

**NORTH SOMERSET COUNCIL
DECISION**

**DECISION OF: COUNCILLOR ELFAN AP-REES, EXECUTIVE MEMBER
FOR STRATEGIC PLANNING, HIGHWAYS, ECONOMIC DEVELOPMENT
AND HOUSING**



**WITH ADVICE FROM: SHEILA SMITH, DIRECTOR, PEOPLE AND
COMMUNITIES
DIRECTORATE: PEOPLE AND COMMUNITIES**

DECISION NO: PC2, 2018/19 SCHEME

SUBJECT: Revision of the Housing Renewals Assistance Policy

KEY DECISION: YES

BACKGROUND:

The purpose of this decision is to approve the revision of the Housing Renewals Assistance Policy, relating to the Council's power to provide assistance under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 to offer assistance to improve living conditions.

In order to use the power to provide assistance the Council must have adopted and published a policy. The original policy was approved by Executive on 1st July 2003 and has subsequently been reviewed and/or amended each year.

The main changes proposed are as follows;

- 1) The inclusion of an ECO Flex declaration (subject to Director decision scheduled for June 2018) to expand the funding available for home energy improvements at no cost to the Council.
- 2) To support home independence, introduction of Dementia Care Assistance.
- 3) The introduction of a North Somerset Fuel Loan.
- 4) Re-naming the initiatives aimed at increasing the number of properties in the private rented sector which are available to the Council to help prevent homelessness as "Tenant-ready." The conditions have been strengthened to secure 12-month tenancies where possible.

DECISION:

To adopt the revised Housing Renewals Assistance Policy as set out in the Appendix.

REASONS:

The corporate plan sets out the council's vision and overall priorities. The plan identifies key outcomes which detail what the council wants to achieve for local people, these cover 3 key areas:

- Prosperity and opportunity
- Health and wellbeing, and
- Quality places

This policy helps support the delivery of the Corporate Plan by residents when needing to improve and/or adapt their homes, enabling the occupiers to live in a healthy and safe environment that meets their needs.

The policy continues to be based on the principle that the prime responsibility for the maintenance of a home is the homeowners but recognises that the Council have an important role in providing assistance; particularly to the elderly and most vulnerable who do not have resources available to do this.

OPTIONS CONSIDERED:

Not updating the Policy – this would mean that the policy could not respond to changing needs and solutions. The Policy is reviewed annually and amended to ensure local need is met in the most effective way. Examples of best practice from other authorities are considered and adopted where local benefits can be seen.

FINANCIAL IMPLICATIONS:

The loans are provided through Wessex Home Improvement Loans who work across the South West Region with a consortium of Local Authorities. In response to the changing financial climate Wessex have continued to broaden the range of products available. The policy takes advantage of the full range of products available to enable assistance to be offered to a wider range of vulnerable clients whilst retaining the viability of the loan scheme.

Costs

There are minimal costs associated with implementing the policy which are covered by approved revenue budgets.

Funding

The provision of loans/grants will be funded through the councils approved housing capital programme. This includes contributions from the Better Care Fund and S106 contributions from the Hinkley Point development. Repayment conditions apply to some forms of assistance usually triggered on sale of a property.

LEGAL POWERS AND IMPLICATIONS

The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 provides the legislative framework and confirms local authority can only use power through an adopted and published policy.

CONSULTATION

Some consultation has taken place with key stakeholders, given the minimal changes to the policy although the targeted assistance for elderly and disabled residents has been developed in partnership with Adult Social Care, as part of the innovation encouraged through the Better Care Fund.

RISK MANAGEMENT

No significant risks have been identified from this policy and the conditions applicable to each type of assistance mitigates or eliminates any residual risk.

EQUALITY IMPLICATIONS

Have you undertaken an Equality Impact Assessment? Yes

The Equalities Impact Assessment has been reviewed and only positive impacts have been identified, which will be published with the updated policy.

CORPORATE IMPLICATIONS

This policy supports the delivery of the Corporate Plan in improving health and wellbeing.

