

WIRRAL COUNCIL

CABINET

11TH JULY 2013

SUBJECT:	PRIVATE SECTOR HOUSING AND REGENERATION ASSISTANCE POLICY 2013/14
WARD/S AFFECTED:	ALL
REPORT OF:	STRATEGIC DIRECTOR OF REGENERATION AND ENVIRONMENT
RESPONSIBLE PORTFOLIO HOLDER:	NEIGHBOURHOODS, HOUSING AND ENGAGEMENT
KEY DECISION?	YES

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to seek approval of the Council's revised Private Sector Housing and Regeneration Assistance Policy (referred to as "*the Assistance Policy*") following a consultation exercise. The Assistance Policy is provided using statutory powers. Any revisions approved will be implemented with immediate effect.
- 1.2 This report also advises members of minor changes made to *the Assistance Policy* since the last formal review. Members will be aware Cabinet approved any minor changes made under delegated authority should be reported back to Cabinet at the next formal review.

2.0 BACKGROUND

- 2.1 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. In addition to *the RRO*, Part 1 of the Local Government Act 2000 allows Local Authorities to give financial assistance to any person in order to promote the economic, social and environmental well being of an area. This power supports the use of products aimed at non-residential interests involved in regeneration activity connected with housing schemes. Related products involving non-housing interests are also included in Wirral's policy.
- 2.2 On the 21st June 2012, Cabinet Members agreed to allow officers to make minor changes to the *Assistance Policy* without having to undertake a full consultation

exercise. Such changes are to be reported to and agreed by the portfolio holder for Housing and Community Safety at the time the changes are made and will be reported to Cabinet at the next annual review of *the Assistance Policy*. Since the last review a number of minor changes were agreed and made to Empty Property Grants, Home Repair Assistance Loan and Cosy Homes Heating financial products in June, September 2012 and April 2013. These changes were subsequently incorporated in the Policy document and referenced to show the date when the changes were made. Please see internet link in 2.3 below. Any changes made are to be summarised and reported to Cabinet at the next formal review.

- 2.3 The current *Assistance Policy* was adopted by Cabinet on 13th October 2011 at can be accessed using the following internet link:

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

It should be noted that the assistance provided is and has always been subject to sufficient resources being available. The Council-wide freeze on all non essential capital and revenue expenditure in September 2012 has had implications for the provision of financial assistance provided under the current *Assistance Policy*. This resulted in a delay in processing new applications for financial assistance involving capital expenditure. Following submissions to continue expenditure in relation to the provision of Home Repair Assistance (HRA), Renovation Loans, Healthy Homes (HRA), Empty Property Grants and Cosy Homes Heating Grants, the Executive Team approved this expenditure using available capital resources for 2012/13.

- 2.4 In light of the financial constraints facing Wirral Council, this review has taken the opportunity to rationalise the assistance available to residents and owners to reflect the limited resources available and the ending of some of regeneration schemes originally started as part of the former Housing Market Renewal Initiative.

3.0 SUMMARY OF MINOR CHANGES MADE SINCE THE LAST REVIEW

- 3.1 The following table summarise the minor changes made to the assistance policy since the last review:

Assistance amended	Amendments Agreed	Date Amendment Made
Empty Property Grant	Vacancy eligibility period reduced from 12 to 6 months	22 nd June 2012
	Grant limit increased from £2000 to £3000	“
	The use of a contractor from the Trading Standards Business Approval Traders Scheme is now a recommendation	“
	Environmental Responsibility Policy is now incorporated	“

Home Repair Assistance Loan	Eligibility excludes applicants having bankruptcy order, debt relief order or similar arrangements restricting powers to deal with assets.	13 th September 2012
	Power to accept a restriction if lender refuses consent for a legal charge to protect the loan	“
	Eligibility altered to reflect changes to benefits, including Council Tax Benefit replaced with Council Tax Support and the removal of Income Support	24 th April 2013
Cosy Homes heating Grant	<p>Eligibility altered to reflect changes to benefit system and cessation of the Cosy Homes Insulation Programme. Changes include:</p> <ul style="list-style-type: none"> • the replacement of Warm Front Grant with Home Heating Cost Reduction Obligation, • increasing the Child Tax Credit Income threshold to £15,910, • Replacement of Council Tax Benefit with Council Tax Support • The introduction of the Personal Independence Payment and Income Support that includes a disability premium <p>The compulsion to obtain a minimum insulation standard is now a recommendation</p>	24 th April 2013

4.0 CONSULTATION

4.1 The draft revised policy was subject to public consultation via the Council's website, local press and bespoke leaflets distributed via the Council's One Stop Shops. Council staff were also invited to comment on the proposed changes. At the time of writing this report no comments have been received.

