

Report of the Cabinet Member for Housing, Energy & Building Services

Council – 22 June 2017

PRIVATE SECTOR HOUSING RENEWAL AND DISABLED ADAPTATIONS: POLICY TO PROVIDE ASSISTANCE 2017-22

Purpose:	To outline proposed amendments to the current Private Sector Housing Renewal and Disabled Adaptations: Policy to Provide Assistance 2012-17 and publish a new Policy for 2017-22.
Policy Framework:	1. Local Housing Strategy 2. Private Sector Housing Renewal and Disabled Adaptations: Policy to Provide Assistance 2012-2017 approved by Council on 24 November 2011
Consultation:	Legal, Finance, Access to Services.
Recommendation(s):	It is recommended that: - 1) Council approves the changes to Policy outlined in this report and publishes a new Policy for 2017-22.
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1.0 Introduction

- 1.1 The Private Sector Housing Renewal and Disabled Adaptations: Policy to Provide Assistance 2012-2017 details how the City and County of Swansea delivers assistance to help private owners and tenants to repair, maintain or adapt their homes.
- 1.2 The Policy was approved by Council on 24 November 2011. This report outlines proposed changes to this policy and seeks approval for publication of a renewed Private Sector Housing Renewal and Disabled Adaptations Policy 2017-22.

2 Policy principles

2.1 The current Policy sets out the detail of various types of assistance aimed at helping home owners and tenants to carry out essential adaptations and repairs. Assistance is provided on the basis of helping residents, who are often on low incomes and/or vulnerable, carry out essential repairs and maintain independence at home. The Policy also describes the Council's approach to area based housing renewal, bringing empty homes back into use and offering loans for home repairs. 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 into Homes Loan Scheme – interest free loans to tackle empty homes. 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.

3 Changes to existing policy and points to note

3.1 A review of the current Policy has been carried out to ensure that the Council can continue to fulfil its obligations and responsibilities to households who require assistance. The changes outlined below have been influenced by available capital budgets, current demand for the different types of assistance offered and the need to set a Policy that continues to support Council objectives. The changes to Policy are

relatively minor in nature and have been incorporated into a proposed new Private Sector Housing Renewal and Disabled Adaptations Policy. The main changes are summarised as follows:

- 3.2 **Discretionary Disabled Facilities Grants** - Section 3 of the Policy describes the approach to offering assistance to vulnerable, older and disabled applicants needing help to adapt their homes. The principal aim is to promote independence at home.
- 3.3 The main form of assistance for home adaptations is the mandatory Disabled Facilities Grant (DFG). This is a means tested grant provided to help improve access into and around the property. The statutory maximum DFG is £36,000. Assistance to Council tenants is funded by the Housing Revenue Account (HRA) outside of the mandatory DFG framework but follows the same policy principles.
- 3.4 In addition to a mandatory DFG, the current Policy allows for provision of a Discretionary Disabled Facilities Grant of up to £10,000. This is provided to meet the cost of unforeseen works that may arise during the course of the DFG. Fees such as Planning and Building Regulations can also be included in the DDFG where works cannot be completed within the statutory maximum. It is usually the most complex adaptations for applicants with the highest level of need that require both a DFG and a DDFG. These are relatively small in number each year.
- 3.5 The DDFG limit of £10,000 was set in 2015. Since this time the cost of building works and fees associated with the works has continued to rise. There have also been changes to the application of VAT to certain types of work. This means the most complex adaptations cannot always now be fully funded within the DFG and DDFG maximum. The DFG limit is prescribed in law and cannot be changed. A review of the DDFG limit is therefore appropriate and it is proposed to increase the DDFG limit to £14,000.
- 3.6 **Emergency Repair Fund** - Due to a fall in demand attributable to applicants having to repay the funding when a property is sold, it is proposed that the Emergency Repair Fund be discontinued. In future, applicants needing repairs of this type, that are low cost, will be assisted by the funding provided to Care and Repair Western Bay.
- 3.7 **Assistance for Empty Properties – Grants for Nominations and Welsh Government (WG) Houses into Homes loans scheme.** The Council recognises that empty homes are a wasted resource and the need to encourage empty properties back into use. The Grants for Nominations scheme is available to the owners of long term empty homes to fund repair works. In return the landlord must allow the Council to nominate tenants to the reoccupied property from the Housing waiting list for a period of 12 months to provide much needed good quality, affordable private rented accommodation.

