financial assistance, needs further development. It will need to be kept under regular review. The final report on the stock condition survey, the outcome of the County Council's Best Value Review and the work being carried out by the Co-operative Bank may all have a bearing on the policy and, if appropriate, a further report will be made in due course. The proposed assistance policy provides for help to older residents and it is anticipated that this will be an

important element in the Council's future strategy on housing and support for older people, which will be finalised once the private stock condition survey and frail elderly housing studies are available.

## **5 CRIME AND DISORDER IMPLICATIONS**

- 5.1 The proposed policy gives financial assistance for the provision and improvement of security in private sector dwellings.

## **6 ENVIRONMENTAL IMPLICATIONS**

- 6.1 The policy provides for assistance in carrying out energy efficiency works which can help in the reduction of global warming, and will help to reduce the number of properties in poor repair.

## **7 RESOURCE IMPLICATIONS**

- 7.1 For 2003/04 The Council has provision within the capital programme for £100,000 for Private Sector Renewal Grants (PSRG) and £108,000 for Disabled Facilities Grants (DFG) the latter currently being supported by a 60% grant from the Government.
- 7.2 The Council has also made provision for the payment of £12,500 towards the funding of the Springboard Home Improvement Agency and £4,000 towards the Handyperson Service.
- 7.3 Other than the specific grant funding towards mandatory disabled facilities grants all current expenditure is within the Capital Programme mainly financed by credit approvals issued by the Government. With the introduction of Prudential Borrowing it is expected that credit approvals will not be issued in the future. If the expenditure is to remain in the Capital Programme funding will need to be switched to capital receipts. However the current capital programme does not have the capacity to fund these costs. In addition, further changes are expected through the pooling of capital receipts which could mean that the repayment of debt will have to form part of the future capital programme. If this happens there would be major problems for the capital programme.
- 7.4 It should therefore be anticipated that the funding of future grants may have to be included in the General Fund revenue budget. There will therefore be competing priorities for funding and pressure to keep grants at a lower level.
- 7.5 Although the Council is expecting the introduction of prudential borrowing it is the initial view that this would not be suitable to be used to finance annually recurring expenditure, like these grants, that does not create an asset for the Authority.

- 
- 7.6 The actual determination of budget provision for either the capital programme or the revenue budget will be part of the corporate budget strategy which starts later in 2003 (October/November).

**8 RECOMMENDATION**

- 8.1 It is proposed that the Committee **RECOMMENDS** to Community Services Committee.

- (1) That, subject to Members' comments, the appended policy on private sector housing renewal assistance be agreed for immediate implementation.

Graham Woolhouse

Head of Housing Health & Community Care

---

For further information please contact Steve Neville on:-

Tel:- 01702 318046  
E-Mail:- [steve.neville@ rochford.gov.uk](mailto:steve.neville@rochford.gov.uk)

**APPENDIX**

**Rochford District Council**

**Housing Renewal Assistance Policy**

This document sets out the Council's policy for giving financial assistance to repair, improve and adapt private sector homes in the Rochford District Council area. It details those who are eligible, the works for which assistance can be given, the amount of assistance and the conditions under which it will be given. It also details the mechanism by which people who do not meet the eligibility criteria can ask for assistance.

The policy will operate from ..... It will be kept under review and may be subject to change. Any minor amendments will be dealt with through authority delegated to Officers but major changes will be reported and agreed through the Council's Committee process.

Anyone requiring further information should contact the Housing Health and Community Care Division on 01702 318045 or 318160.

## **Rochford District Council**

### **Housing Renewal Assistance Policy**

The Council has agreed to give financial assistance for the repair, improvement and adaptation of private sector property in the Rochford District area in accordance with the following policy.

