

Private Housing Renewal Policy 2012-2016

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APPENDICES

1. Performance Indicators and Key Service Standards

1. INTRODUCTION

- 1.1 The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 provides local authorities with a general power to give assistance for housing renewal. Assistance can be provided for repair, improvement or adaptation of housing.
- 1.2 Hull City Council has developed its assistance policy to support the objectives of both the Housing and Neighbourhood Renewal Strategy 2011-2016 and the Private Housing Strategy 2012-2016 and takes account of the main findings of the 2009¹ House Condition Survey which are: -
- There are approximately 88,000 dwellings in the private sector in Hull.
 - 61% of the properties are terraced.
 - 28.8% of the properties were built pre 1919.
 - Over 30,000 properties do not currently meet the decent homes standard.
 - The cost of remedying decent home failures is estimated to be £96 million.
 - 63.6% of vulnerable house holds live in a decent home, 6.4 % below the former PSA 7 target of 70%.
 - The average Standard Assessment Procedure (SAP) rating is 61.
- 1.3 The impact poor quality housing has on the health and comfort of its occupants and upon their quality of life is well recognised. The Government's stated view is that the primary responsibility to maintain a property lies with the owner. The Council is however committed to improving housing quality across all tenures and accepts that some homeowners, particularly the elderly and most vulnerable do not have the necessary resources to keep their homes in sound repair. The economic downturn will have an impact on many households income and occupancy choice. The Council recognises it has an important role to provide assistance through measures such as loans and grants or a combination of both.

1. Private Sector Stock Condition Survey, 2009 (sample survey of 981 dwellings which are representative of dwellings across the city and is 1.1% of the total deliberately weighted to particular areas of interest).

- 1.4 The Housing Renewal Guidance states that 'A blanket no assistance policy; whether for grants, loans or both, would be unacceptable'. In order to meet its duty as a housing enabler and its responsibilities to consider the condition of the local private sector housing stock the Council must make suitable provisions for assistance.
- 1.5 The identification, consideration and understanding of local issues, needs and expectations in order to produce an evidence-based policy is noted by the Government Guidance as crucial to the process. This policy reflects the five themes identified as priorities in the Housing and Neighbourhood Renewal Strategy and specifically sets out the assistance that is available to support the Private Housing Strategy.

2. STRATEGIC CONTEXT FOR THE POLICY

- 2.1 The Council recognises that its Private Housing Strategy and associated renewal policy cannot be developed in isolation but should reflect policies at national, regional and local level.
- 2.2 The assistance policy contributes to the fulfilment of the Housing and Neighbourhood Renewal Strategy 2011-2016 by providing a range of grants, loans and advice that will specifically tackle non-decent homes in the private sector, fuel poverty targets, area regeneration, provision of adapted properties, stock reduction, empty properties and home maintenance.

3. POLICY PRIORITIES

- 3.1 The Council's aim is to help and enable individuals and communities to maintain and improve their homes and environment where areas of housing are sustainable, and to afford everyone the opportunity to live in a decent home which is in sound condition, safe and comfortable with the improved health and educational benefits such homes bring. Where areas of housing are showing signs of low demand the Council's aim is to provide residents affected by clearance proposals with a range of re housing and relocation assistance options that helps them to relocate with a minimum of stress.
- 3.2 The need to change the profile of the private sector stock through a regeneration process which includes demolitions has been clearly identified by the Council.
- 3.4 The Council recognises the priority needs of vulnerable people in respect of age, disability, income, health, social exclusion or ethnicity, renewal assistance is particularly targeted to such vulnerable groups.
- 3.5 In order to maximise benefits and achieve progress with the capital and staffing resources available it is essential that investments in the community through service delivery give maximum return with regard to benefit, satisfaction, value for money and comfort. After consulting with the community and appropriate stakeholders in 2011/2012, the Council has carefully considered its policy options in relation to the current needs of the community having regard to the transitional period the city is experiencing. The Council recognises the need to work in partnership with communities and other agencies. The authority's policy priorities are summarised below:
 - Increase the number of vulnerable households living in a decent home.
 - Provide assistance to support area renewal and stabilise adjacent areas.
 - Remove homes with no long-term future.
 - Reduce unfitness/Category 1 Hazards.

- Improve energy efficiency.
- Improve home safety and security.
- Support individuals and the community through the provision of information, advice, enabling assistance and wise investment.
- Assist the renovation and reoccupation of sustainable empty homes.
- Provide mandatory Disabled Facilities Grant and in special cases Discretionary Adaptation Grant Assistance.

