

Decision Session - Cabinet Member for Health, 28 June 2011 Housing and Adult Social Services

Report of the Assistant Director – Housing & Public Protection

Private Sector Assistance Policy

Summary

1. The report outlines the proposed new Private Sector Assistance policy to enable the authority to deliver an effective assistance programme within the current financial spending limits.

Background

2. Members approved the last Grants and Assistance policy in March 2009 which contributed to the delivery of the strategic aims of Private Sector Renewal Strategy (2008-2013), which was last refreshed earlier this year in March. The policy outlines the financial assistance, offered by the council, to residents in the private sector.
3. Funding to support this area of work has historically been through grant allocation from central government via the Regional Housing and Regeneration Board, in 2010/11 this equated to just over £900k. Following the national comprehensive spending review in late 2010, this funding was removed in its entirety.
4. Due to its strong links with the three year Housing and Regeneration Board funding for private sector renewal (2008-2011) which ended at the end of the last financial year, the last policy was always due for review in March 2011. There has been a delay decision making following the review of the policy as a result of the local elections.
5. The proposed policy, attached as Appendix A, is for one year only to be reviewed again by March 2012. This will give an opportunity to continue to explore funding opportunities available to the council. We will also be looking at other ways of delivering help to residents.
6. The following table is an outline of the existing range of assistance and the proposed changes giving reasons for those changes. The changes aim to ensure that the policy:
 - a) helps the most vulnerable residents in the city;
 - b) is simple and easy to administer reducing the cost of administration where possible;
 - c) directly contributes to the aims of the refreshed private sector renewal strategy and the council wider priorities for example reducing carbon

emissions and making best use of existing stock through bringing back empty homes into use;

- d) maximises the very limited funding available;
- e) reflect changes to other policies for example the licensing of Houses in Multiple Occupation;
- f) the eligibility criteria reflects and compliments other policies for example the change to the criteria for vulnerability matches that the classes laid out in the housing health and safety rating system¹
- g) reflects the ground work already carried out – for example the work in the one area eligible for Community Energy Savings Programme (CESP)² funds.

7. However, it must be recognised with the removal of Government funding that the council will not be able to help residents to the same level. The following table indicates the changes we are proposing.

Existing Policy	Proposed Changes to policy	Reason for change	Contribution to Private Sector Renewal Strategic aims
Adaptations Programme			
1) Help for residents requiring adaptations			
Disabled Facilities Grant programme	No change to Disabled Facilities Grant policy or programme	No change	To help people whose independence may be at risk to remain in or return to their homes
Minor adaptations	To be explicit regarding the residents repairing obligation	To promote responsibility for adaptations. However we will be advising residents of the handyperson scheme which the council funds.	To help people whose independence may be at risk to remain in or return to their homes
Private Sector Renewal Programme			
2) Help for Homeowners to maintain their homes			
Home Safety Loan	Tighten the criteria and limit the number of applicants by a) Changing the eligibility criteria of the applicant by increasing	By tightening the criteria it enables the very limited funding to be targeted at those most in need and to remove the most serious defects	Encourage and support Owner Occupiers to maintain and repair their homes

¹ The Housing Health and Safety Rating System is the assessment of risks to health and safety in homes prescribed in the Housing Act 2004 and other secondary legislation. The assessment of the 29 hazards is always carried out for the age group most vulnerable to the hazard or danger in question.

² Community Energy Savings Programme (CESP) requires gas and electricity suppliers and electricity generators to deliver energy saving measures to domestic consumers in specific low income areas of Great Britain. CESP has been designed to promote a 'whole house' approach and to treat as many properties as possible in defined areas. The CESP obligation period will run from 1 October 2009 to 31 December 2012

Existing Policy	Proposed Changes to policy	Reason for change	Contribution to Private Sector Renewal Strategic aims
	<p>the age limit to 70 in line with other priority schemes. To reduce the age of children from 16 to 5 years which brings it in line with the Housing Health and Safety Rating system vulnerability Criteria for the most common hazards. Where the family has a disabled child the age limit will remain at 16</p> <p>b) To reduce the level of funding availed from £4k to £2k³</p> <p>c) That the loan will normally only be available to remove Category 1 hazards⁴</p> <p>d) Having a waiting list</p>	<p>which are likely to cause serious harmed or death to the occupier.</p>	
Home Appreciation loan	No change to loan criteria but not available in 2011/12. - Waiting list. Repayments of loans at a regional level may enable limited number of loans to be offered from 2013	To continue to include the loan in the policy but advise applicants that due to limited funding that assistance will be dealt with in date order. Priority will be given to cases where there is a	Encourage and support Owner Occupiers to maintain and repair their homes

³ The amount of funding will mean that we will only be able to fund residents to enable them to carry out emergency repairs. For example a holed roof would be able to be patched not reroofed.

⁴ An example of a category 1 hazard would be a steep staircase with no handrail, the risk of death or injury from a fall would be significant. An old bathroom suite with a cracked was hand basin would be assessed as category 2 hazard which although there risk of not been able to maintain personal hygiene it is unlikely to cause death or serious injury.

