



Appendix A

# **Central Bedfordshire Council's Private Sector Housing Renewal Policy**

1<sup>st</sup> February 2010

Social Care, Health and Housing Directorate (Housing Services)

**Draft (version 2.1)**

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## ***Foreword***

### **Councillor Rita Drinkwater – Portfolio Holder for Housing**



I am pleased to welcome you to the first Central Bedfordshire Council Private Sector Housing Renewal Policy. This policy recognises the impact that poor housing conditions have on the health of vulnerable households and sets out how this should be tackled through the targeting of the resources that we have available.

We know that resources will be very tight for Central Bedfordshire Council within the two year lifetime of this policy, and therefore the Council will work hard to obtain external funding in order to achieve the policy objectives. Although our aim is for vulnerable households to live in safe, warm and decent homes, this policy recognises that we cannot always achieve this through the traditional provision of a “grant”. We therefore have to think innovatively to ensure that the financial resources that we provide now are recycled for further work in the future.

This policy has been developed at a time when the new Council is in a state of development and change from its creation in April 2009. Consequently, whilst it is important to clarify our housing assistance priorities to residents and stakeholders now, it is prudent to review and update our policy during 2012.

## **1. Introduction**

This is the final draft Private Sector Housing Renewal Policy paper produced following consultation in early January 2010 and presentation to Overview and Scrutiny Committee on 4 February 2010.

This draft builds upon comments provided by Overview and Scrutiny Committee on 15<sup>th</sup> October 09, the Portfolio Holder for Housing, internal Private Sector Housing practitioners, Town and Parish Councils, Senior Officers and the Corporate Equalities Officer. The Renewal Policy is required by Government to be adopted by the Council before the end of March 2010.

### **1.1 Private Sector Housing Renewal Policy – Legal Context**

The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 requires local authorities to develop a policy for providing households with financial assistance to improve their homes. The order removed previous prescriptive legislation and provided authorities with more freedom to develop financial products and innovative forms of assistance.

Guidance advises that the policy should have regard to local housing conditions, local and national priorities, extent of deprivation, the availability of capital and other resources, and other relevant matters. The policy must be formally adopted by the local authority (at Executive) and has to contain advice on appeals procedures where individuals feel that the policy is not being followed. However, there are no appeals against the content of the policy itself once adopted; it is for each authority to undertake a consultation process to its own satisfaction.

There is no definitive lifespan for an adopted policy. It is prudent to consider the planned capital investment priorities and programmes for the council, and any other factors such as any “likely” changes to legislation. For example, changes in mandatory Disabled Facilities Grant limits, which if increased will impact on local authorities own resources unless additional government funding is provided.

Although the legislation refers to “policy”, some local authorities have widened the document to incorporate more than just “financial assistance” aspects required by the legislation. In particular the enforcement and intervention policies are included. Consequently, some documents are called “strategies” to encompass these additional issues. This document, however, will focus upon the local authority’s policy for assistance, so it is termed as a “policy”.

Legislation does not restrict policy or its forms of assistance to private sector homeowners. However, whilst some types of assistance summarised later in the report may be available for private landlords, or some private tenants, no forms of Discretionary assistance will be available for Council or Registered Social Landlord tenants, primarily due to other funding available to improve their homes.

## 1.2 Harmonisation

Until a Central Bedfordshire Council policy is adopted, the Council is providing assistance based upon legacy Council renewal strategies/policies. Whilst there are several similarities in both priorities and types of assistance provided there are some significant differences in assistance available to residents in the North (former Mid Beds) area and the South (former South Beds) area. This new policy will bring a consistent approach across Central Bedfordshire for all clients.

## 2. National Private Sector Housing Renewal Drivers

### 2.1 Pre 2007

The 2002 Government Spending Review expanded the decent homes target for the social sector to the private sector, with the aim of increasing the proportion of vulnerable households in the private sector living in decent conditions. The vulnerable groups are those in receipt of at least one of the principal means tested or disability related benefits – see appendix 1. The Government's Decent Home Target Implementation Plan<sup>1</sup> set out a trajectory for delivery that includes targets for specific years up to 2020, expressed as the proportion of vulnerable households in the private sector living in decent homes. The target for 2010 (known as PSA7) was 70%.

The replacement of the Fitness Standard by the Housing Health and Safety Rating System (HHSRS) in 2006 as the means of assessing minimum standards of housing, was expected to impact on the number of non decent homes.

Nationally, in 2006, around a million dwellings failed the fitness standard whereas closer to 4 million were expected to contain a Category 1 Hazard under HHSRS (which triggers a failure of the Decent Homes Standard). This is mainly because of the hazard from excessive cold which affects a greater proportion of homes than any other hazard and contributes towards over 20,000 excess winter deaths per annum<sup>2</sup>.