4. CAPITAL RESOURCES

4.1 Owners who can afford to do so should be responsible for the maintenance of their own property. Owners have not only rights but also responsibilities for their property. To this end the Council supports the government’s recommendation to discourage grant dependency whilst also recognising that some owners do not have the means themselves to provide or access finance. The Council will have to make resources available to offer assistance to the most vulnerable residents. Means testing is applied wherever appropriate to assistance measures so that they are targeted at those in financial need on low incomes.

4.2 The housing renewal budget for 2012/13 stands at £0.73m.

Work stream	2012/13
Equity Mortgages and loans	£450,000
Energy Schemes	£75,000
Emergency Repair Grant	£50,000
Re occupation of empty properties	£155,000

4.3 The Council has always fully taken up the specified capital grant provided by the government to subsidise disabled facilities grants. The allocation for 2011/12 is £1.56m of which the Government will provide £911,000 in subsidy.

4.4 The Council has also been successful in obtaining health funding of £550,000 for 2011/12 with a further £250,000 for the next three years to support its Disabled Facilities Grant budget.

4.5 The Council will continue to bid for specific pots of monies as and when they become available to enable work within it’s designated regeneration areas to continue.

5. TYPES OF ASSISTANCE AVAILABLE

Note: All assistance is subject to available funding.

Home Appreciation Loan (HAL)

5.1 HAL’s are available in the following circumstances:

- To owners of dwellings, who are unable to obtain a commercial loan, for the purpose of bringing dwellings up to the Decent Homes Standard or contributing to the decency of a property.
- To owners of dwellings, who are unable to obtain a commercial loan, for the purpose of providing an adaptation to a home to enable a resident to remain living independently.

There are no monthly repayments to make and the applicant will only have to repay the loan when they no longer own their home. The amount the applicant will repay depends on how much the property has changed in value when it is sold or the applicant no longer owns it or when the last qualifying person leaves the property.

The minimum loan amount is £2,000 and the maximum loan amount is normally £30,000. The amount of funding we have is limited and we will deal with enquiries in order of the date we receive them.

To qualify for the loan the applicant must normally be a homeowner and

- be aged 18 or over.
- be on a low income or be in receipt of certain benefits or be unable to access a commercial loan.
- have a power or duty to carry out the works.
- have sufficient equity in the property.
- live in the property.

Examples of works likely to qualify for assistance are renewal of roof coverings, renewal of damp proof courses, floor renewals, provision of missing amenities, renewal of complete electrical installations and renewal of window frames. All arrangement costs such as solicitor and valuation fees will be added to the loan.

HomeCheque - Maintenance Service

5.2 We are currently operating a maintenance scheme across the city called HomeCheque. The scheme offers maintenance advice and is linked to low cost finance available through the Hull and East Yorkshire Credit Union. Residents receive a free survey of their property to identify any defects that might be present and to provide advice about the maintenance of their property. In addition the surveyor will assess the home owner's eligibility for any of the financial assistance schemes the Council and others offer and if the home owner has no other means of funding work the surveyor will explain the 'Cash Back' loan that is available from the credit union. A 'Cash Back' loan works on the basis that repayments are made, including interest in the normal way, but when the agreed works have been completed and the last instalment of the loan is paid, all of the accrued interest is repaid to the home owner. The maximum loan is £5000 repaid over 3 years.

Houseproud - Home Loan Equity Release Scheme

5.3 The Home Improvement Trust is a 'not for profit' registered company especially established to help arrange funding of property repairs, improvements and adaptations for Older People. The Council have signed an agreement with the Trust for the provision of an equity release scheme to local homeowners. The object of HouseProud is to encourage and enable homeowners who are 60 years of age and over, and homeowners under 60 with disabilities, to live safely and independently in their own homes by facilitating access to affordable finance for and providing assistance with necessary repairs, improvements and/or adaptations.

The scheme is aimed primarily at older homeowners who are equity rich but cash poor in order to assist them in accessing finance to undertake necessary works with the knowledge that their home is not at risk. There is a guarantee of no repossession and all necessary advice, assistance and support throughout the process. Access to an independent financial advisor is included as a standard service provision.

Houseproud provides access to loans that are affordable, risk-free and designed to meet the needs of older people and disabled people. There are three main types of loans -

- **capital release loan**

There are no regular repayments with this kind of loan. The loan, along with interest, is repaid when the home is sold. Repayments can be made earlier if the owner wants to and there is no penalty for early repayment. This loan is usually only available to single people and couples who are 75 or older.