BACKGROUND PAPERS

The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002.
<http://www.legislation.gov.uk/ukxi/2002/1860/contents/made>

Housing Renewals Assistance Policy (2017)
<http://www.n-somerset.gov.uk/wp-content/uploads/2018/06/housing-renewals-asistance-policy.pdf>

SIGNATORIES:

DECISION MAKER(S):

Signed: 

Title: *Deputy Leader*

Date: *19.6.18*

WITH ADVICE FROM:

Signed: Sheila Smith

Title: Director, People and Communities

Date: 19.6.18

Footnote: Details of changes made and agreed by the decision taker since publication of the proposed (pre-signed) decision notice, if applicable:

Introduction

The purpose of this policy is to set out how North Somerset Council will provide financial assistance to help improve private sector housing within the district. This policy details how the Council will spend the limited resources it has available.

The policy is reviewed annually, usually at the start of each financial year. However, periodic changes or amendments to the policy may be necessary during the year, dependent on resources and budget pressures.

North Somerset Council Priorities

The corporate plan sets out the council's vision and overall priorities. The plan identifies key outcomes which detail what it wants to achieve for local people, these cover 3 key areas:

- Prosperity and opportunity
- Health and wellbeing, and
- Quality places

Under each of these broad outcomes, specific ambitions are identified. For Quality places there are;

- Enable sustainable housing growth which protects our natural and built environment and the special character of our villages.
- Build and sustain great places to live and visit – vibrant, accessible and safe.
- Empower people to contribute to their community and communities to provide their own solutions.

This policy helps support the delivery of the Corporate Plan by helping residents in need improve and adapt their homes and enable the occupiers to live in a healthy and safe environment that meets their needs

Funding

Capital funding for this policy will be allocated on an annual basis, as part of the budget setting process.

The availability of all types of assistance and loans will be subject to resources and the Council may withdraw, suspend or amend this policy (or part of) at any time should circumstances require. Applications must be formally approved, in writing by the Council and the issuing of forms, schedules of work or advice does not commit the Council to any future liability to approve an application.

Disabled Facilities Grants

Disabled Facilities Grants are subject to the Housing Grants, Construction and Regeneration Act 1996 (as amended) legislation and means testing procedures are covered under the Housing Renewal Grants Regulations (England). The maximum grant limit is determined by legislation, currently £30,000.

This policy makes a strong commitment to supporting the major adaptation programme to help disabled people remain independent in their own homes.

Area Action, Themed Assistance and Innovation

On occasions similar defects or failures are identified to properties in the same locality or property of the same type. This presents an opportunity to consider providing assistance through area action, incorporating some environmental improvements.

In these circumstances the Council will consider targeting resources on those areas or properties. In addition, there are also opportunities to target resources towards certain groups of people in a locality, for example older people.

Published policy variation or departures.

Where it is considered that there are exceptional circumstances, which warrant consideration outside of this policy, a request may be made to the Private Sector Housing Service Leader for an appropriate decision and each case will be considered, on its merits, having regard to the Council's corporate priorities.

Consultation

Some consultation has taken place with key stakeholders, given the minimal changes to the policy although the targeted assistance for elderly and disabled residents has been developed in partnership with Adult Social Care, as part of the innovation encouraged through the Better Care Fund. The Equalities Impact Assessment has been reviewed and only positive impacts have been identified, which will be published with the updated policy.

Terms and Conditions

Detailed terms and conditions, in line with central government guidance will apply, dealing with procedures for making enquiries, applications, approvals, contractor's issues, payments, recovery of grant and related issues. The main provisions are contained in Appendix A. Transitional arrangements will apply to approvals issued under the previous policy, where required.

Complaint and Redress Procedure

Where an applicant considers a decision or approved assistance is incorrect or unreasonable, they have the right to request a review of the decision or level of assistance approved.

In addition, if a schedule of work for which assistance has been invited is disputed or a request to consider additional work has been rejected the applicant (or their agent) may request a review.

Reviews will be conducted by the Housing Adaptations and Improvements Team Manager.

If following a review the applicant remains aggrieved the Council's formal complaint procedure should be followed.

Assistance Available

The forms of assistance and loans available are listed in the following table.