At the local level authorities were expected to identify the level of non decent homes occupied by vulnerable households within their areas and, within the level of resources available, to produce a robust and consistent policy response to the problem. The response was expected to be sufficient to ensure at the national level targets for the private sector are being achieved. The response should also have regard to priorities set out in the Regional

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<sup>1</sup> available at <http://www.communities.gov.uk/publications/housing/decenthomes>

<sup>2</sup> Excess winter deaths in England for 2001/2002 were 25,790. The lowest figure since 2001 was for 2003/4 at 21,930 and the highest was in 2004/5 at 29,740. The most recent figures for 2005/6 are 24,200. The often quoted 40,000 per annum figure was exceeded in 1996/7 (44,850), 1988/9 (44,010) and 1999/2000 (45,650). *Excess winter deaths\* by age group, Government Office Region and country of usual residence, England and Wales, 1991/1992-2004/2005 and 2005/2006\*\** <http://www.statistics.gov.uk/StatBase/ssdataset.asp?vlnk=7089&More=Y>

Housing Strategy and the local authority Housing Strategy. The targets at local level were very simply:

1. to show a year-on-year increase in the proportion of vulnerable households living in decent homes and
2. as a minimum to reach the target figure of 70% by 2010.

## **2.2 The Comprehensive Spending Review and the new Single Set of National Indicators – post Oct 2007**

The Local Government White Paper “Strong and Prosperous Communities” published in October 2006, committed to introducing a set of streamlined indicators that would reflect national priority outcomes for local authorities working alone or in partnership.

A single set of 198 national indicators was announced as part of the Comprehensive Spending Review in October 2007. The CLG have stated that the national indicators

- Will be the only measures on which central Government will performance manage outcomes delivered by local government working alone or in partnership
- Replace all other existing sets of indicators including Best Value Performance Indicators and Performance Assessment Framework indicators
- Will be reported by all areas from April 2008.
- In each area, targets against the set of national indicators will negotiated through new Local Area Agreements (LAAs). Each Agreement will include up to 35 targets from among the national indicators.

Only one of these indicators relates directly to the physical characteristics of private sector housing. National Indicator 187; Tackling fuel poverty, is a measure of people receiving income based benefits living in homes with a low energy efficiency rating. It is a cross tenure measure of the percentage of households on means tested benefits with a SAP rating of less than 30. The data is collected by means of a survey.

The CLG are quite emphatic that the national indicators “*will....be the only measures against which Government can agree targets with a local authority or partnership, through Local Area Agreements (LAAs), and the only trigger for performance management by Central Government*”. This however is qualified by “***other than concerns highlighted by the inspectorates in the Comprehensive Area Assessment or other inspection activity.***”

The Comprehensive Area Assessments will be undertaken by the Audit Commission. The Commission have published the key lines of enquiry (KLOE's) to be followed by their assessment teams.

The KLOE that covers the private sector asks “How good is the council’s understanding of private sector stock condition and housing needs and does it have an accurate baseline of the critical information to the sector?” The KLOE also sets out what an organisation delivering an excellent service will have in place.

The following table summarises Housing Stock criteria and their relationship to private sector housing national reporting requirements;

Housing Stock condition indicator	Information required by or of value to	Comments
Dwellings which would fail the Decent Homes Standard	Audit Commission	Not specifically mentioned in KLOE but part of PSA7 indicator which was required by CLG until April 2008
Category 1 Rating System Hazard	Audit Commission	Specifically mentioned in KLOE. Minimum standard for housing enforcement purposes. Required for Government HSSA returns, including likely cost of remedying all Cat 1 hazards
Vulnerable households in decent homes	CLG Audit Commission	PSA7 Indicator required by CLG until April 2008  Specifically mentioned in KLOE
Vulnerable households in non decent homes	Audit Commission	Alternative method of expressing PSA7 indicator that gives a better indication of overall scale of problem.
Dwellings with a SAP less than 35	Audit Commission	KLOE includes energy efficiency levels and information to identify energy efficiency action zones. Required for Government HSSA returns and helps towards NI 187
Fuel poverty	Audit Commission DEFRA	KLOE includes information to identify energy efficiency action zones  National Indicator 187 Tackling fuel poverty is defined differently to this measure of fuel poverty but is a useful surrogate until a new model is developed.
No of long term empty homes in private sector	CLG	Required for Government HSSA returns

### 3. Local context – information and evidence

Central Bedfordshire Council has a population of approximately 255,000 living in approximately 106,000 households.

Information and evidence on stock condition and its effects on residents is primarily based upon Building Research Establishment (BRE) Housing Stock Projections (HSP) carried out for Central Bedfordshire Council in November 2009, which applies nationally collected House Condition data from 2005 and 2006 to local demographic (census) information.

The HSP gives “indicative” levels of housing conditions and there has been debate with Regional Government Offices as to the extent that this data can be used to inform policies. The “adequacy” of stock condition information will have to be examined and addressed by Central Bedfordshire Council in order to meet Housing Act 2004 and regional requirements.

The current position on stock condition information is a good reason for this policy to have a shorter rather than longer lifetime. It is proposed that this policy has a 2 year life span from adoption so that it can be revised when stock condition evidence base is developed. The options for developing the evidence base will be presented to Members in due course.

#### 3.1 Headline Stock Condition indicators

The following table gives a summary of the Housing Stock Projection (HSP) report headline indicators, with comparison to national (England) indicators and a previous HSP reports completed in 2007, where relevant:

Criteria/indicator	Central Beds	England	Comment
% Non Decent Homes	28%	38%	Central Bedfordshire better than national average
% of vulnerable households living in Decent Homes (former PSA7 target which was 70% by 2010)	72%	61%	Central Bedfordshire better than national average and has probably met the old 2010 target (70%).
No of vulnerable households in non decent homes	3034	No figure	Although there is a reduction from previous legacy Council reports, there are still vulnerable households in non decent homes
% & No of homes with inadequate thermal comfort	12% 9672	16%	Central Bedfordshire better than national average and has fallen since 2007 report, but still significant No's
% of homes with Category 1 hazards	20%	23%	Central Bedfordshire better than national average, but



			still significant No's
% & No of households in fuel poverty	8% But see 3.2 below as this figure has probably increased to nearer 16%	17%	There is significant variation between wards in the district, with higher proportions in some rural wards. There is correlation between inadequate thermal comfort and fuel poverty.

