

# **SOUTH HOLLAND DISTRICT COUNCIL**

## **Community Housing Renewal Policy**

July 2003  
Reviewed October 2006

## 1.0 INTRODUCTION

The Regulatory Reform (Housing Assistance) Order, hereafter referred to as the “Order”, came into force on 18 July 2002. It repealed much of the existing prescriptive legislation governing the provision of renewal grants to home owners and replaced it with a new wide-ranging power to provide assistance for housing renewal. The Order also made minor amendments to the legislation for Disabled Facilities Grants.

Poor quality housing can have an adverse impact on health and welfare of occupants. The Government’s view is that the primary responsibility to maintain a property must lie with the owner. However, the Government is committed to improving housing quality across all tenures including the owner-occupied sector and fully accepts that some homeowners, particularly the elderly and most vulnerable, do not have the necessary resources to keep their homes in good repair. The Council therefore has an important role to provide assistance in these cases where appropriate. The Order allows local authorities to consider the offer of assistance through the provision of grants, loans or a combination of both as well as through partnerships with other agencies.

The Government accepts that loans will not be suitable for all those in need of assistance and the order is not intended to bring about the wholesale replacement of grants with loans. The Government would also consider that an authority was failing in its duty as a housing enabler and its responsibility to consider the condition of the local private sector stock if it did not make some provision for assistance. The guidance states that **“a blanket ‘no assistance policy’, whether for grants, loans or both, would therefore be unacceptable”**.

A major requirement of the Order is for local authorities to produce a published policy document detailing the assistance available. This policy document limits itself to consideration of works of repair, improvement or adaptation etc rather than enabling housing provision in the first place which will continue to be considered through the Housing Strategy. During the development of the policy particular consideration has been given to the Corporate Plan and common links between the two documents.

## 2.0 THE LOCAL CONTEXT

### Population

The population of South Holland is 80,700 (ONS Mid 2004 population estimates.) The projected increase in the 0-19 population is 5.5% by 2011 with the greatest growth being in the over 65 age group, with the over 80’s growing by almost 53% in the same period.

### Housing

#### Property values

Between October to December 2005 the average house price in South Holland was £149,275. Specifically the average price for a terraced property was £109,962; a semi detached property was £124,586; and a detached property was £182,472. (source: HM Land Registry 2006).

- 77.1% of the housing in South Holland is owner-occupied.
- 38.2% of housing is owned without a mortgage - this is higher than the average in England and Wales (29.5%).
- 14.2% of the population lives in social rented housing and 8.7% in private rented.

## Housing Needs

There is increasing pressure on the Councils own housing stock of 4087 properties (end of 2002/03). Right to Buy sales continue to reduce the stock (14 during 2005/06). In addition, the numbers of households waiting for council housing is rising steadily. In November 2006 there were 1700 households on the housing register.

In 2005/06 66 households were accepted as homeless. Many people are increasingly unable to solve their own housing problems as they cannot afford to purchase or rent a property in the private sector.

A large proportion of the workforce is employed in the growing, processing and distribution of agricultural produce. Unemployment is among the lowest in the region, at approx. 2.2%, but the hourly rate of pay excluding over time is lower than the regional average.

The food preparation industry in South Holland is relatively strong at the moment, compared to the agricultural economy in other parts of the region, although local employers report a lack of people to fill semi skilled and managerial posts.

Source: GO-EM Quarterly Economic Report April-June 2002  
New Earnings Survey 2001

## **Housing stock condition**

A survey of private sector properties was last carried out in 2006. To achieve target samples a total of 975 addresses were contacted. Full survey was achieved in 571 dwellings, 63 on external survey only, 13 addresses ineligible for survey, 127 dwelling households refused to participate and 201 dwellings access could not be achieved due to household absence.