Assistance Type	Purpose	Policy	Conditions applicable
<p>Home Improvement Loan</p>	<p>To facilitate improvement of privately owned dwellings to the decent home standard, including works to eliminate Category 1 Hazards.</p>	<p>Various Loan products are available as listed below;</p> <ul style="list-style-type: none"> • Capital and Repayment (CR) • Interest Only (for clients aged 60 or over only) • Rolled up interest (for clients aged 65 or over only) • Capital appreciation - this loan scheme is available to households who for personal or faith reasons are unable to pay interest on a loan. <p>For people who are unable to afford the CR loan other loan products* may be available, subject to assessment by WHIL:</p> <ul style="list-style-type: none"> • Interest Only Loan that converts to a CR loan after 2-5 years. • Interest Roll Up Loan that converts to CR after 2-5 years. • a fixed fee loan 	<p>With the exception of fast track, loan enquiries will be processed through WE Care & Repair (WECR) and Wessex Home Improvement Loans (WHIL) working in partnership with the Council.</p> <p>A full survey to determine eligible works will be carried out by WECR, and agreed with the Council.</p> <p>A District Land Registry charge will be registered against the property throughout the repayment term and any outstanding balance on the loan will become repayable in full on disposal of the property within that period.</p> <p>A means test is applied to determine eligibility with regard to savings and income.</p> <p>The most suitable loan product for each client will be assessed by a loans advisor from WHIL, in consultation with the Council.</p> <p>Owners must have sufficient equity in their property to cover the agreed loan.</p> <p>Fixed Fee Loan must be used to eliminate Category 1 hazards, in the first instance.</p>

		<p>The term of the loan can be between 1 and 20 years depending on client's financial circumstances.</p> <p>Loans interest rates are fixed at 4% throughout the term, except for the Roll up loans where the rate is 6%.</p> <p>Maximum loan is £15,000 for the CR loan and £10,000 for other loan products.</p> <p>The maximum Fixed Fee Loan will be £7,500. Minimum loan for all products is £500.</p> <p>* age restrictions do not generally apply</p>	<p>In the event of unforeseen works being identified additional assistance may be considered if there is insufficient contingency within the approved loan. Where appropriate a contingency of 10% for unforeseen works can be added to the loan.</p>
<p>Fast Track Loan</p>	<p>Fast track loan for urgent works, i.e. replacement of a boiler or an electrical rewire or upgrade.</p>	<p>Loan products as above</p>	<p>The referral will go directly to WHIL to assess affordability.</p> <p>Client to submit quotes direct to WHIL, two quotes are recommended but a minimum of one is required, a value for money test will be applied.</p>

	Other works may be considered, subject to agreement with the Council.		<p>Loan will be drawn down on receipt and acceptance of valid invoices, no completion inspection is carried out.</p> <p>A District Land Registry charge will be registered against the property throughout the repayment term and any outstanding balance on the loan will become repayable in full on disposal of the property within that period.</p> <p>A means test is applied to determine eligibility with regard to savings and income.</p> <p>The most suitable loan product for each client will be assessed by a loans advisor from WHIL, in consultation with the Council.</p> <p>Owners must have sufficient equity in their property to cover the agreed loan.</p>
Park Homes Loan	Carry out essential repairs only.	A Capital Repayment loan to a maximum of £5,000 over a maximum term of 5 years. This loan must be supported by local authority.	<p>Assistance will be available to repair the fabric of building or replace essential amenities.</p> <p>A survey to determine eligible works will be carried out by WECR, and agreed with the Council.</p> <p>A means test is applied to determine eligibility with regard to savings and income.</p>
Disabled Facilities Loan	(a) To top up a Disabled Facilities Grant (DFG).	Operational arrangements exactly same as Home	A District Land Registry charge will be registered against the property throughout the repayment

	(b) To fund assessed applicant's contributions to DFG.	Improvement Loan. Eligibility dependent on support from Occupational Therapist for necessary and appropriate work.	term and any outstanding balance on the loan will become repayable in full on disposal of the property within that period. A means test is applied to determine eligibility with regard to savings and income. The most suitable loan product for each client will be assessed by a loans advisor from WHIL, in consultation with the Council. Owners must have sufficient equity in their property to cover the agreed loan.
Landlord Loan	To support landlord to improve their properties to meet the Decent Homes Standard, subject to a nomination agreement.	Maximum £15,000 per property Maximum term 10 years Capital and Repayment loan only available, interest rate fixed throughout the term of the loan.	Conditions as for Home Improvement Loan, eligible works to be determined following inspection by the Council. This assistance is not available for properties that have been empty for more than 6 months.
Empty Property Loan	To encourage owners of empty dwellings to improve to the decent home standard, to make the home available for letting.	Maximum £15,000 per property Maximum term 10 years Capital and Repayment loan available, interest rate fixed throughout the term of the loan. Loan may be approved as interest only for a set period (while works are completed) reverting to capital	Conditions as for Home Improvement Loan, eligible works to be determined following inspection by the Council. Property must have been empty for at least a 6 month period. Empty Property loan may be used for the conversion of an empty property into units to a maximum of 2 units per property, subject to planning permission.

repayment when works are complete.