Although there are indications of improvements in some aspects of house condition criteria since the legacy Council reports were produced, there are still significant improvements to make in housing conditions. Whilst the Council will not have the resources to address all these improvements, the above information will help to determine priorities and where to target.

### 3.2 Fuel Poverty context

The above figures from the HSP are probably under-estimated in the context of increased fuel prices since 2005/06. National Energy Action (NEA), the leading national fuel poverty charity, estimated that 13% of households in England were in fuel poverty in 2007, but this had risen to 17% in 2009. The Eastern region fairs slightly better than the national average, at 16.2%. Increased fuel costs and likely decrease in household incomes due to the economic recession will certainly have increased the % of those in fuel poverty in Central Bedfordshire from the HSP 2005/06 figures of approx 7% to closer to the regional estimate of 16%.

Looking ahead, OFGEM recently published a consultation document which looked at four different scenarios relating to energy supply over the next 10 to 15 years. All four scenarios gave increases in fuel costs for consumers. The increases in costs were between 14% by 2020 (for the best scenario) to a 60% increase for the worst scenario. Consequently, the problem of fuel poverty is likely to increase further from current levels. Whilst economic recovery and associated higher incomes may help counter higher fuel costs for some, Central Bedfordshire Council can have some positive impact through policies to improve the energy efficiency of homes occupied by those in fuel poverty.

NEA recently produced a briefing note for Children's Trust Policy Coordinators, which highlighted the adverse affects on children including:

- Physical ill health (proven links to respiratory disease, and increased accident risk)
- Psychological health (cold damp homes are linked with depression, fatigue and nervousness)
- Educational attainment (cold damp housing is not conducive to study and educational attainment, and resulting ailments lead to missed school attendance)

- Social exclusion (the home does not provide a welcoming environment for friends to visit and there may be insufficient income to allow external social activities).

### **3.3 Excess winter deaths**

On 24<sup>th</sup> November 2009 the Office for National Statistics published provisional excess winter deaths figures for 2008/09. There were an estimated 36,700 excess winter deaths in 2008/09. This is an increase of 49% compared with figures for 2007/08 and is the highest since 1999/2000. In the East of England region, excess winter deaths rose to 3,800 in 2008/09, from 2,790 in 2007/08.

The majority of excess winter deaths are, not unexpectedly, amongst those aged 75 years and over.

### **3.4 Contribution towards social care and health of residents in Central Bedfordshire**

The Housing Health and Safety Rating System (HHSRS) is the statutory way of determining the “severity” or risk of hazards in the home. The methodology is closely aligned to Government information and statistics relating to injury, ill health and accidents caused in and around the home. The intention of introducing HHSRS in 2006 was ultimately to make the home a safer place and consequently reduce the burden of admissions to hospitals and other Health Services, a true “prevention” strategic tool. HHSRS covers 29 specific hazards. A hazard assessed with a score of more than 1000, is classed as a Category 1, giving the Council a statutory duty to address.

The contribution towards Health outcomes when basing the Renewal Strategy in the context of HHSRS would include the following examples:

- prevention of ill health caused by living in damp conditions,
- prevention of cold related illnesses,
- prevention of accidents caused by trips, falls, etc,
- prevention of food and water-borne diseases caused by poor sanitation,
- prevention of electric shocks,
- prevention of incidences of poisoning, through gases (inc carbon monoxide), lead, asbestos, radiation, etc,
- prevention of burns, scalds, and effects of fire.

However, remedying a Hazard, or reducing it to below Category 1, may sometimes give a short term solution only. For example, mending a hole in a roof, which is old and dilapidated, may solve an immediate damp problem in the bedroom below but another hole or defect is likely to occur in the near future. A roof in this condition will also fail the Repair criteria of the Decent Homes Standard. In this example, it is more cost effective to go beyond just remedying the (damp) hazard and undertaking more significant works to the roof, thus making the home “decent” also.

### 3.5 Contribution towards Vision and Priorities of Central Bedfordshire Council

This policy supports the Council’s vision, ***to improve the quality of life of all in Central Bedfordshire, and enhance the unique character of our communities and our customers.*** Assistance provided under this strategy should always aim to improve the quality of life of eligible clients within their home environment.

Whilst this policy has links with all five Council Priorities it is most closely aligned with the priority; *Supporting and Caring for an ageing population.*

This policy also aims to contribute towards a set of ambitious but achievable Housing Objectives. These objectives have been created to maximise housing supply and reduce homelessness demand, and they also feed into the delivery of the wider corporate objectives of the council. The housing objectives are set out below.

Needs are met from the supply of decent affordable housing	Housing assets are protected and improved for the benefit of future generations	Accommodation is safe and healthy; accessible and affordably warm
Home and Estates are well managed, instilling neighbourhood pride and a thriving community spirit	Homelessness is prevented and crisis situations are avoided and uncommon	Vulnerable people are living independently in suitable accommodation

### 3.6 Contribution towards the Councils Equal Opportunities duties

Central Bedfordshire Council has a duty to promote race, gender and disability equality and to tackle discrimination experienced by other vulnerable groups. This policy recognises the Council’s legal duties to promote disability, gender (including transgender) and race equality and not to discriminate in relation to religion or belief, age or sexual orientation.