- **interest only loan**

Only the interest on the loan is payable each month until the property is sold. The actual amount borrowed does not reduce and is repaid when the house is sold. This option is available to single people or couples who are 60 or over or households with a disabled person of any age.

- **capital and interest repayment loan**

This is a straightforward mortgage. Monthly repayments cover both the interest and part of the original amount borrowed. This type of loan is available to single people or couples aged 60 or over or households with a disabled person of any age.

Home Insulation Scheme

5.4 A scheme to provide discounted cavity wall and loft insulation is available through out the City. The scheme is a partnership between npower, Hull Warm Zone and the Council and gives priority to those most in need of insulation improvements i.e. the fuel poor households who spend more than 10% of net income on fuel. Hull Warm Zone from data collected as part of the city wide assessment programme identifies eligible households.

The scheme offers loft and/or cavity wall insulation to homes at a price per measure of £75.

Emergency Repair Grant

5.5 A grant of up to £5000 will be available to those who do not qualify for the Home Appreciation Loan due to there not being any equity in the property. The grant will only be available to cover the cost of removing category 1 hazards as defined by the Housing Health and Safety Rating System and will be subject to the same statutory means test used for assessing eligibility for disabled facilities grants.

The grant will be repayable should the property be sold within 10 years. For the first 5 years after the grant is complete 100% of the grant is repayable and will then reduce over the next 5 years by 1/5 for each complete year thereafter.

Landlord Loans

5.6 Hull City Council and the Home Improvement Trust have developed an interest free loan scheme for owners of properties within the private rented sector. The purpose of the loan is to bring empty properties back into use and/or make their properties decent for their tenants.

The minimum loan is £3000 and the maximum loan is normally £30,000 and will be repayable after an agreed period, normally between 2 and 5 years or immediately if the property is sold within the agreed loan period.

Mandatory Disabled Facilities Grant

5.7 The provisions governing mandatory Disabled Facilities Grant (DFG) are contained in the Housing Grants, Construction and Regeneration Act 1996 as amended by the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002.

A mandatory disabled facilities grant is available towards the cost of providing adaptations and facilities to enable a disabled person to continue living as independently as possible in their own home. The maximum mandatory grant will be £30,000.

The purpose for which mandatory disabled facilities grant may be given, and hence the works eligible for mandatory grant are set out; Section 23(1) of the 1996 Act.

Discretionary Grant for Disabled Adaptations

5.8 Discretionary grant will be available to fund the cost of work above the £30,000 limit where the work falls within the purpose for which a mandatory grant would be given.

Discretionary Loan Funding for Disabled Adaptations

5.9 The general power under Article 3 of the Order enables the Council to give discretionary assistance, in any form, (e.g. grant, loan), for adaptations.

Assistance can be given under Article 3 for a wide range of purposes. For example, the Council may consider giving assistance in the following circumstances.

(a) Providing small-scale adaptations to either fulfil needs not covered by mandatory DFG's

(b) Topping up mandatory DFG's

- (i) Because the works are particularly expensive or where the applicant, for whatever reasons, cannot afford their required contribution; or
- (ii) Where there are some works required that are not eligible for mandatory grant (as set out in subsection (1) of section 23). For example:
 - a. works to provide more satisfactory internal living arrangements for a disabled occupant where the works would be of direct benefit to the disabled occupant rather than other members of the household. Such works might include extended or enlarging a dwelling which is already suitable for the disabled occupant in all other respects.
 - b. the provision of a safe play area for a disabled child or where certain works of adaptation are required to provide for a disabled occupant to receive specialised care or medical treatment in their own home for which the disabled person is responsible for meeting the cost of works.
 - c. Adapting or providing a room to be used for a disabled person who is housebound but nevertheless is able to work from home.
 - d. To provide a complete solution to the needs of the disabled person.

Enquirers for discretionary funding who own their home will be able to apply for a Home Appreciation loan up to a maximum value of £5000. All arrangement costs such as solicitor and valuation fees will be added to the loan. The Home Appreciation Loan is available to owners of dwellings, who are unable to obtain a commercial loan, for the purpose providing an adaptation to a home to enable a resident to remain living independently.

Enquirers for discretionary funding who live in rented accommodation will be able to apply for the "cash back" loan that is available from Hull and East Yorkshire Credit Union. A "cash back" loan works on the basis that repayments are made, including interest in the normal way, but when the agreed works have been completed and the last instalment of the loan is paid, all of the accrued interest is repaid to the home owner. The loan is

limited to £5000 repayable over 3 years. This option is also available to people who own their home if they prefer to apply for this type of assistance.