Loan to be linked to a requirement to bring the property back into use.

If more funding is required to make the property decent a top up, fixed fee loan (0% interest) of up to £10,000 may be provided subject to nomination rights for the duration of the loan (max loan term 10 years). Fee payable which may be added to the loan. Max per unit is £25,000.

Repair and Sell Option

Loan funding (in the form of an interest only for a fixed term, or Deferred Repayment Loan) may also be available to renovate and sell, with full repayment of the loan at the point of sale. Loan would convert to capital repayment loan after an agreed period (max One year) so owner would have to meet repayments if the property remained unsold.

<p>North Somerset Fuel Loan</p>	<p>A loan for homeowners and private tenants to bulk purchase fuel, if the main source of heating the home relies on oil, LPG, wood or coal. Loan may be available to spread the cost over six months.</p>	<p>Household income less than £30,000 pa Representative 0% APR Maximum £500 over 6 months</p>	<ul style="list-style-type: none"> No early repayment charges and flexibility to make lump sum reductions of £100 or more at any time Fees may apply Ethical lender. Can be used with the West of England Rural Network Bulk Oil Buying Scheme
<p>Private Sector Renewal Assistance</p>	<p>Assistance to fund professional fees for preparation of plans etc to aid feasibility studies for major schemes including disrepair investigations.</p> <p>Facilitate hospital/care discharge by carrying out urgent works of minor adaptation/repair, outside scope of ICES contract.</p> <p>Top up funding above maximum DFG for major works, subject to scheme approval by the Adaptations Panel.</p>	<p>Feasibility costs, hospital discharge or other urgent minor works. (Maximum £2000).</p> <p>Work must be to facilitate return home and form part of discharge or care plan. (Maximum £1000)</p> <p>Only available in conjunction with DFG when other funding options (including loans) have been exhausted.</p>	<p>Assistance will be subject to a local land charge and will be repayable in full if the property is sold during the 20 year condition period, subject to hardship provisions.</p> <p>Maximum assistance £20,000.</p>

	<p>Grant/loan aimed at helping disabled people move to property that is more suitable or can more readily be made suitable to meet their long term needs.</p> <p>Assistance is available where the applicants existing property cannot be adapted or the cost of any adaptation is prohibitive.</p> <p>Assistance may also be available for properties where there is a significant under occupation or overcrowding issue or where it is not deemed sustainable for the occupier to remain in the property in the longer term.</p>	<p>Fund costs of removal, legal fees, surveys, stamp duty, storage and incidental costs.</p> <p>Maximum £5000 per application.</p>	<p>Assistance will be subject to a local land charge and will be repayable in full if the property is sold during the 20 year condition period, subject to hardship provisions.</p> <p>Eligibility will be assessed on case by case basis; usually as result of request for major adaptations.</p> <p>This assistance may take the form of direct assistance or a loan.</p>	
<p>Move On Assistance</p>				<p>ECO Flex conditions will apply as governed by the scheme.</p>
	<p>Availability of funding to assist with measures to improve home energy</p>	<p>Assistance provided will support Climate Local</p>		
<p>Home Energy Efficiency</p>				

