



HOUSING COMMITTEE

Wednesday, 27 January 2021

REPORT TITLE:	PROPOSED AMENDMENTS TO THE PRIVATE SECTOR HOUSING AND REGENERATION ASSISTANCE POLICY
REPORT OF:	DIRECTOR OF REGENERATION AND PLACE

REPORT SUMMARY

The purpose of this report is to brief Housing Committee on the proposed revisions to the Council's Private Sector Housing and Regeneration Assistance Policy (referred to as the *Assistance Policy*) and agree the implementation of these revisions.

The proposed changes will assist the Council in meeting its objectives of the Wirral Plan, including 'good quality housing which meets the needs of residents'. Wirral's Housing Strategy has supported the 2020 Plan and clearly sets out the long-term strategic housing direction for Wirral. The Council has worked in partnership to deliver the ambitions of the plan and housing priorities working with a wide range of partners and stakeholders to improve the quality, quantity and access to housing. Building on this good track record, the Council will continue this approach as it adopts the new Wirral Plan 2025, its priorities and future strategies which the *Assistance Policy* has a key role to play. The proposed changes will also support the Council endorsed Cool 2 Climate Change Strategy and, in particular, the target to raise residential EPC ratings to Band C in the next 10 years.

This matter affects all Wards in the Borough.

This is a key decision.

RECOMMENDATION/S

The Housing Committee consider and agree the proposed changes to the Private Sector Housing and Regeneration Assistance Policy, with immediate effect.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 It is considered good practise to regularly monitor, review and amend (if necessary) the *Assistance Policy* to take into account changes in local circumstances, service delivery, increased needs and / or Government policy. This report sets out the changes required to respond to those identified needs and ensure the policy remains fit for purpose.
- 1.2 Investment in adaptations is recognised by Government as 'invest to save' as the delivery of the proposed grant assistance will deliver significant cost savings for Hospital/Health Trusts & Social Care. For example the costs of responding to a fractured hip are 4.7 times greater than the cost of a major housing adaptation and 100 times the cost of installing hand/ grab rails. Postponing entry into residential care by just one year through a home adaptation can save £28,080 in social care costs.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Making no changes to the *Assistance Policy* was considered, however, this was ruled out on the grounds that the changes set out in this report would facilitate a more effective and responsive service, enabling a greater number of vulnerable households in need, to be helped.

3.0 BACKGROUND INFORMATION

- 3.1 The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (referred to as *the RRO* in this report) gave Local Authorities the power to provide assistance to improve living conditions in their area. This assistance can be provided under Article 3 for a wide range of purposes and can include such things as advice about property improvements and financial assistance in the form of grants and/or loans.
- 3.2 Wirral has had a Private Sector Housing and Regeneration Assistance Policy providing grants and loans for over 15 years. The current policy is Version 11.
- 3.3 Heating and Renovation Assistance
 - 3.3.1 Heating and Renovation Assistance enables qualifying low-income vulnerable households to access heating improvements. We have completed two cases and approved a further two cases in 20/21 to date.
 - 3.3.2 Occasionally, applications for assistance involve properties that are so cluttered with furniture or stored materials there is a serious health and safety risk to the occupant, for example, from increased fire, infestations, or risk of falls. This can make it difficult to survey the property accurately and can frustrate both finding a willing contractor and carry out essential works. Sometimes, it is possible to reduce the clutter working with the applicant, however, in a small number of cases, the applicant is unable to resolve the problem. This can prevent the assistance being processed leaving the

applicant in poor housing conditions. It is therefore proposed to amend the eligibility criteria to make provision for the removal of clutter. The cost of any such action will be incorporated in the overall work schedule and will be funded from the assistance available. This amendment would bring the product in line with the existing Adaptation Scheme Enabling Grant which makes provision for such circumstances to facilitate the timely installation of Council funded adaptation works.

In addition to this provision under The [Regulatory Reform \(Housing Assistance\) \(England and Wales\) Order 2002](#), there will also be cases identified by the Housing Standards Team, where repair work to the property is not required or necessary, but the degree of clutter still poses a risk to the occupier. In cases linked specifically to (i) previous accidents resulting in hospital admissions, or (ii) people prevented from being discharged from hospital due to the risks posed by the volume and nature of the clutter, or (iii) preventing a delay in the transfer of care, it is proposed to provide financial assistance towards de-cluttering. Any such assistance will be considered on a case-by-case basis and will be limited to the budget available at that time .

3.3.3 In addition, it is also proposed to place a limit on the number of eligible tenants of large, portfolio landlords (those renting 3 or more properties), who can access the grant assistance for heating efficiency improvements. Officers would like to ensure that there is no exploitation by landlords to maximise grant funding to support heating improvements that would have normally been undertaken at their landlord's own expense. It is proposed that the number of applications for grant assistance from the collective eligible tenants of such landlords will be restricted to no more than 2 separate and individual cases per year.