For owner occupiers, in cases where the provision of a discretionary adaptation would exceed £5000 but the adaptation would result in substantial long term savings in care costs the council will consider increasing the maximum limit of loan. In such cases where there is insufficient equity in a property the council will consider providing discretionary grant to top up the loan. Applications for funding above £5000 will be determined under the special case mechanism detailed in Section 8 and will include all necessary consultation with Social Services.

In cases where there would be a serious risk of injury to the disabled resident if the adaptation is not carried out because the resident is unable to afford the periodic repayment of a loan, the council will consider approving a grant of up to £5000 and subject to the same 'test of resources' for a mandatory DFG. The repayment terms will be the same as the Emergency Repair Grant. This type of assistance will be determined under the special case mechanism detailed in Section 8 and will include all necessary consultation with Social Services.

Discretionary – Relocation Grant

5.10 A discretionary DFG is available as a relocation grant where the existing home of a disabled person is clearly unsuitable for adaptation on grounds of technical feasibility and/or cost. The financial assistance will enable the purchase of another more suitable property plus 'reasonable' compensation in the form of disturbance payments. The grant will cover the reasonable costs incurred for relocation to an equivalently graded property (with a price tolerance of up to 10%) which meets occupational therapists (O.T.) and surveyor specifications.

The grant is available to owner occupiers and is subject to the same 'test of resources' for a mandatory DFG. The new property must meet the needs of the disabled person as identified by the O.T.s recommendations although there may be a need for some adaptation. The specification for the 'new' house prepared by the surveyor in collaboration with the O.T.

will identify the house type, internal arrangement and space requirements. A cost benefit assessment of adaptation in situ as opposed to relocation should also be undertaken. It will also be essential to consider the property's location with regard to family and support networks, schools, services and associated needs.

Compensation will be paid for 'disturbance' under the current statutory provisions for land compensation. Examples of items which can be claimed include:-

- Removal expenses.
- Legal fees from the sale and acquisition.
- Surveyor's fees.
- Alteration of soft furnishings and moveable fittings and fixtures.
- Disconnection and reconnection of services – telephones etc.

The list is not exhaustive and disturbance payments will be considered on their individual merits.

There are no home loss payments available for the relocation.

Regeneration Areas

- 5.11 Relocation assistance will be available when the Council has declared its intention to voluntarily acquire properties in an area. Financial assistance by way of a relocation loan will be available to those unable to access a commercial loan to assist an owner-occupier to purchase a similar style of house in a more sustainable area within the Hull City boundary. This is in addition to the statutory compensation and home loss payments. The total package of assistance will be market value compensation plus home loss payment and a maximum loan of £62,500.
- 5.12 In active areas for acquisition and demolition a grant of up to £1000 will be available to cover the cost of removing category 1 hazards as defined by the Housing Health and Safety Rating System and will be subject to the same statutory means test used for assessing eligibility for disabled facilities grants. There will be no repayment conditions.

- 5.13 In areas identified for demolition within a time period of 3 years a grant of up to £5000 will be available to cover the cost of removing category 1 hazards as defined by the Housing Health and Safety Rating System and will be subject to the same statutory means test used for assessing eligibility for disabled facilities grants. There will be no repayment conditions. Disabled facilities grants will be available as explained at 5.7 except where an extension is required. In such cases an alternative solution will be sought such as early voluntary acquisition.
- 5.14 In areas identified for demolition after a time period of 3 years the remainder of the private housing renewal policy will apply. Disabled facilities grants will be available as explained at 5.7 except where an extension is required. In such cases an alternative solution will be sought such as early voluntary acquisition or enquiries may be dealt with through the special case mechanism detailed in section 8.
- 5.15 In areas identified for frontage improvement or group refurbishment schemes, financial assistance will be available to cover 100% of the cost of the eligible works. Assistance may be available to both owner occupiers and landlords. There will be no repayment conditions.

Empty Properties

- 5.16 Financial assistance will be available in specific areas and for problematic individual properties to support the reoccupation and renovation of long term empty homes. In addition or as an alternative to the landlord loan detailed at 5.6, an enhanced financial assistance package may be available when a loan is not sufficient or appropriate to achieve re occupation. Enhanced assistance would be conditional upon continued occupation, in most cases an affordable rent being charged, a minimum standard of repair being maintained and other conditions that may be appropriate for the individual scheme or property.