In association with the development of this policy, an Equalities Impact Assessment is being prepared to assess the impact of this policy in more detail. We aim to have the Equalities Impact Assessment approved by the Council’s Equalities Forum before the policy is presented to Executive in March 2010.

## 4. Legacy Council policies

Former South and Mid Beds District Councils had broadly similar aims in terms of what housing condition problems would be prioritised and who would be eligible for Council assistance. However, the approach by the two authorities was different.

South Beds DC's policy contained approx 12 distinct types of assistance that could be offered to address specific problems. These ranged from Emergency assistance (of up to £500) for the most vulnerable in urgent need, to Decent Homes Loan assistance of up to £15,000.

Mid Beds DC had an approach where by one type of discretionary grant was made available to fit a number of different scenarios. In addition, Mid Beds used a Matrix scoring system to determine who could be eligible for assistance. The higher the score (based on clients circumstances and condition of home) the higher the perceived need. Depending upon priorities or resources available at a particular time, the scoring threshold for eligibility could be altered up or down. This type of flexibility is useful in being able to adapt to resource pressures but may also give inconsistency in service accessibility.

#### **4.1 Successful elements of the legacy Council Policies**

South Beds' policy, adopted in 2005, introduced some types of assistance that were relatively innovative within the context of most local authorities' grants policies.

The Renovation Loan Assistance, provided for more major works, helped ensure that households in very poor condition homes would be able to renovate their home, rather than have to move. The conditions attached would ensure that the Council would eventually receive the assistance back when the property was sold in the future.

The Affordable Warmth grant was successful and had many benefits. It provided "top ups" to vulnerable households who had to make a contribution to Government Warm Front grants, thus enabling works to be undertaken to take that household out of fuel poverty. The grant was also available to households not in receipt of benefits but assessed as being in fuel poverty (through an energy assessment of their home and financial assessment of their income). Consequently, people not eligible for Warm Front (but still in fuel poverty) could be eligible for Affordable Warmth grants. In the first two years of this grant, South Beds DC's funding was matched by more than 50% external funding.

Emergency Repair Assistance was a small grant (up to £500) to help the most vulnerable households (normally aged over 65) remedy urgent situations, such as a boiler breakdown in mid winter, or where an attempted burglary has resulted in a house being made insecure. This type of assistance could be approved very quickly if the applicant appeared to be eligible and the situation urgent. The grant may have helped provide a temporary repair, which could be remedied properly through provision of other assistance in due course.

Empty Homes grants for landlords/owners were available where they were willing to provide the Council with nomination rights for a specified number of years. Consequently, although not large in number, these grants had multiple

benefits of bringing an empty home back into use, making it decent, and the housing of someone from the Council's housing waiting list.

The South Beds policy introduced longer (sometimes lifetime) repayment conditions attached to grant/loan assistance. This resulted in repayment of money in certain cases when clients moved or sold their home. In 2007/08 South Beds recovered £27,000 from six cases, and in 2008/09 £12,400 was recovered from 2 cases.

The main benefits of the Mid Beds approach (of having one type of grant to cover a range of scenarios) is that the whole process was simple to understand for both clients and officers in terms of what was available and the conditions attached to such assistance. This undoubtedly helped Mid Beds achieve good results. 57 Home Improvement Grants were completed in 2008/09, at a value of £276K. 44 homes had category 1 hazards remedied.

#### **4.2 Less Successful elements of the legacy Council Policies in terms of numbers completed**

South Beds introduced a Home Loan Support grant, which was assistance (up to £2,000) to cover the costs associated with a client obtaining a commercial loan or equity release product for the purposes of remedying defects to their home (where they couldn't obtain grant assistance). Since 2005 only one such case was successfully approved. This case provided good value for money for the Council. Assistance of £1,200 enabled works to the value of approx £7,000 to be completed. However, the clients required significant "handholding" throughout the process. The financial product was provided via the Home Improvement Trust, a "not for profit" Government backed organisation set up to provide trustworthy sources of finance to clients aged over 60 or disabled.

Relocation grants (of up to £2,000) were offered by South Beds to assist an applicant move to a more suitable property where their existing property could not be improved/adapted to meet the applicant's needs. There were several sets of circumstances where this grant may have been offered:

- To alleviate overcrowding where the problem cannot be alleviated by the applicant remaining at the dwelling
- To respond to under occupation and increase the supply of larger properties
- Where the costs of essential work are greater than the applicant's financial resources
- Where the dwelling does not meet the needs of a disabled occupant, where adaptation will not meet that need

From its introduction in April 2005, there were no successful approvals of this grant. However, it would have been a useful tool had such a need arose. One case was being progressed (to move elderly residents from a worn out mobile home) but unfortunately they both died before the move progressed. The mobile home was dilapidated and not able to be adapted to meet their needs.

South Beds also provided loan assistance and there were successful cases but they were generally where loan assistance was alongside grant assistance and clients generally viewed the funding as “Council assistance”. Consultation with Head of Service from Luton Council indicated that many clients are still wary of taking on loans, particularly in the current climate. A “grant culture” has grown over several decades of such assistance and will take time to breakdown. In addition, some minority ethnic cultures do not view commercial loans favourably, so the Council will have to ensure that this policy does not discriminate, even inadvertently.