5.0 SUGGESTED AMENDMENTS TO THE EXISTING POLICY

5.0 Wirral's policy is currently split into 3 distinct sections covering:

- Assistance for relocation (in connection with demolition schemes)
- Assistance for renovation
- Other (help for first time buyers, Handyperson Service, CAB advice etc)

5.1 Assistance for relocation

This consists of a range of financial and advisory assistance targeted at residents and home owners involved in housing demolition schemes. The ongoing clearance schemes were started in connection with the former Housing Market Renewal

Initiative. A range of capital resources has been secured to fund these schemes, including the funding of relevant financial assistance currently provided in *the Assistance Policy*. The introduction of an interest free relocation loan at the last review has been utilised to assist the remaining owner-occupiers wishing to stay in home ownership to move from clearance areas and does not require any alterations. The Relocation Rent Support Grant was originally introduced to assist businesses move from the Cavendish Enterprise Centre in connection with the Bray Street demolition scheme. Ongoing payments continue to be made in connection with the original approvals, have decreased over time and will eventually cease in the next couple of years. There are no known businesses left to relocate in the remaining clearance schemes that would qualify for this support.

Proposal

It is suggested that Relocation Rent Support grant assistance be removed from *the Assistance Policy*.

5.2 Assistance for renovation

This consists of a range of financial and advisory/supervisory assistance targeted at improving poor quality privately owned houses (and business premises involved in demolition action) in disrepair and include the following:-

- ◆ Two of the financial assistance products support larger scale block repair programmes which normally form part of area based renewal schemes. These include both Group Repair and Neighbourhood Facelift Scheme grant support. The Council does not currently have any Group Repair or Neighbourhood Facelift Schemes and no new schemes are proposed.
- ◆ The existing Handy Person Service provides assistance to the elderly, disabled and vulnerable people in their homes. This service formed part of the options for savings proposals in relation to the Regeneration and Environment and has subsequently been withdrawn.
- ◆ HMO Fire Safety Loans are available for landlords of houses in multiple occupation to undertake essential fire safety works. No interest in HMO Fire Safety Loans has been received since the last review

Proposals

- ◆ It is suggested that both Group Repair and Neighbourhood Facelift grant assistance be removed from *the Assistance Policy*.
- ◆ It is suggested that the Handy Person Service be removed from *the Assistance Policy*.
- ◆ It is suggested that the HMO Fire Safety Loans be removed from *the Assistance Policy*.

5.3 Other

A range of assistance is available to support action involving Empty Properties, Energy Efficiency Improvements, Debt and Housing Advice and the ability to introduce new assistance to secure additional grant funding to support carbon reduction measures (in this last case, as and when resources are made available).

- ◆ There is currently no administration fee charged for processing Empty Property Grants and Cosy Homes Heating Grants.
- ◆ The Empty Property Grant product has been piloted for over 12 months now and a number of minor operational refinements are considered necessary. These changes are incorporated in the revised wording in Appendix 1 to this report.
- ◆ The Home Insulation Programme (known as Cosy Homes Insulation in *the Assistance Policy*) provides financial assistance towards improving levels of loft and cavity wall insulation throughout the Borough, as part of the wider Warmer Wirral Programme. The Council has decided not to continue funding this programme from 2013/14.

The Healthy Homes Programme is now fully operational across Wirral and provides linkages to the Public Health responsibilities that have transferred to the Council earlier this year. It will continue to evolve over time maximising the available opportunities to reduce health inequalities. The existing policy makes a limited reference to Healthy Homes.

Proposals

- ◆ To bring the Empty Property and Cosy Homes Heating grants into line with other financial products it is suggested that an administration fee of £200 be charged. The slightly lower fee reflects the lower grant limit when compared with other products.
- ◆ Review of eligibility and condition criteria, see Appendix 1 for details proposed revised wording.
- ◆ It is suggested that the Cosy Homes Insulation be removed from the policy.
- ◆ Further to the transfer of the public health function to the Council and the linkages between health outcomes with housing conditions, it is suggested that *the Assistance Policy* formally include the Healthy Homes Programme as a form of assistance.

The proposed changes have been incorporated into the draft revised policy and can be seen using the link in 2.3.

6.0 RESOURCES

6.1 The revised *Assistance Policy* will continue to make reference to the current financial climate and the steps being taken to reduce Council expenditure over the next 3 years. It will also make it clear that any assistance available through *the Assistance Policy* will be subject to resources being available.

7.0 RELEVANT RISKS

7.1 Reducing the range of assistance available will restrict the ability of the Council to help with poor housing conditions. This situation reflects the economic reality at this moment in time and will reduce the likelihood of expectations being raised.