1. The assistance shall be through a grant known as the Rochford Home Maintenance and Adaptation Grant ( RHAG). The availability of the grant is subject to the financial resources made available by the Council.
2. All applications for grant shall be made through Springboard Home Improvement Agency.
3. The maximum amount of grant under any single application is £4,000 except in the case of 6(f) and 6(g) below where the maximum amount is £8,000.
4. There is no limit to the number of grant applications that can be made but the maximum amount that can be paid in respect of works to one property is £8,000 in any period of two years.
5. The grant is available for works to residential properties and to residential mobile homes situated on protected sites within the meaning of the Caravan Sites Act 1968 or the Mobile Homes Act 1983.
6. The grant is available for the following:
  - (a) repairs to the structure of a residential property and any amenities (as defined in the Housing Act 1985) within it
  - (b) improvements to any residential property to provide any missing amenities (as defined in the Housing Act 1985)
  - (c) measures to provide or improve the security of a residential property as recommended by a Crime Reduction Officer of Essex Police or any other competent person.
  - (d) Energy efficiency measures which are not eligible under the 'Warmfront' scheme
  - (e) Adaptations to a residential property to enable an elderly or disabled person or their carer to remain in their home.
  - (f) Adaptations which are subject to a Disabled Facilities Grant application where the cost of the works exceed the mandatory limit.

- (g) To assist a disabled person with the purchase of alternative accommodation where the Council, in consultation with the Social Services Authority, considers that the existing home is not suitable for adaptation.

7. With the exception of works under 6(f) above, the grant will only be available to the following residents who have lived at their property for at least 2 years prior to the date of application. The prior residence requirement will not apply in the case of applications under 6(g) above.

- (a) Owner-occupiers who are over the age of 60 and receive a qualifying benefit.
- (b) Owner- occupiers who have children under the age of 16 or who are at least 26 weeks pregnant and receive a qualifying benefit.

A qualifying benefit in respect of 7(a) and 7 (b) above is:

Income support  
Council Tax Benefit  
Housing Benefit  
Income based Job Seekers Allowance

- (c) Owner- occupiers who are disabled (or their carers) or who are on a low income who receive a qualifying benefit

A qualifying benefit in respect of 7(c) is:

Income Support which includes a disability premium  
Council Tax Benefit which includes a disability premium  
Housing Benefit which includes a disability premium  
Disability Living Allowance  
Attendance Allowance  
Industrial Injuries Disablement Benefit ( which includes constant attendance allowance)  
War Disablement Pension ( which includes mobility supplement)  
Child Tax Credit ( where household income is less than £14,200)  
Working tax credit ( where household income is less than £14,200)

8. With the exception of works under 6 (f) above, in order to make a valid application for grant the applicant the applicant must submit the following documents.

- (a) a fully completed application form.
- (b) proof of ownership of the property that is the subject of the application
- (c) proof of entitlement to a qualifying benefit
- (d) proof of National Insurance Number
- (e) proof of residence at the property for 2 years prior to the application
- (f) 2 estimates of the works for which grant aid is applied..
- (g) The written consent of any joint owner(s) of the property that is the subject of the application.



- (h) Proof of receipt of Working Tax Credit or Child Tax Credit as applicable

In the case of a tenants application relating to works under 6(f) above the landlords written consent to the works will be required.

9. Any necessary fees incurred in making a grant application or in carrying out the approved works will be eligible for grant aid.
10. The amount of grant approved can be be revised by the Council to take into account further works which need to be carried out and which could not have reasonably been foreseen at the time the grant application was made. Any revised amount will be subject to the maximum amount payable under this policy as detailed in 3 & 4 above.
11. Once the grant is approved 12 months will be allowed in which to satisfactorily complete the relevant works and claim payment. This period may be extended if there are exceptional reasons for not completing the works within the required period. Payment of the grant will be subject to the submission of satisfactory invoices.
12. If the applicant disposes of the property within a period of 3 years from when the grant is paid then the grant shall be repaid in full. This condition does not apply:
  - (a) Where the grant is given for works for the benefit of a disabled person or their carer.
  - (b) Where an applicant disposes of the property in order to go into a residential care home
  - (c) Where repayment of the grant would cause undue hardship
  - (d) In any other case where, having regard to the circumstances, the council does not consider it appropriate to reclaim the grant.
13. Where an applicant does not meet the criteria under this policy they may appeal in writing to the Corporate Director (Finance and External Services) giving the reasons they feel they should be given assistance. There is a further right of appeal from the Corporate Director to the Appeals and Licensing Committee whose decision shall be final.