### **4.3 Disabled Facilities**

In both former local authorities, the provision of assistance for disabled adaptations was under the provisions of the legislation governing mandatory Disabled Facilities grants (DFG). The legacy authorities themselves did not offer additional types of discretionary assistance due to the mandatory provision, but there was assistance available in different forms from Bedfordshire County Council within Social Care service.

The provision of assistance to Central Bedfordshire Council’s own tenants with disabilities is not currently through the mandatory DFG process but through the Council’s own Housing Revenue Aids and Adaptations budget. The benefit to tenants is that they don’t have to go through the mandatory application process associated with DFG’s, including the financial test of resources. The downside is the pressure on the Housing Revenue budget, which in turn could lead to longer waiting times for Council tenants in comparison to owner occupiers going through the DFG process. Aragon Housing Association tenants in the former Mid Beds area requiring adaptations are served through the DFG route in most cases.

The creation of Central Bedfordshire Council brings all service provision, including funding of adaptations, within one authority and mainly within one Directorate. A review of the complete Aids and Adaptations process is due to start during 2009/10 but the timescale of this review will take it beyond the timeframe of this policy development. The question of whether/how Central Bedfordshire Council provides discretionary assistance for disabled facilities and adaptations will be an “Update” to the main Renewal Policy, when finalised.

## **5. Capital resources**

### **5.1 2009/10 – Budget resources**

**Discretionary grant budget (as revised)** - £400,000 which includes Regional Housing grant of £162,164.

In addition to the above, a small level of funding is available for Fuel Poverty related work in Off Gas rural areas from EERA as part of a sub regional scheme.

Further external funding for energy conservation and fuel poverty measures should also be considered in light of this strategy. Legacy councils have made good use of Government Warm Front funding for residents in the area, and have heavily promoted the availability of Carbon Emissions Reduction Target (CERT) funding for energy conservation measure.

The Central Bedfordshire Council spend to end of December is approx £243,000, which is primarily due to a “slow down” of activity by both legacy councils in the period leading up to the creation of Central Bedfordshire Council. However, there are many cases in the system to take anticipated spending to £400,000

**Mandatory Disabled facilities grant budget** - £2.2million, which has been increased from £1,760,000 due to the demand for adaptations. This includes Government grant but excludes the sum that will be used to help pay for staff operating the with Client Support part of the service (approx £130K).

## 5.2 2010/11 budgets

**Discretionary grant budget** – the proposed capital programme is £320,000. However, the capital programme is under pressure and this is not guaranteed. There is possible Regional Housing grant but this is not confirmed, and EERA fuel poverty funding (which itself could be up to £100K match funding).

**Mandatory disabled facilities grant budget** – the proposed capital programme is £2.8million (with assumption of approx £550K Government grant being obtained). This higher level of funding is based upon known numbers of clients currently waiting to be assessed for aids and adaptations but again is not confirmed and may be reduced.

The success of this policy will be influenced by the capital resources available. Although this policy, once approved, should influence capital budget planning, the actual implementation of the policy will be dependant upon capital resources and this aspect is addressed in the Recommendations section 6.

The availability of assistance (grants/loans) available from Central Bedfordshire Council will always be dependant upon resources being available.

## **6. Recommended Options for Central Bedfordshire Council Renewal Policy**

### **6.1 General Policy Principles and Priorities**

1. Central Bedfordshire Council will meet its mandatory requirements in respect of Disabled Facilities grant and will seek to maximise resources to assist as many eligible clients as possible in obtaining the necessary and appropriate adaptations to their homes.

2. Having regard to the issues outlined above, in particular issues around condition of the stock, and likely availability of external funding **the Council will provide discretionary assistance to meet priorities outlined below.** However, as stated above in 5.2, **the availability of discretionary assistance (grants/loans) available from Central Bedfordshire Council will always be dependant upon resources being available.**

3. The following aims were generally agreed by Overview and Scrutiny Committee in October 09, but Members requested that they be prioritised in order of importance, so that if difficult decisions had to be made, the Council would help with addressing the highest priorities first. The order of priority is as below with A being the highest:

A – The safety and security of older persons and other vulnerable groups, living in their home,

B - Reducing cases of fuel poverty,

C - Reduction of category 1 hazards, (with associated health related benefits)

D - Reducing the number of non decent homes, primarily with loan assistance that can be recycled

E - Reduction of empty homes,

F - The improvement in the thermal efficiency of the housing stock,

G - The maximising of opportunities for external funding of all types for the benefit of meeting the above priorities,

In times of budget restriction/pressure, Officers administering grant/loan assistance will be instructed as to the level of priority (A to G above) that assistance can be available for by Head of Service or Assistant Director Housing Services.

4. Having regard to successful elements of legacy Council policies and cost effectiveness, the policy is that generally **smaller types of assistance (up to £2,500) have no repayment conditions, intermediate levels of assistance (between £2,500 and £8,000) have repayment condition period of 5 years, and larger levels of assistance have repayment condition period of 30**



**years** (virtually lifetime for many cases). The repayment conditions would be at zero % interest rate, in the form of a local land charge/land registry charge.

This approach will help breakdown the traditional “grant culture” to one where people will see that the Council may be able to help but may also require the return of the funding when the applicant is in a better position to do so, such as through the sale of the property. There would be exemptions to repayment conditions, where the property is sold to enable the client to move into a care home or with relative Carers.