Urgent disrepair cases breaching the statutory minimum standards can be dealt with using statutory powers, if deemed necessary.

8.0 OTHER OPTIONS CONSIDERED

8.1 Making no changes to *the Assistance Policy* was considered, however, this was ruled out on the grounds that the changes above would facilitate more efficient programme management and delivery and support operating costs. In addition, all of the assistance currently set out in the policy is now not available and/ or has substantially changed as a result of changes to Council budgets and/or national policy direction.

9.0 CONSULTATION

9.1 The policy revisions set out in this report have been subject to public consultation via the Council's website and local press. A consultation leaflet summarising the proposed revisions was made available in the Councils One Stop Shops throughout the 4 week consultation period.

10.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

10.1 None.

11.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

11.1 The introduction of further administration fees will provide an income to the Council. The exact amount will depend on both the number and size of grants processed in any one year. Any income received will be recycled into the provision of future assistance through the assistance policy, as per the agreement of members at Cabinet on the 21st July 2011.

11.2 The tables below provide the update position on the programme.

Programme Scheme	Capital Strategy	Additional Slippage 2012-13	Other changes approved	Slippage/com mitment to be approved	Other changes to be approved	Total Programme
Places - Regeneration						
Clearance		1,550	560	89		2,199
Home improvement		667	390	65		1,122
Disabled Facilities – Adaptations	2,929	939		- 35		3,833
Wirral Healthy Homes		107		- 107		-
Cosy Homes Heating	250	149		- 30		369
Empty Property Interventions		172	125	37		334
Places - Regeneration Total	3,179	3,584	1,075	19	-	7,857

Funding Borrowing	Funding Borrowing	Receipts	Revenue Reserves	Grant	Total
Clearance	830	560	47	762	2,199
Home improvement	573	390	159		1,122
Disabled Facilities – Adaptations	1,904		300	1,629	3,833
Wirral Healthy Homes					-
Cosy Homes Heating	119	250			369
Empty Property Interventions	121	125	60	28	334
Places - Regeneration Total	3,547	1,325	566	2,419	7,857

11.2 No new IT investment is required as a result of this report

11.3 There are no staffing implications to this report

11.4 There are no asset implications to this report.

12.0 LEGAL IMPLICATIONS

12.1 The review undertaken and proposed changes are consistent with the guidance to the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002.

13.0 EQUALITIES IMPLICATIONS

13.1 The suggested revisions to *the Assistance Policy* will continue to help those members of society least able to afford to undertake improvements or move to alternative accommodation. In addition, *the Assistance Policy* will assist private landlords to improve housing conditions for some of the most vulnerable members of society. *The Assistance Policy* targets assistance towards low income households. Those applicants deemed to have the ability to afford improvements or relocation by other means will be sign-posted accordingly.

13.2 An Equality Impact Assessment has previously been completed for the Private Sector Housing and Regeneration Assistance Policy and minor changes have been necessary to reflect the removal of the Handy Person Service. The revised EIA can be viewed at:

<http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/regeneration-housing-planning>

14.0 CARBON REDUCTION IMPLICATIONS

14.1 The withdrawal of the Cosy Homes Insulation assistance will reduce the ability of the Council to directly offer assistance to residents to reduce carbon emissions from space heating however other alternative national schemes are available to assist with insulation, including the recently introduced 'Green Deal'.

15.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

15.1 None.

16.0 RECOMMENDATION

16.1 Cabinet agree the revised Private Sector Housing and Regeneration Assistance Policy as set out in this report and that it be implemented with immediate effect

16.2 Members note the minor changes made to *the Assistance Policy* since the last formal review.

17.0 REASON FOR RECOMMENDATION

17.1 The current Private Sector Housing and Regeneration Assistance Policy has now been operative for over 12 months, having been approved by Cabinet in October 2011. Guidance recommends that the policy should be regularly monitored, reviewed and amended (if necessary) to take into account changes in local circumstances and government policy and a commitment has previously been given by Members to review the policy.

17.2 Members agreed on the 21st June 2012 that any minor changes made to the Assistance Policy should be summarised and reported to cabinet at the next formal review.

REPORT AUTHOR: Alan Lipscombe
Housing Renewal Manager
telephone: (0151) 691 8122
email: alanlipscombe@wirral.gov.uk

SUBJECT HISTORY

Council Meeting	Date
Cabinet 'Private Sector Housing and Regeneration Assistance Policy 2011/12'	21 st July 2011
Cabinet 'Private Sector Housing and Regeneration Assistance Policy 2011/12'	13 th October 2011
Cabinet 'Private Sector Housing and Regeneration Assistance Policy'	21 st June 2012

Appendix 1

Proposed revised Empty Property Grant:

4.2 EMPTY PROPERTY GRANT

Grant assistance of £3,000 is available to support the renovation of strategically located long-term (6 months or longer) vacant properties. Assistance is conditional upon the property being brought back into use.

