

## Report of the Cabinet Member for Communities and Housing

Cabinet – 14 April 2015

### DISABLED FACILITIES & IMPROVEMENT GRANT PROGRAMME

<b>Purpose:</b>	To provide details of the Disabled Facilities & Improvement Grant Programme and to seek approval to include schemes in the 2015/16 Capital Programme.
<b>Policy Framework:</b>	1. Local Housing Strategy. 2. Private Sector Housing Renewal and Disabled Adaptations: Policy to Provide Assistance 2012-2017. 3. Statutory declaration of the Sandfields Renewal Area approved by Cabinet on the 14 <sup>th</sup> January 2014.
<b>Reason for Decision:</b>	To comply with Financial Procedure Rule No.7 (Capital Programming and Appraisals) - to commit and authorise schemes as per the Capital Programme.
<b>Consultation:</b>	Legal, Finance, Access to Services.
<b>Recommendation(s):</b>	It is recommended that:  1) The Disabled Facilities and Improvement Grant Programme as detailed, including its financial implications, are approved and included in the 2015/16 Capital Budget.
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#### 1.0 Introduction

- 1.1 The current Private Sector Housing Renewal and Disabled Adaptations Policy was approved by Council on 24<sup>th</sup> November 2011.

## **2.0 Capital Programme Process**

2.1 The Disabled Facilities Grants and Improvement Grant Budget of £5.2m was agreed by Council on 24<sup>th</sup> February 2015.

## **3.0 The Scheme**

3.1 The current Policy for Private Sector Housing Renewal and Disabled Adaptations sets out the detail of various types of assistance aimed at helping vulnerable home owners and tenants to carry out essential adaptations and repairs. Assistance is provided on the basis of helping residents maintain their independence at home. In summary, types of assistance include:

- Disabled Facilities Grant (DFG) – Mandatory large scale adaptations for private home owners and tenants of private rented accommodation. For example, level access showers.
- Council House Adaptations – small and large scale adaptations for Council tenants
- Homefix Loans – Recyclable loans for homeowners needing large repairs. For example, roof repairs and damp proofing.
- Emergency Repair Fund – Small repairs of an emergency nature. For example, dangerous electrics.
- Grants for Nominations – For works to bring long term empty properties back into use. Grant is provided in exchange for nomination rights.
- Swansea Care & Repair – Small, rapid adaptations and repairs provided for elderly and disabled residents.
- Houses to Homes Loan Scheme – interest free loans to tackle empty homes. To renovate and improve properties or convert empty properties into a number of units suitable for residential accommodation. Loans to be repaid and recycled as further loans.
- National Home Improvement Loan Scheme – interest free loans for the repair or conversion of properties to make them safe, warm and/or secure. Loans to be repaid and recycled as further loans.
- Renewal Areas – Renewal Area funding to deliver an agreed programme of property repair and environmental improvement works in designated Renewal Areas.

## **4.0 Financial Implications**

- 4.1 The programme for 2015/16 is shown at table 1 below and is fully funded by the General Fund and the Housing Revenue Account (HRA) with the exception of the Sandfields Renewal Area which is funded by Welsh Government Grant, Utility Company funding and the General Fund. The Houses to Homes and National Home Improvement Loan schemes for 2015/16 are funded by WG grants and have been reported separately.
- 4.2 The anticipated annual programme for tenant adaptations from the HRA is £2.75 million. This has been reduced by £0.5m. This is not a budget cut, but reflects the estimated amount of tenant adaptations that will be completed proactively and funded by the Welsh Housing Quality Standard (WHQS) kitchen and bathroom replacement programme.
- 4.3 The Emergency Repair Fund has been reduced by £25,000 and the Homefix loans budget reduced by £12,976. This has been done to reflect reducing demand for ERF, increasing demand for Homefix and to fund the estimated level of future loan defaults as per Cabinet Report 18<sup>th</sup> November 2014 regarding the Houses to Homes and National Home Improvement Loan schemes.

**Table 1 details proposed 2015/16 programme and draft programme for 2016/17.**

<b>Table 1</b>			
<b>SCHEMES</b>	<b>2014/15</b>	<b>Proposed 2015/16</b>	<b>Draft 2016/17</b>
DFG, mini and fast track adaptations	£4,500,000	£4,500,000	£4,500,000
Tenant adaptations (HRA funded)	£3,250,000	£2,750,000	£2,750,000
Homefix Loans	£390,000	£377,024	£415,000
Emergency Repair fund	£30,000	£5,000	£5,000
Grants for nominations	£80,000	£80,000	£80,000
Swansea Care and Repair Handyperson	£200,000	£200,000	£200,000
Houses to Homes			
Sandfields Renewal Area*	£730,000	£730,000	£730,000
WG ECO funding**	£1,800,000	£0	£0
Loan default provision***	£0	£37,976	£0
<b>TOTAL PROGRAMME</b>	<b>£10,980,000</b>	<b>£8,680,000</b>	<b>£8,680,000</b>
<b>Funded as follows:</b>			
Total general funded	£5,200,000	£5,200,000	£5,200,000
Total HRA funded	£3,250,000	£2,750,000	£2,750,000
Total Grant funded	£2,530,000	£730,000	£730,000
* Renewal Area budgets are ring fenced to Sandfields. ** see 4.5 *** see 4.3			
<b>Total funding</b>	<b>£10,980,000</b>	<b>£8,680,000</b>	<b>£8,680,000</b>

- 4.4 Revenue running costs for 2015/16 are estimated at £1,069,100 and are met from fees generated from administering grants of £1,062,400. The balance is met from a contribution of £6,700 from the General fund. It is proposed that the Departmental Fee charged will be increased to 10% in 2015/16 in response to changes in the way VAT is accounted for in grant administration. There are no asset rent charges.

4.5 In December 2014 WG approved funding of up to £1.8m from their Energy Company Obligation (ECO) programme for the Sandfields Renewal Area. This will be added to the 2014/15 Capital Programme. WG have approved carry forward of this funding to 2015/16.

## **5.0 Equality and Engagement Implications**

5.1 The Access to Services Team has advised that an equality impact assessment (EIA) is not required.

## **6.0 Staffing Implications**

None.

## **7.0 IT/Systems Implications**

None.

## **8.0 Legal Implications**

8.1 The schemes detailed are in line with local authority powers to provide assistance, contained in the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 and the Councils published Policy.

8.2 The Council will need to ensure that it complies with any terms and conditions attached to any Welsh Government grant funding.

**Background Papers:** Private Sector Housing Renewal and Disabled Adaptations Policy to Provide Assistance 2012-2017.

**Appendices:** None.