**5. In general, assistance provided above the value of £2,500 will be called “assistance” or “loan assistance”,** again as a way of helping break down the “grant culture” that has built up over several decades. However, this is subject to an equalities impact assessment, and requires clear communication of the conditions to clients who could be eligible for assistance in the intermediate range, so as not to discourage eligible clients from applying for assistance that could benefit their health or safety.

6. Although Home Loan Support and Relocation grants were not successful in former South Bedfordshire, these grants will be retained as potential alternatives to help clients not eligible for other forms of assistance and to meet national and Council priorities outlined above.

7. The Council will develop an Options and Advice service to help homeowners make decisions with regards to improvements to their homes. This will entail development of existing and new partnerships to provide greater options at early stages of enquiry.

## **6.2 Specific types of assistance to meet priorities**

A summary of the specific forms of assistance within the policy is in the table below. The table does not include all aspects of recommended assistance; the aim here is to just outline the aims and outcomes of assistance proposed. The table does state which of the priority aims (A to F) above would be targeted through the specific type of assistance. Following adoption of the policy, more specific Assistance Eligibility Conditions will be produced for benefit of Council Officers and stakeholders, in particular clients. These will form the basis of promotion material.

The policy contains specific types of assistance for specific circumstances (rather than a generic, “cover all” type of assistance) for reasons of clarity and consistency for clients and all stakeholders.

## Summary of assistance

Name and type of proposed assistance	Aim of such assistance	Eligibility & conditions summary
<p><b>Safety, security and emergency repair grant.</b> A grant of up to £500 for emergency works, which can be administered quickly to remedy urgent situation</p>	<p>A limited safety net for those people most in need with the most immediate problems and clearly urgent/distressing circumstances. This includes older/disabled people whose homes have been broken into and left insecure</p> <p>would primarily address priority A, but C also</p>	<p>Anyone over age 60 in receipt of an income related benefit, (including Pension Credit) or disabled people in receipt of Disability Living Allowance or Attendance Allowance, who are also in receipt of Income related benefits. No repayment conditions.</p>
<p><b>Home Improvement Assistance/Loan Assistance.</b></p> <p>Assistance of up to £8,000 (with 5 year condition, where assistance exceeds £2,500) or Loan Assistance for between £8,000 and £15,000 (or £20,000 in exceptional circumstances where approved by Assistant Director Housing Services)</p> <p>For clarity, all assistance would be subject to relevant repayment condition period, for example. £9,000 assistance, all £9,000 would be subject to 30 year repayment condition period.</p>	<p>Assistance to remedy Cat 1 hazards, non decent homes (disrepair, inadequate facilities etc)</p> <p>would primarily address priorities A, C and D, but B and F also</p> <p>This includes some provision of assistance to eligible clients on Park Home sites for repairs to the home itself, subject to a lifetime condition assessment of the home and further conditions. Note – HHSRS cannot be applied to a Park Home</p>	<p>Any home owner can apply, provided they have owned and been resident in the property for three years prior to an application and intend to reside in the property for at least five years.</p> <p>Some private tenants (those in Almshouses on peppercorn rents, or tenants living in properties owned by relatives or charities) may be eligible</p> <p>Private landlords may be eligible for Loan Assistance only, where they propose improvement works “over and above” the minimum required under the Housing Act 2004 (Cat 1 Hazard remedy) – further notes are below.</p> <p>For owner occupiers, this assistance is subject to a test of financial resources, and 5 or 30 year repayment conditions depending upon amount of assistance. Private landlords would not be subject to a test of resources. Loan</p>

		<p>assistance would be 60% of the agreed eligible works (over and above statutory minimum). Landlords Loan assistance would have the 5 year repayment condition for assistance of between £1 and £8,000, and 30 years for assistance over £8,000.</p> <p>To stop people avoiding the charge on property by making several separate applications for works under £2500, applicants will be required to sign at the beginning of 1<sup>st</sup> grant and subsequent approval notices that the relevant charge would be put on their property should unforeseen works or subsequent application within a 3 year period move the total grant/assistance into a different bracket (higher than £2,500/£8,000). Also, only one subsequent application allowed within a three year period.</p>
<p><b>Affordable Warmth assistance.</b> This is a grant of up to £2,500 that is intended to remedy fuel poverty. This grant can be provided alongside external funding.</p> <p>For works above £2,500 during 2010/11, there will be EERA funding available if the Council provide Loan Assistance to remedy Fuel poverty. This is on a 50% match funding basis.</p>	<p>To remedy fuel poverty and/or poor thermally efficient homes.</p> <p>would primarily address priority B, but C, D and F also</p>	<p>Any home owner requiring energy efficiency/fuel poverty remediation works, and who cannot obtain such assistance in part or total from other sources, although the grant can be used in addition to external funding where that funding does not meet total costs of required.</p> <p>Eligibility will not be constrained to those in receipt of means tested benefits but will include those where fuel poverty can be assessed as likely or a risk (through determination of fuel</p>