3.4 Empty Property Grant (EPG)

3.4.1 Grant assistance is currently available to support the renovation of long-term (6 months or longer) vacant properties. Assistance is conditional upon the property being brought back into residential use. These grants currently range between £3,000 (located outside Selective Licensing Areas) and £5,000 (located inside Selective Licensing Areas)

3.4.2 Provision to meet the Local Plan 5 year housing requirement will include annual targets for the number of empty properties brought back into use through Council intervention, promoting a brownfield first and regeneration approach. The EPG programme is an essential element of this work. Whilst Wirral has exceeded its local targets in bringing empty properties back into use over the last 10 years we are now starting to deal with the more difficult properties, including some that have been empty for many years and are often more complex to deal with. To ensure we continue to hit the required targets over the next 5 years it is proposed to increase the grant limits from £3000 to £5000 and from £5000 to £7000. The increase is designed to make the offer more attractive to empty property owners. Capital Programme resources have been secured to support this increase.

3.4.3 It is proposed the policy is tightened to reduce potential loopholes, therefore the following applicants will not be eligible for assistance:

- Applicants who are directly related to someone that is either subject to enforcement action by the Council or has outstanding Council Tax arrears,

where Land Registry records show that the property has been transferred from that person to the applicant within the last 24 month period.

- Applicants who do not have the appropriate Selective or Mandatory HMO Licence and/or any enforcement action associated with Licensing, if applicable. This will ensure the Council is only assisting compliant landlords.
- A property should not be occupied until the completion of the approved EPG works and is free from 'Category One Hazards' as determined by the Health and Safety Rating System.

3.5 Time Critical Adaptation Grant (TCAG)

3.5.1 The Local Housing Authority has a statutory responsibility to consider applications for Disabled Facilities Grant funded adaptations in line with processes set out in Housing Legislation. However, Government recognises that in order to achieve Better Care Fund improved health outcomes and demonstrate innovation L.A.'s are encouraged to introduce flexibility in the delivery of home adaptations.

3.5.2 The introduction of this proposed financial assistance product will enable flexibility around removal of the means test for residents with an End of Life diagnosis including Motor Neurone Disease & cancers requiring palliative care as well as complex cases i.e. severe spinal injury cases where Hospital Discharge (HD) can't be enabled swiftly with interim measures in place at home.

3.5.3 The proposed introduction of this grant assistance will support applicants to remain in/return safely to their home in the shortest time possible with independence and dignity when time is particularly precious. The TCAG aims to improve the client journey as well as families and carer(s) ability to support the person; improving mental health at a difficult time.

3.5.4 Whilst this grant assistance will only be available to a relatively small number of residents, its impact will be significant to some of the most vulnerable residents in Wirral.

3.6 Repair/Replacement of Adaptation (Equipment) Grant (RAG)

3.6.1 It is proposed a further fast tracked, non-means tested financial RAG grant be introduced. The introduction of this product will enable some of the most vulnerable Wirral residents to access support, often when at crisis point for the re-instatement of their adaptation equipment through repair or replacement.

3.6.2 The Council's current approach is to advise the applicant that it is their responsibility to maintain/repair their equipment once installed and the standard manufacturers or extended Disabled Facilities Grant (DFG) warrantee (currently 5 years for Prism installed equipment) has elapsed. If maintenance has routinely been carried out as part of an extended private repair/maintenance contract and the contractor provided a report which states, the equipment is beyond economic repair/obsolete then the Council will replace this, should the need still remain. If a repair/maintenance contract has not been purchased, then the liability remains with the applicant.

3.6.3 Several recent cases have identified that repair and maintenance extended warrantees are expensive to purchase with restrictions on minimum cover often not

including parts or replacement but still at high cost. It has also been highlighted that diagnostic reports provided by contractors can cost more than £1000 and some contractors will not offer to complete a diagnostic/condition report on other manufacturers' lifts.

