

# WIRRAL COUNCIL

## CABINET

3<sup>RD</sup> NOVEMBER 2011

<b>SUBJECT:</b>	<b>PRIVATE SECTOR HOUSING AND REGENERATION ASSISTANCE POLICY 2011/12 – AMENDMENT</b>
<b>WARD/S AFFECTED:</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>ACTING DIRECTOR OF REGENERATION, HOUSING AND PLANNING</b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b>COUNCILLOR G DAVIES</b>
<b>KEY DECISION?</b>	<b>NO</b>

### 1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to seek approval to an amendment of the Council's 2011/12 Private Sector Housing and Regeneration Assistance Policy (referred to as "the Assistance Policy"). The Policy was agreed by Cabinet on 13<sup>th</sup> October, 2011. This Assistance Policy is provided using statutory powers. The approved amendment would be implemented with immediate effect.
- 1.2 The amendment is to the grant award conditions of the Cosy Homes Insulation Programme (section 5.3 of the Assistance Policy). The change will allow the Council to meet the cost of customer financial contributions in situations where the maximum loft or wall area under the current Conditions is exceeded which will enable more effective marketing of the Programme.

### 2.0 RECOMMENDATION/S

- 2.1 Cabinet agree to amend the Private Sector Housing and Regeneration Assistance Policy in order that Cosy Homes Insulation grants can be offered free-of-charge to all technically suitable owner occupied and private rented households and that it is implemented with immediate effect.

### 3.0 REASON/S FOR RECOMMENDATION/S

- 3.1 The vast majority of homes applying for Cosy Homes Insulation grants have received loft and cavity wall insulation free-of-charge. The programme however cannot market itself as free-of-charge, due to the "Consumer Protection from Unfair Trading Regulations 2008" as in some instances customers have needed to make a financial contribution as their loft or wall areas have been larger than the maxima set for the 100% grant. This has hindered the effectiveness of the marketing materials which have needed to explain the complicated conditions under which the 100% grant is offered.

## **4.0 BACKGROUND AND KEY ISSUES**

4.1 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 in any form and can include such things as advice about property improvements and financial assistance in the form of grants and/or loans. This power cannot be used unless a policy for the provision of such assistance has been adopted. Once adopted, the policy should be monitored, reviewed and amended (if necessary) to take into account changes in local circumstances and government policy. In this way, the policy should evolve over time to meet the needs and aspirations of Wirral residents. Any significant changes should be subject to consultation prior to being adopted and the public should be notified about the revised policy. The recommended amendment within this report is considered minor and would not therefore need public consultation.

4.2 The Assistance Policy can be viewed using the following internet link:

<http://www.wirral.gov.uk/my-services/housing/housing-strategies-policies-partnerships/housing-regeneration-assistance-policy>

4.3 From the introduction of the Cosy Homes Insulation Programme in October 2010 until mid-September 2011, 128 households out of 10,222 paid a contribution towards insulation costs due to their lofts or walls exceeding the maximum surface areas for the 100% grant.

4.4 In order to increase the response to marketing campaigns, it is proposed the Council pays the “excess meterage” costs and the Assistance Policy is changed to reflect this. The Programme can then be marketed as truly free-of-charge for all.

4.5 The average contribution made for excess meterage per household to date is £60.77. It is estimated that for the remainder of the current financial year, around 118 households will have their excess meterage costs covered by the Council should the Assistance Policy be amended, leading to a Council contribution of around £7,170. Members should note however that due to the competitive prices obtained for insulation measures there will be no budgetary impact in extending the current Council financial contribution. In addition, the Programme would still reach its original targets.

4.6 Those households that have already paid a contribution under the Programme will not be entitled to any refund as these households agreed to eligibility criteria in force at the time of their application.

## **5.0 RELEVANT RISKS**

5.1 Failure to implement this amendment to the Assistance Policy will result in a slower uptake of insulation measures and result in an increased risk of not reaching the Corporate Plan target of “Install loft and cavity wall insulation in up to 80% of private sector homes in need in the borough by 2014”.

## **6.0 OTHER OPTIONS CONSIDERED**

6.1 Other options have been considered and implemented which have attempted to simplify and make clearer the message of insulation being free-of-charge in the vast majority of cases, however in order to market the scheme to Wirral households in an effective, unambiguous manner the recommended option is to offer it free-of-charge in all cases.

## **7.0 CONSULTATION**

7.1 Consultation has taken place with Legal & Member Services in respect to amending the contract with the managing agent for Cosy Home Insulation, Energy Projects Plus, who have stated there are no issues in implementing this amendment.

## **8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

8.1 None.

## **9.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

9.1 The budget in 2011/12 for Cosy Homes Insulation is £2.098 million. Although there would be a cost to the Council of approximately £7,170 for the remainder of the current financial year, due to the competitive prices obtained for insulation measures there will be no budgetary impact in extending the current Council financial contribution. In addition, the Programme would still reach its original targets. There are no additional financial requirements associated with this amendment and no staffing or asset implications.

## **10.0 LEGAL IMPLICATIONS**

10.1 The amendment to the policy is made in relation to housing stock under the powers of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002

10.2 There are no issues in amending the contract for Cosy Homes Insulation with the existing contractor Energy Projects Plus.

## **11.0 EQUALITIES IMPLICATIONS**

11.1 None

11.2 Equality Impact Assessment (EIA)

(a) Is an EIA required? No

(b) If 'yes', has one been completed?

## **12.0 CARBON REDUCTION IMPLICATIONS**

12.1 The amendment will quicken the installation of insulation measures and the reduction of CO<sub>2</sub> emissions from housing.

## **13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

13.1 None

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## APPENDICES

None.

## REFERENCE MATERIAL

None.

## SUBJECT HISTORY (last 3 years)

<b>Council Meeting</b>	<b>Date</b>
<b>Cabinet 'Free Home Insulation Initiative'</b>	<b>18th March 2010</b>
<b>Cabinet 'Private Sector Housing and Regeneration Assistance Policy'</b>	<b>27<sup>th</sup> May 2010</b>
<b>Cabinet 'Acceptance of Tender for Wirral's Free Home Insulation Initiative'</b>	<b>22<sup>nd</sup> July 2010</b>
<b>Cabinet 'environmental responsibility policy and guidelines in relation to Wirral's Private Sector Housing and Regeneration Assistance Policy'</b>	<b>14<sup>th</sup> October 2010</b>
<b>Cabinet 'Private Sector Housing and Regeneration Assistance Policy 2011/12'</b>	<b>21<sup>st</sup> July 2011</b>
<b>Cabinet "Private Sector Housing and Regeneration Assistance Policy 2011/12"</b>	<b>13<sup>th</sup> October 2011</b>