		costs, thermal efficiency, and income). No repayment conditions. A more detailed, specific set of eligibility conditions will be produced to meet EERA scheme requirements. This will require the use of energy rating software.
<p><b>Empty Homes loan assistance.</b> Loan assistance of up to £15,000 for owners of long term empty homes that require works to be made habitable. Loan assistance is 75% of costs, up to maximum assistance of £15,000</p>	<p>To renovate and bring long term empty homes back into use in line with proposed empty homes strategy.</p> <p>would primarily address priority E, but C and D also</p>	<p>Any owner of long term (1 year or longer) empty homes who undertakes to bring the property back into use once renovated. Non means tested but 5 or 30 year repayment condition applies. Nominations agreement not recommended at this point due to implementation of Choice Based Lettings, which does not currently include scope for private rented accommodation. However, could be tied into proposed Lets Rent scheme. Option to withhold 25% of assistance amount until property is actually occupied (as incentive for owner to let and not leave empty)</p>
<p><b>Home Loan Support grant.</b> A grant of up to £2,500 to assist with clients obtain private funding for eligible works,</p> <p>Eligible works will be those necessary to achieve the Decency standard, or to carry out essential work which otherwise cannot be funded through Home Improvement Assistance, or (in exceptional cases) works to adapt a property for the needs of a disabled person where DFG is not</p>	<p>To provide assistance to clients to obtain private funding (loan or equity release), through a reputable source, to remedy a cat 1 Hazard, or make home decent.</p> <p>would primarily address priority G, but A, B, C, D, and F also</p>	<p>Applicants must be:-</p> <ul style="list-style-type: none"> <li>• over 60 or</li> <li>• in receipt of Disabled Living Allowance or in receipt of Attendance Allowance;</li> </ul> <p>The property must be considered sustainable by the Council, and, in the opinion of an independent financial advisor, the applicant must have sufficient resources or property equity to support the raising of necessary finance for the eligible work.</p>

available.		
<p><b>Relocation grant.</b> A grant of up to £3,000 for costs of relocating to more suitable property</p> <p>This type of assistance would not be restricted to particular Estate Agents, Conveyances etc, but local partnerships would not be ruled out in the future.</p>	<p>To alleviate overcrowding where the problem cannot be alleviated by the applicant remaining at the dwelling.</p> <p>To respond to under occupation and increase the supply of larger properties.</p> <p>Where remaining in the property is not feasible due to the cost or complexity of the works required.</p> <p>Where the dwelling does not meet the needs of a disabled occupant, and/or where adaptation will not meet that need.</p> <p>This may help address priority A, could enable an applicant to benefit from a DFG</p>	<p>To assist the homeowners meet the costs associated with purchase, sale and relocation, the following eligibility conditions should apply: –</p> <p>The property is overcrowded and the applicant does not have the financial resources to carry out the necessary alterations, or extension to alleviate the overcrowding. (or) The house cannot be adapted to accommodate the needs of a disabled person. Where an adaptation of the property has proved not reasonably practical, and where suitable alternative accommodation has been identified (which in itself may require adaptation); (or) The house requires essential work such that it cannot be reasonably financed by the current owners even with the help of Home Improvement Loan assistance. (or) The house is under occupied; and the applicant is vulnerable. For owner occupiers, this assistance is subject to a test of financial resources</p>
<p><b>Disabled Facilities Grant (mandatory).</b> Grants of up to £30,000. Mandatory Disabled Facilities Grants will be assessed and paid under the provisions of Chapter 1 of the Housing Grants Construction and Regeneration Act 1996 as amended.</p>	<p>A DFG is provided to adapt the home of a disabled person to meet their needs. The need for an adaptation is determined by an Occupational Therapist (OT) from Council's Social Care Service. The grant will incorporate recommendations made by the OT, providing the</p>	<p>The Council will assess the relevant person's income and savings to determine an amount (if any) that an applicant must pay towards the work. This test is prescribed in detail by legislation. The grant for the adaptation is a maximum of £30k, less any contribution to reflect that the contribution</p>

	works are reasonable and practicable.	counts towards the maximum of £30k. Mandatory Grant repayment conditions apply
<b>Disabled Facilities Grant – discretionary/top up</b>	This is to be reviewed by Social Care Health and Housing Directorate as part of complete review of approach to provision of aids and adaptations for people with disabilities. Currently there is no provision for such assistance.	The options for funding of adaptations over and above the £30K mandatory limit will have to be reviewed and added to this policy when finalised as an addendum once approved at appropriate Member level, in consultation with Director of Social Care Health and Housing.

### **Applicant support**

In both legacy Councils, Officers provided a good level of client support in helping complete the various forms required for financial assistance. Many clients are vulnerable and/or elderly and often appreciate the support that they receive from experienced Officers. This shows through the Customer Satisfaction questionnaires completed by clients. The Client Support service is to be retained as a valuable service to assist clients through the grant/loan assistance process.

Note – this is one area of service that could in the future be part of a comprehensive Home Improvement Agency provision for Central Bedfordshire Council.

### **Client’s Household Insurance**

To help ensure that clients maintain their properties after improvement/repair works have been carried out with Council assistance, the Council will encourage clients to ensure that they obtain and maintain sufficient Buildings Insurance to resolve future issues where appropriate.

## **7. Review and Appeals Process**

Most cases or enquiries will be dealt with in the Private Sector Housing Service teams. Any unusual cases should be discussed between Officers and Team Manager and considered on the merits of the case presented, recognising the need for consistency of decision making.