Existing Policy	Proposed Changes to policy	Reason for change	Contribution to Private Sector Renewal Strategic aims
		imminent and serious risk to the health and safety of the occupant	
3) Help for the Private rented sector			
Decent homes loan	No loan proposed in the proposed policy	The previous loan was offered to landlords of existing licensed HMO's to enable retrofitting of health and safety measures. The inspection programme for HMO's had prioritised those with the highest risk. Properties currently being inspected have fewer hazards -last year saw only one loan approved and paid reflecting this approach. New HMOs will be expected to be brought up to standard prior to being let.	Encourage private landlords to provide good quality and well managed properties for their tenants
4) Help to residents to improve the energy efficiency of their homes and reduce carbon emissions			
Energy Efficiency Grant	Energy Efficiency Grant – no proposed changes in this policy	To continue with this grant for this year only as it reflects the council commitment to reducing carbon emissions. This will need to be reviewed at the end of this year due to the end of the funding stream for this area of work and the proposed	To help to create sustainable homes and reduce carbon emissions from the domestic sector

Existing Policy	Proposed Changes to policy	Reason for change	Contribution to Private Sector Renewal Strategic aims
		introduction of the green deal	
Affordable warmth grant	No grant available in the proposed policy	To reflect the reduction in funding. Note the new HMO programme requires all licence holders to implement the low cost measures outlined in the Energy Performance Certificate for that home. There are also proposals in the Energy Bill requiring Landlords to improve the energy efficiency of their properties	To help to create sustainable homes and reduce carbon emissions from the domestic sector
Area based Grants	CESP Grants a new grant for all private residents in the only Community Energy Savings Programme (CESP) eligible area in the city.	To maximise the external funding available to enable the council commitment to reducing carbon emissions	To help to create sustainable homes and reduce carbon emissions from the domestic sector
5) Help for empty home owners			
Empty property Grant	Empty homes loans Option A and B	To continue to maximise the existing stock and provide affordable homes. To maximise the funding available by recycling money	Maximise use of the existing housing stock and to increase the supply of decent affordable homes

Consultation

- This report was written in consultation with staff. Consultation will take place with the members of the private sector steering group and other stakeholders during this year to help develop a revised policy for 2012 onwards.

Options

9. There are 2 options which the Cabinet Member is being asked to consider:
- **Option 1** to approve the revised private sector assistance policy
 - **Option 2** to extend the current private sector assistance policy for the current policy

Analysis

10. Option 1 - The revised policy recognises that with reduced resources that we will only be able to offer limited support and that we will need to be innovative in finding ways of helping York residents, 84 % of whom live in the private sector.
11. Option 2 - The existing policy doesn't reflect:
- a) The changes to the funding regimes following the comprehensive review and the opportunities of the CESP Funding and New Homes Bonus
 - b) The new local priorities in particular the new Climate Change Framework, the refreshed York Housing and North Yorkshire Housing strategies and the new Older Person strategy.
 - c) The new strategic partners and in particular the work being carried out by the new Leeds City Region Local Enterprise Partnership.

Corporate Priorities

12. Delivery of Private Sector Assistance Policy contributes to the following priorities:
- Improve the actual and perceived condition and appearance of the city's streets, housing estates and publicly accessible spaces
 - Improve the health and lifestyles of the people who live in York, in particular among groups whose levels of health are the poorest
 - Improve the life chances of the most disadvantaged and disaffected children, young people and families in the city
 - Improve the quality and availability of decent affordable homes in the city

Implications

13. There implications arising directly from this report are:

Financial

Funding Stream 2011/12	Amount	Source
Adaptations Programme		
Disabled Facilities Grant	£917K	Capital Programme (Central Govt and CYC allocation)
Disability Support Budget	£130K	CYC Capital Programme
Minor Adaptation	£97k	CYC Revenue Programme
Private Sector Funding		
Repayment of Loans and Grants	£25K	Capital Receipts
CERT	£85K	External

CESP ⁵	£186k	External
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14. In addition to the funded set out above, the council is in receipt of New Homes Bonus, an element of which relates to bringing empty homes back into use. The decision as to how this funding is allocated has yet to be taken and will be considered by Cabinet in the coming months.

Human Resources (HR)

15. There are no HR implications arising from this report.

Equalities

16. The reduction in private sector funding will have an impact on vulnerable private sector householders as we will not be able to offer the same direct help through loans for repair and maintenance or grants for energy efficiency.

Legal

17. Without an approved private sector assistance policy the council is unable to offer financial assistance as prescribed in the Regulatory Reform Order 2002

Crime and Disorder

18. There are no Crime & Disorder implications arising from this report.

Information Technology (IT)

19. There are no IT implications arising from this report.

Property

20. There are no Property implications arising from this report.

Risk Management

21. Regular monitoring and reporting of progress should ensure early intervention to minimise non-delivery. As such the risks arising from this report are below 16.

⁵ We calculate that we should be able to draw down 68% of the funding through CESP (£186,800) leaving £86,717 to be funded from CYC to enable a range of "whole house" measures to be installed in this area. This funding is also dependant on the proposed PV scheme going ahead

Recommendations

22. That the Cabinet Member:

- Notes the proposed changes to the policy and approves option 1 as outlined in Para 9 to approve the revised assistance policy for the year financial year 2011/12.

Reason: So that the council can improve the health and safety of residents who want to remain independent in their own home. To encourage the private sector housing stock to be maintained, reducing the carbon emissions and maximising existing housing stock

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Report Approved Date 11th May 2011

Wards Affected:

All

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Background Papers:

Appendix A

Private Sector Housing Strategy 2008-2013