- 3.8 The maximum grant that can be awarded via the Grants for Nominations scheme is currently £5,000. The annual budget is £80,000. To encourage as many homes back into use as possible and to compliment the Welsh Government Houses into Homes empty homes loan scheme, this report proposes the introduction of a lower and upper grant limit.
- 3.9 For applicants wishing to provide 12 months nominations rights, it is proposed to introduce a lower limit of £5000 per unit (up to a maximum of 3 units/£15,000), plus associated fees, or 75% of the eligible costs, whichever is lowest.
- 3.10 For applicants wishing to provide 24 months nominations rights, it is proposed to introduce an upper limit of £7500 per unit (up to a maximum of 3 units/£22,500), plus associated fees, or 75% of the eligible costs, whichever is lowest.
- 3.11 It is further proposed that the length of time the property must be vacant before it can be considered for the Grants for Nominations scheme be reduced from 2 years to 6 months. This is intended to help maximise the number of empty homes reused and provision of affordable housing secured.
- 3.12 WG has recently announced changes to the Houses into Homes loan scheme. These relate to increasing the maximum loan amount per applicant to £250,000 for 10 units of accommodation (£25,000 per unit) and increasing the maximum loan term to 5 years. It is proposed that these changes be reflected in the Policy.
- 3.13 **National Home Improvement Loan Scheme.** WG are currently consulting on amending the fee structure for the scheme. Fees, once set by WG, will be reflected in charges to local applicants.
- 3.14 **Sandfields Renewal Area.** When the Renewal Area was declared in 2014 the maximum amount of assistance was set at £10,000 for both provision of external wall insulation assistance and repair assistance. Based on practical experience during the first 3 years of delivery of the programme, there is a need to review the maximum amount of assistance awarded. This is due to rising construction costs and complexity of repairs, for example structural works that have been encountered. In addition, works to minimise the risk of condensation problems and to preserve architectural features in Planning Conservation terms are carried out as part of the specification. It is proposed that new limits of £20,000 for external wall insulation works and £15,000 for repairs be introduced. It should be noted that landlords do not receive assistance towards repairs and a requirement for owners taking part in the programme to repay, via placing of a local charge, 50% of the assistance provided on sale/transfer will be retained.

4.0 Equality and Engagement Implications

- 4.1 An equality impact assessment (EIA) has been completed and consultation has been carried out. The EIA showed that the policy has a positive or neutral impact on the different protected characteristics and that customer feedback should continue to be used to monitor this.

5.0 Financial Implications

- 5.1 DFG, DDFG's and Grants for Nominations are funded via the Councils General Fund programme for disabled facilities and improvement grants. Council house adaptations are funded from the Housing Revenue Account (HRA).

1. For 2017/18 the programme budget is £5.2m.
2. The tenant adaptations budget for 2017/18 is £2.75m.

No additional funding is required to facilitate the proposed changes to Policy described in section 3. All will be managed within existing budgets.

6.0 Legal Implications

- 6.1 The Council is under a statutory duty to provide disabled facilities grants, in accordance with the provisions of the Housing Grants Construction and Regeneration Act 1996 ("the HGCR").
- 6.2 The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 ("the RRO") empowers local housing authorities to provide assistance to improve living conditions in their area, and requires them to adopt and publish a policy in accordance with which the power is to be exercised. The DDFG, Grants for Nominations and Houses into Homes schemes are provided via the powers detailed in the RRO.
- 6.3 Under the RRO discretionary assistance may be provided in any form, and may be unconditional or subject to conditions, including conditions as to the repayment of the assistance or of its value (in whole or in part), or the making of a contribution towards the assisted work, and may require security, including a charge on the property. However, before such a condition is imposed, or steps are taken to enforce it, the authority must have regard to the ability of the person concerned to make such contribution or repay the assistance.

Background Papers: None.

Appendices: Appendix 1 - Private Sector Housing Renewal and Disabled Adaptations: Policy to Provide Assistance 2017-2022.