In some cases the relevant Team Manager will require Head of Service review and opinion on the case. Where this is requested, the Head of Service will consult with the 2<sup>nd</sup> Team Manager and make a decision based upon the

merits of the case, or present the case with recommended option to the Assistant Director of Housing where the case is significant, i.e. it has an anticipated assistance value of more than £10,000.

Decisions by the Head of Service and/or Assistant Director will be provided in writing for case/file notes.

Examples of situations that would be dealt with by the Head of Service and/or Assistant Director are:

- Deciding whether to target assistance to help an empty property back into use, including the amount or rate of grant (or loan) and any special conditions to be attached in each case.
- Considering requests for assistance to be provided as an exception to general policy, although any such assistance would have to be authorised by the Assistant Director

### **7.1 Appeals about decisions in individual cases**

Appeals about how the policy is operated in individual cases, for example, where an enquiry or application for assistance is refused, will be considered by a Housing Services Management Team Panel which is chaired by the Assistant Director of Housing Services and consists of at least two Housing Heads of Service.

Appeals must be set out in writing and sent to the Assistant Director of Housing Services, Central Bedfordshire Council, The District Offices, High Street North, Dunstable, Bedfordshire, LU6 1LF or email:

[tony.keaveney@centralbedfordshire.gov.uk](mailto:tony.keaveney@centralbedfordshire.gov.uk) The appeal submission must include the specific grounds on which the appeal is based. Appeals will be considered only on the following grounds:

- That the policy has not been applied correctly on the case in question, for example there has been a mistake, or
- That the case in question is exceptional in some way that justifies an exception to the general policy. An exception may be considered for an owner-occupier who has both owned the house and lived in it for at least five years and where there are missing essential facilities, where there is structural instability, or serious hazards

Appeals will not be considered on the grounds that the appellant simply disagrees with the policy. However, any written comments and complaints about the policy will also be considered by the Panel, as described above. The decision of the Appeal Panel is final. Decisions will be notified to appellants in writing within 14 days from receipt of the written appeal.

The appeals process does not preclude individuals from taking a formal complaint through the Corporate Complaints process, but the appeals process may be a speedier way of receiving a review of a case.

## **8. Related issues to be addressed for Central Bedfordshire Council during lifetime of this policy**

### **8.1 Approach to developing the understanding Private Sector Housing Stock Conditions**

This is included on the draft Directorate Service Plan and specific advice is provided by the Audit Commission. It is proposed that options are examined and presented to Overview and Scrutiny Committee during 2010/11.

### **8.2 Potential provision of a Home Improvement Agency for Central Bedfordshire**

This is also included on the draft Directorate Service Plan. There are many associated costs and benefits surrounding the provision of a Home Improvement Agency, and a wide variation in type of service undertaken. The aim is to begin examination of issues and options within the next year (2010/11).

## **9. Consultation December 2009**

This policy is not subject to statutory consultation requirements but consultation with key stakeholders is good practise.

Due to the legal necessity for Central Bedfordshire Council to adopt a Private Sector Housing Renewal Policy by the end of March 2010, consultation was focused on Members of the Council, Senior Officers within the Council, and Town and Parish Councils. A summary of responses is available from the Head of Private sector Housing upon request.

Key priorities for Private Sector Housing were also raised during the Council's Housing Strategy Consultation event on 15<sup>th</sup> January 2010. The main issues raised include the need to tackle empty homes and fuel poverty in the area, and the need to improve advice and information for households not necessarily looking for financial assistance. These issues are included in the recommended policy options, section 6 above.

This policy has a relatively short life span of 2 years from adoption, which will enable a more thorough review and consultation process for the subsequent policy.

The policy will be subject to an equalities impact assessment.



## **Appendix 1 – definition of Vulnerable Household**

The term vulnerable can take on a number of meanings but there is a very precise definition provided by the former Office of the Deputy Prime Minister (ODPM).

The ODPM defines vulnerable households as “those in receipt of at least one of the principal means tested or disability related benefits. For the purpose of establishing the national 2001 baseline from the English House Condition Survey, the benefits taken into account were: income support, housing benefit, council tax benefit, disabled persons tax credit, income based job seekers allowance, working families tax credit, attendance allowance, disability living allowance, industrial injuries disablement benefit, war disablement pension.”

However the ODPM qualify this definition with the following: - “The detailed definition of qualifying benefits used to define vulnerable will be subject to change and since 2001 a new range of tax credits has indeed been introduced with different qualifying thresholds. These are child tax credit, working tax credit and pension credit. The definition of vulnerable households used to monitor progress towards the target has therefore been amended as follows. In addition to the benefits described in the previous paragraph, pension credit will be included as a qualifying benefit. Also households in receipt of either working tax credit which includes a disability element or child tax credit will qualify as a vulnerable household providing the person entitled to the tax credit has a relevant income of less than £14,200, as defined for the purpose of determining eligibility for the tax credit. Working Families Tax Credit and Disabled Persons Tax credit have been abolished.”

In the context of fuel poverty, a household not within the above definition could still be living in fuel poverty, where they are spending more than 10% of income on fuel/energy costs. Whilst this can be more difficult to assess accurately, the energy efficiency of the home and cost of fuel used are useful indicators.

In the context of Equalities legislation and research evidence, the Council must be mindful as it develops and implements this policy that the following groups could be deemed to be vulnerable. So the needs of the following groups should be taken into account:

**people from black and minority ethnic communities,  
minority faith groups,  
disabled people,  
women,  
lesbian, gay, bisexual and transgender communities**