

HOUSING RENEWAL POLICY

Report of the Director of Policy

SUMMARY OF REPORT

- 1.1 The Government's Regulatory Reform Order on Housing Renewal came into force on 18 July 2002. It has important implications because it repeals much of the existing prescriptive legislation governing the provision of renewal grants for private sector housing. This is replaced by a new wide-ranging power to provide assistance for housing renewal, although Disabled Facilities Grants will remain as a mandatory entitlement.
- 1.2 The new power can only be used when the Council formally adopts and publicises a housing renewal policy. A draft policy was reported to Council Cabinet on 19 November 2002. This then went through the overview and scrutiny process and has since undergone further consultation and development.
- 1.3 There have been no major amendments to the policy since the first consultative draft, although it has been expanded to give further explanation of some areas and to introduce detailed provisions.

OPTIONS CONSIDERED

2. Since this report presents a development of the consultative draft policy, there are no alternatives to consider.

RECOMMENDATION

3. To refer the attached Housing Renewal Policy to the next meeting of Council on 9 April 2003, with a recommendation for it to be formally adopted and published, with effect from 10 April 2003.

REASONS FOR RECOMMENDATIONS

- 4.1 The Government's Regulatory Reform Order on Housing Renewal requires that, before making use of the new power it contains, councils must first adopt and publish a policy on housing renewal.
- 4.2 The deadline for adoption and publication of such a policy is 18 July 2003, which is when all the existing statutory provisions are repealed. If a new policy is not published before that deadline, the Council will not be able to continue with private sector housing renewal activity.

MATTER FOR CONSIDERATION

- 5.1 The Social Care, Health and Housing Overview and Scrutiny Commission considered the draft consultative report, but did not raise any queries or objections.
- 5.2 Since the consultative draft report was first presented to Cabinet, there has been ongoing consultation with other local housing authorities, partner organisations, staff and other stakeholders. The finished policy has been developed and fine tuned as a result of this consultation.
- 5.3 No major changes have been made to the policy, but the significant amendments and expanded areas are highlighted here:
 1. The section detailing the specific types of grants and other assistance has been moved to the end of the document, as it is quite lengthy and contains technical details.
 2. Performance indicators and targets have been included as an appendix to the policy.
 3. Section 5 is new and outlines the capital resources allocated to the policy, as well as relevant targets and monitoring arrangements.
 4. Section 6 outlines the Grants Review Panel, which will consider some cases. This section is new, but the panel and its remit were already described in the consultative draft policy. The new section has been created simply to avoid repeated references to the Panel in different sections of the policy.
 5. In section 8, which describes the appeal process, all appeals will now be considered directly by the Assistant Director - Housing and Advice Services and a representative nominated by the Director of Corporate Services, instead of the Grants Review Panel.
 6. A new paragraph 10.4 states that Disabled Facilities Grants above the £25,000 mandatory limit can be authorised by the Director of Policy, in consultation with the Council Cabinet Member for Housing and Social Inclusion. However, this is currently being investigated, with a view to introducing alternatives, possibly loan options. This is to make sure that we can help as many as possible of the disabled people who need adaptations to their homes, without large amounts of the available funding being used on extremely expensive jobs.

7. In paragraph 10.11, the maximum limit on a Minor Repair Grant for an older householder has been raised from £2,000 to £2,500. A number of separate grants may be given if new problems arise at the house over a period of time, but this is subject to maximum total grant aid of £2,500 in any five year period, as specified in 10.12.
8. A new subsection from 10.31 to 10.46 specifies the detailed provisions for Group Repair Schemes, expanding on the overview previously included. Except as highlighted below, these provisions replicate current provisions and practice.
9. Paragraph 10.38 introduces a requirement that, in order to qualify for a means test, an owner-occupier taking part in a Group Repair Scheme must have both owned and lived in the property for at least two years. The means test will be the same as prescribed by statute for Disabled Facilities Grants, with some amendments to correct known anomalies.
10. Paragraphs 10.43 to 10.45 deal with the situation where an owner-occupier takes part in a Group Repair Scheme, applies for a means test, pays a lower financial contribution as a result, but then moves out of the house and lets it to tenants. In these cases, the owner would have to pay an increased contribution, raising it to what they would have paid had they been treated as a landlord from the outset. However, the change of occupancy will not be classed as a breach of grant conditions that requires repayment of one third of the grant, providing that the owner notifies the Council of the change in advance. On the other hand, if we find someone letting out the property without having notified us, this would be treated as a breach of conditions and the owner would have to repay one third of the grant.
11. Paragraph 10.50 outlines a pilot scheme being developed with the Derby Loans Group, which is a non-profit making organisation that includes representatives from the Council. The intention is to offer relatively small, short-term loans for home repairs and improvements, to help people who would otherwise find it very difficult to access commercial loans.
12. A new subheading from 10.60 to 10.70 covers the detailed provisions of grant conditions, including some legal definitions, largely taken from similar existing statutory provisions.

FINANCIAL IMPLICATIONS

6. The Housing Renewal Policy assumes that the level of resources available for the Housing Capital Programme will remain broadly the same as those identified as part of the Council's Capital Strategy. Subject to any revisions made as part of the Capital Strategy process, and the outcome of this year's Housing Investment Programme submission, these resources will amount to £3.508 million in 2003/04 and £3.574 million in 2004/05.

LEGAL IMPLICATIONS

- 7.1 The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002, with effect from 18 July 2003:
- repeals the detailed legislative provisions in the Housing Grants, Construction and Regeneration Act 1996, regarding Renovation Grants, Common Parts Grants, HMO Grants, Group Repair Schemes and Home Repairs Assistance
 - repeals the provisions in the Housing Act 1995, relating to loans given by local authorities for housing renewal
 - streamlines the provisions governing the declaration and operation of Renewal Areas as set out in the Local Government and Housing Act 1989
 - makes minor changes to the provisions in relation to Disabled Facilities Grant .
- 7.2 Legislation on Clearance Areas, enforcement action and fitness standards is unamended.
- 7.3 Before exercising the new general power to provide assistance, the Order requires a local housing authority to:
- adopt a policy that includes details on the provision of that assistance
 - give public notice of the adoption of the policy
 - make sure that a copy of the full policy document is available for inspection free of charge at all reasonable time at principal offices
 - make sure a summary of the policy can be obtained by post.

PERSONNEL IMPLICATIONS

8. None.

ENVIRONMENTAL IMPLICATIONS

- 9.1 Implementation of the Housing Renewal Policy will bring about significant improvements in home energy efficiency and consequent reductions in CO2 emissions.
- 9.2 Area based renewal programmes will bring about environmental improvements as well as improved visual amenity.

EQUALITIES IMPLICATIONS

10. Disabled people, minority ethnic groups, older people, and single parents are disproportionately represented in terms of housing in need of improvement and repair. The Housing Renewal Policy will help address this imbalance.

List of appendices:

- Annex - Housing Renewal Policy
- Appendix A - Performance indicators and targets
- Appendix B - Repairs policy for Minor Repair Grants for older homeowners
- Appendix C - Current eligible fee charges in connection with grants

Background papers:

None other than those already in the public domain