- 3.6.4 As such, vulnerable applicants are being left in a position either unable to afford warrantees, paying for warrantees which are not appropriate, as well as being met with sometimes extortionate costs for a diagnostic of a failed piece of equipment, or an inability to afford the condition report, when they are in dire straits. This situation is not in the interests of the Disabled Applicant, their Carer(s), the Council, Health or Adult Social Care. As such it is proposed to make this Financial Assistance Product available to all tenures without a means test.
- 3.6.5 It is proposed that the RAG will support disabled persons with a determined need and/or who have received a grant via the Housing Adaptation Service on equipment such as Stairlifts, Ceiling Track Hoists, Vertical Lifts or Step lifts.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The revised assistance will continue to be funded by a combination of the Disabled Facilities Grant Determination as passported via the Better Care Fund to local Housing Authorities and already approved Capital Programme resources.
- 4.2 Earlier this year, it was approved that the Capital Programme will continue to provide support for Empty Property Grants going forward over the next 5 years, until at least 2024/25. A budget of £310,000 per annum is available, with a total of £1,550,000 over the 5 year funding cycle. This budget will achieve at least 50 completed Empty Property Grants each year, at the revised grant limits proposed in this report.
- 4.3 The total budget available in 20/21 for DFG and adaptations work, including Heating and Renovation Assistance, is £4.1m. Although, at the time of writing this report the budget for 21/22 has not yet been awarded, from previous experience, it is envisaged that this award will be similar to that of 20/21. With the exception of EPGs, all assistance referred to in this report will managed within the budget award for 21/22. It is anticipated that the proposed changes to close potential loopholes and limiting the number of applications that eligible tenants of large landlords in any one year will have little or no impact on the budget available. The inclusion of decluttering as an eligible expense in relation to Heating and Renovation Assistance applications will increase the costs of specific cases by estimated average of £1,000 per case. However, as the number of such cases are likely to be very low (anticipated to be less than 5 per annum) the overall impact will be minimal and these costs can be contained within the existing budget.
- 4.4. It is envisaged that the Time Critical Adaptation Grant (TCAG) will have minimal additional financial implications as only small number of cases fall into this category and of these 1 -2 cases per annum may have required an applicant contribution of 0-100%; with an estimated cost of £10,000. It is estimated that cases that would qualify for the Repair/Replacement of Adaptation (Equipment) Grant (RAG) would have a value of £200k - £300k per year; however there is capacity within the existing allocation to fund this. As referenced in Para 1.2 this product is envisaged to realise

significant savings for the Council, key partners and enable assistance to be offered to extremely vulnerable Wirral residents when at crisis point.

- 4.4 All services within the Financial Assistance Policy are subject to fees and charges with annual reviews as set out and published in the Councils Fee and Charges Policy. The fees associated with the Adaptation Service products contained within this report will be covered via the grant awarded to the Council in line with eligible use.

5.0 LEGAL IMPLICATIONS

- 5.1 The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 gives Local Authorities the power to provide assistance to improve living conditions in their area. The proposed amendments are made using the above power.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 The assistance available in the revised *Assistance Policy* can be managed using current ICT, staffing and asset resources.

7.0 RELEVANT RISKS

- 7.1 Increasing the grant thresholds for empty property grants may lead to a surge in demand that exceeds the budget available in any one financial year, however, this is considered a minimal risk as the mitigation would be for the budget to be managed in line with budget and performance monitoring procedures, with restrictions imposed on the number of grants available, should this be necessary.
- 7.2 The costs associated with decluttering can vary depending on the volume and type of work deemed to be necessary. In cases associated with grant/loan applications, this uncertainty could have implications for the remaining resources available to undertake essential improvement works. As with all quotations submitted, officers will continue to seek value for money by comparing prices to internal cost guidelines. Any cases exceeding the overall product threshold at application stage will be adjusted accordingly to ensure costs are contained, prior to any approval being given.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 There is no requirement to consult the public on changes to the *Assistance Policy*. The requirement is on having a transparent and public policy on assistance provided.
- 8.2 There has been significant engagement with a number of organisations, partners and stakeholders in relation to the development of these Financial Assistance Products including Adult Social Care, Health Trust, Children's Services, Residential Providers, Members/MP's & MND Society which has assisted in highlighting the barriers, thus informing product development.

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.
- 9.2 An Equality Impact Assessment has been completed and reviewed and is considered to be relevant to the changes proposed in this report without any changes being necessary- <https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2017/economic>

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 The recommendations contained within this report are expected to reduce emissions of Greenhouse Gases and / or CO₂. The proposed changes involving heating and renovation assistance and empty property grants will assist towards the improvement in the thermal efficiency of houses and heating appliances for Wirral residents, often impacting older pre1919 housing stock. For example, the replacement of an F rated boiler with a new A rated condensing mains gas boiler gives an annual saving in the region of 992 kg of CO₂ in a semi-detached property. Keeping and extending the life of the existing housing stock through improvements also retains the embodied energy already captured in the building fabric, helping to reduce emissions compared with demolition and new build. This will reduce emissions of greenhouse gases, in particular CO₂.

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BACKGROUND PAPERS

The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002
Private Sector Housing and Regeneration Assistance Policy (V11)
The Housing Stock of the United Kingdom, BRE Trust Feb 2020

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Delegated Decision by Portfolio holder – Proposed amendments to the Financial Assistance Policy	25th April 2019
Delegated Decision by Portfolio holder – Proposed amendments to the Financial Assistance Policy	17th April 2020