This assistance is not available in conjunction with any other financial assistance product funded and administered through Wirral Council's Capital Programme.

Eligibility

Applicants must have an owner's interest in the vacant property. Where an application for a grant is approved, but before the certified completion date, the applicant ceases to have a qualifying owner's interest (in the case of a joint application this does not apply unless all the applicants cease to have an owner's interest) no grant shall be paid.

Applicants must renovate the property to at least the Decent Homes Standard, including the removal of all Category 1 Hazards in line with the Housing, Health and Safety Rating System, as assessed by the Council.

The grant is to be used only for structural/repair/improvement works, and materials. Fees (other than the Land Registry Fee(s) and Council's £200 Administration fee), floor coverings or appliances are not included.

Itemised fixed price quote/s from bona fide contractors with the necessary qualifications and membership to appropriate registered bodies must be submitted by the client, covering the value of all works for which the grant application is made. A recommendation will be made for applicants to seek such quote/s from contractors registered with the Trading Standards Business Approval Scheme.

Applicants will not be allocated any more than three Empty Property Grant Applications per financial year (1st April to 31st March).

The vacant property must exist at the point where an Empty Property Grant application is approved. Empty Property Grants cannot be approved to develop plots of land where no dwelling exists.

Conditions

The Strategic Director of Regeneration and Environment or head of Housing and Community Safety or appropriate authorised signatory will approve grant applications.

Complaints regarding Empty Property Grant will be considered through the procedures set out in the Council's corporate complaints procedure.

Work must not commence until approval has been granted in writing by the council. No grant assistance will be awarded for those works that have commenced prior to the date of the grant approval.

The approval of an Empty Property Grant following receipt of a valid application and satisfactory inspection of the property in question is subject to the availability of sufficient funds.

The Council may require that eligible works are carried out in accordance with any specification the Council decide to impose.

The contract for the undertaking of the works quoted for exists between the Applicant and their appointed contractor with the Council having no role in this agreement. The applicant is wholly responsible for the supervision of the works undertaken by their chosen contractor unless a professional advisor or agent is appointed. The Council is in no way responsible for the supervision of the works in question.

Any unforeseen works must be agreed by the Council in writing prior to undertaking them and additional works must be kept to a minimum.

The property must not be occupied until the Council is satisfied that:

- The premises are free from all Category 1 Hazards under the Housing Health and Safety Rating System (Housing Act 2004) and the Decent Homes Standard has been achieved, both of which approved following a final property inspection by the case officer.
- Applicants have complied with all necessary Building Control/Planning Regulations.
- Acceptable receipted invoices have been received for the works.
- All relevant certification and documentation in relation to the works has been received and signed off by the case officer.
- Property Accreditation application is approved and satisfactorily inspected if the property is to be let including the provision of a Gas Safe Certificate and a valid Energy Performance Certificate.

Upon the satisfactory completion of the above mentioned tasks, proof of occupation must be provided by the Applicant and payment will be made at this point.

If the grant is approved between 1st April and 31st July within the same year then the works must be completed and the property occupied within six months. Any grant approved after the 1st August must be completed before 31st January of the following year. In exceptional circumstances the Council may extend this period. If an applicant requires additional time, a request must be made in writing to the Housing Standards Team, explaining the circumstances of the case and the reasons why the works cannot be completed within the specified timescale. Any such requests must be made 2 weeks before the end of an applicant's allotted time period in line with this point. If an applicant fails to adhere to these timeframes, the Empty Property Grant offer may be rescinded by the Council subject to review.

Where the Council discovers that an application for assistance has been determined on the basis of inaccurate or incomplete information, the Council can withhold payment or demand repayment of grants monies from the applicant. If an applicant knowingly makes a false statement, in respect of any information they provide as part of an

application for grant assistance or payment, the authority may refer the matter to the police with a view to prosecution.

Fees associated with the application will be deducted from the maximum £3000 grant total on payment of the grant which are Land Registry fees and a £200 administration fee only.

Upon payment of the Empty Property Grant, no further application will be considered for the same property within 5 years of when the Empty Property grant payment was made.

Full compliance by the applicant with the Terms and Conditions shown within the Empty Property Grant application form agreed by the applicant is required.

Method of application

A preliminary enquiry is made by telephone, e-mail or in writing and a formal application is made by completing a prescribed form.

Advice available

Verbal and written advice is available from the Housing Standards Team