6. HOW TO APPLY FOR ASSISTANCE

Contact Numbers for: -

Loan & Grant Enquiries

Private Housing (financial assistance) team
Floor 9 Kingston House
Bond Street
Hull
Tel No: 01482 300 300

Loft Insulation and Draught Proofing

Hull Warm Zone
Floor 2 Kingston House
Bond Street
Hull
Tel No: 01482 300 300

Disabled Facilities Grant

Duty Occupational Therapist
Tel No: 01482 300 300

Relocation Assistance

Housing Investment and Renewal
Floor 5 Kingston House
Bond Street
Hull
Tel No: 01482 300 300
housing.policystrategy@hullcc.gov.uk

7. PRIORITY ASSESSMENT AND APPROVAL

Priority will be given to loan/grant applications where there is a clearly identified need, including:-

- (a) Applications for a mandatory disabled facilities grant to assist with the adaptations for a disabled person.
- (b) Cases of dry rot due to its virulence, potentially extensive and costly associated damage, the health implications to the occupier(s) of the property, and the potential implications to adjacent properties.
- (c) Where there is a serious health and safety risk to the occupier(s) of a property that can be minimised by early intervention assistance. Examples include:- the risk of fire or electrocution from dangerous electrical wiring or installations; the risk of injury from a structurally unsound and unsafe building; the health implications arising from missing standard amenities; extensive dampness whether rising, penetrating or condensation which is prejudicial to health.

8. SPECIAL CASE MECHANISM FOR APPLICATIONS OUTSIDE THE APPROVED RENEWAL POLICY

- 8.1 The Council's policy is based upon priorities that are influenced by strategic considerations and also by individual need and circumstance. Discretion will not be unreasonably limited with regard to grant/loan applications, which do not fall within the set eligibility criteria. A mechanism is available to determine applications that fall outside the existing policy. Where a strong case based upon need is established then such an individual application should be considered on its particular merits; taking into account any extenuating circumstances. The decision should be within the general spirit and purpose of the Council's renewal policy.
- 8.2 Alternative options and other forms of assistance, including the potential for re-housing, should be particularly considered in such cases.

However, where grant intervention is still indicated as an appropriate and reasonable option then an appraisal should be made by an internal referral mechanism established to deal with such special cases. Where a decision is to be made about funding for an adaptation the opinion of the adaptation panel (a panel made up of senior officers) will be sought to assist in determining the enquiry.

9. KEY SERVICE STANDARDS, PERFORMANCE/INDICATORS, AND POLICY EVALUATION

- 9.1 Regular monitoring of the effectiveness and progress of the policy will be carried out to ensure that implementation is satisfactory. In particular, service delivery will be continually monitored through customer satisfaction questionnaires handed out on completion of work. Appendix 1 details the formalised service standards and performance indicators used to monitor and assess the policy.
- 9.2 Research and development in response to stock condition, housing need and circumstance, local housing market trends and demographic and socio-economic factors will also be necessary to effectively monitor and revise the policy.
- 9.3 The Council has an established Customer Feedback system which deals with compliments, comments and complaints. All officers are able to receive feedback and respond appropriately. Complaints are examined and responded to through a process which includes if necessary an independent senior manager and subsequently if required consideration by an Appeals Panel of elected Councillors. Details of how to make a complaint are readily available and in cases where a complaint cannot be resolved then the Local Government Ombudsman Service are available.
- 9.4 Where a client is refused access to a particular form of assistance due to the Council's policy and prioritisation procedures the matter can be pursued either through the special case mechanism detailed in Section 8 or through the customer feedback system; whichever is considered most appropriate to the circumstance.

- 9.5 The policy will be subject to progressive amendment as new assistance measures are developed. A formal review will be undertaken in 2014 unless pre-empted by other circumstances.

10. POLICY IMPLEMENTATION

- 10.1 The amended policy will be operative from July 2012. The development of further measures and options for intervention and assistance will continue in order to meet the requirements of particular area regeneration schemes. Appropriate amendments will be made to relevant policy documents and the policy summary; including also for the notification of all interested parties. The policy has been subject to equality impact analysis.

Appendix 1

Factor	How Audited	Target
Customer Satisfaction	% of clients satisfied with the service	95%
Response Times	% of service requests responded to within 2 working days	95%
Written Correspondence	% of written correspondence replied to within 10 working days of receipt	100%
Grant Approvals	% of completed applications determined within 30 working days	95%
Account Payments	% of payments made within legally stipulated period of 28 days	100%
Disabled Facilities Grant	Total time taken to complete adaptation – Fast Track	18 weeks
Disabled Facilities Grant	Total time taken to complete adaptation – Non Fast Track	32 Weeks

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