	<p>efficiency will be confirmed through ECO Flex declaration, although other assistance referred to in this policy will be available.</p>	<p>Commitment and help to alleviate Fuel Poverty.</p>	<p>Other conditions may apply as determined by assistance under this policy e.g. Home Improvement Loan.</p>
Emergency Work	<p>Grant to fund emergency repairs through partners or direct provision where usual assistance options would not offer a timely or satisfactory solution.</p>	<p>Individual agreement, case by case basis subject to eligibility criteria and procedure agreed with Team Manager.</p>	<p>Enquiries will be processed through Handyvan provider or other partner to support home independence of corporate priorities.</p> <p>A survey to determine eligible works will be carried out at the discretion of the Council.</p>
Stairlift Maintenance	<p>Assistance to fund periodic servicing, repair and maintenance of stairlifts and equipment, where we have an on-going historic liability only.</p>	<p>Contractual arrangement in place for lifts installed prior to 2006. (Lifts fitted since this time subject to manufacturer's warranty)</p>	<p>Stairlift maintenance will continue only where there is an historic liability.</p>
Dementia Care Assistance	<p>Assistance to improve or enhance the safety, comfort and security in the home and support carers.</p>	<p>Work will be tailored to individual needs; usually including building, electrical or safety works.</p> <p>Must form part of discharge or care plan. (Maximum £5,000)</p>	<p>This assistance will operate in conjunction with the Integrated Community Equipment Service but will not fund equipment available through that service.</p>

<p>Tenant-ready Loan (Private Rented Sector landlord)</p>	<p>To incentivise landlords to rent at or near Local Housing Allowance (LHA) levels by providing assistance with improvements to properties to enhance safety, comfort or amenity provision.</p>	<p>Up to £5,000 loan at 0% interest, (Fee payable by NSC to Wessex Resolutions CIC) Can be offered in addition to Grant (see below)</p>	<p>0% loan linked to requirement to let at or near LHA level WRCIC loan terms and conditions Local Land charge will apply. Assured Shorthold Tenancy for minimum 12 months to tenant referred by the Council. Additional loan funds may be available as set out in the policy.</p>
<p>Tenant-ready Grant (Private Rented Sector landlord)</p>	<p>To incentivise landlords to rent at or near Local Housing Allowance levels by providing assistance with improvements to properties to enhance safety, comfort or amenity provision.</p>	<p>Grant up to £1,000</p>	<p>Grant linked to requirement to let at or near LHA level. Assured Shorthold Tenancy required usually for minimum 12 months to tenant referred by the Council. Local Land charge will apply. Repayment on sale conditions will apply.</p>

Appendix A – Terms and Conditions

- Full repayment of loan products will be necessary on the disposal of the dwelling. In this instance disposal means the sale of the property or the transfer of ownership, or the inheritance of the property.
- Loan applicants must have a bank account; repayments are made by a monthly standing order from this account.
- Applicants must have sufficient equity in the property.
- Applicants must own the property.
- Owner-occupiers are to have owned and lived in the property for the past 12 months.
- Wessex Resolutions CIC record loans as a land charge, with HM Land Registry until repayment.
- All forms of assistance are subject to the availability of funding.
- Applicants must be over 18 years old.
- Eligibility criteria apply specific to each type of assistance or loan.
- Works eligible for funding through an insurance claim will not receive assistance but any policy excess amount can be.
- No funding is available for works commenced prior to approval of assistance.
- Reasonable professional fees may be included from a chartered architect, chartered surveyor or a home improvement agency.
- Estimates are required, prior to approval, usually minimum of two contractors.
- Unforeseen works can only be considered with agreement from Housing Adaptation and Improvements Team.
- Valid applications will comprise of a correctly completed and signed application form, acceptable estimates, proof of property ownership and specified proof of income.
- Interim payments are usually to be a minimum of £5,000 and only paid at the discretion of the Housing Adaptation and Improvements Team. Acceptable invoice are required, and usually will be paid to a maximum of 75% of the approved amount. Works to the value of the payment being requested must have been completed and the works must have been inspected by the Housing Adaptation and Improvements Team or approved partner or other acceptable evidence of completion obtained.
- Final payments are only made on the submission of an acceptable invoice(s) for the works, including any professional fees.
- Payments will be made to the applicant or will be paid to the contractor(s) only on receipt of applicants signed authority and interim/completion certificate.
- All work to be completed within 12 months (or other period as advised) from the date of approval. In exceptional circumstances; an extension of time can be granted in writing by Housing Adaptations and Improvements Team.
- Any work to gas installation must be carried out by a registered Gas Safe contractor (proof required)
- Work on electrical installations must be carried out by a qualified electrician.
- The conditions applied to Tenant-ready Assistance will be as set out in this policy e.g. length of tenancy.