Key facts from Private Sector Stock Condition Survey 2006

Population	80,700 (ONS Mid 2004 estimates)
Total number of private sector dwellings	32,426
Total number of owner occupied houses	28,106
Rate of non-decent homes	19%
Cost of basic repairs to overcome non-decency	£37.484m
Percentage of private sector vacant dwellings	4.9%
Percentage of vacant dwellings non-decent	27%
Elderly households in private rented sector in non-decent housing	44.8%
Economically vulnerable in pre 1919 housing in non-decent housing	24.9%

The 2006 condition survey found that 63% of private rented dwellings had been built since 1965, 13.5% of dwellings in the district were built before 1919, and the pre 1919 properties account for most of the mid to long term empty properties.

The survey concluded that it would cost over £37 million to remedy the non-decency in the district. The PSA 7 target – Decent Homes implies that 65% of vulnerable households will live in Decent Homes by 2007, rising to 70% by 2011 and 75% by 2021. The survey estimates that 7812 households (25.3%) are economically vulnerable. Currently 81% of economically vulnerable households live in Decent Homes meeting the Government's overall

2021 target of 75%. Overall performance does however mask sub-area and sectoral variations of key importance to policy development. These include:

- ❖ The Private-rented sector where currently only 50.4 % of vulnerable households live in Decent Homes.
- ❖ Pre 1919 housing where currently only 5.6% of vulnerable households live in Decent Homes.

### **Grant assistance position**

The Housing Strategy 2006-11:

“The Council is committed to the regeneration of private sector dwellings”

“The Council is committed to tackling empty properties in the private sector”

Most of the responsibility for the private sector housing maintenance lies with the owners. The Councils financial resources are limited, but it will continue to provide some help to people who are in the greatest need and who are unable to afford works themselves due to low income, disability or old age.”

Please see the Housing Strategy for full details.

### **Empty Property Strategy**

In 2006 we introduced the Empty Homes Policy. This policy aims to target owners of long term empty properties in order to increase the availability of properties to rent or buy, remove potential eyesores in the district, restrict vandalism and generally regenerate the area. Please see Empty Homes Policy for full details.

### **Decent Homes Assistance**

The Government targets for Decent Homes are:

- ❖ **To ensure that all social tenants have a decent home by 2011** (this target was set in 2000).
- ❖ **To improve conditions on a year by year basis for vulnerable people in private accommodation so that**

**By 2007 over 65% of vulnerable households living in the private sector live in decent homes.**

**By 2011 the percentage of vulnerable households living in decent homes should be more than 70%; and**

**By 2021 the percentage of vulnerable households living in decent homes should be more than 75%**

## **3.0 POLICY IMPLEMENTATION PLAN**

This Private Sector Housing Renewal Policy became operational on 1<sup>st</sup> July 2003 and as subject to a review in 2006 and became the Community Housing Renewal Policy. It is subject to an annual review. The overall Housing Strategy update and regular review of the

Council Corporate Plan and Best Value Performance Plan will also influence possible future developments.

Performance within this policy domain will be reported in line with corporate reporting of Best Value Performance Indicators and Local Key Performance Indicators.

Minor changes will be made to the document by the Community Services Manager in consultation with the Portfolio Member for Housing Health without the need for formal ratification where such changes make no significant difference to service provision, eg there is no change to grant assistance offered but there is a name change etc. Where amendments produce significant change to service provision those amendments will require approval of Cabinet and in some cases further approval by Full Council before the operational policy changes.

The Community Housing Renewal Policy will be amended to reflect any changing needs of the local community and/or its homes.

There may be “external” factors which require major review earlier than anticipated, eg

- changes to capital spending plans
- acute changes to local circumstances
- national policy / legislative changes
- local strategic partnership influences.

In implementing its own policy the Council will make reference to all relevant national legislation and guidance currently in place or introduced during the life of this policy. The guidance issued for Housing Renewal will be of particular relevance especially where it deals with the Housing Health & Safety Rating System, Neighbourhood Renewal Assessment and re-affirms conditions etc relating to Mandatory Disabled Facilities Grants.

The method of assessing statutory fitness of housing changed to the “Housing Health and Safety Rating System” by The Housing Act 2004 came into force in July 2006. The same act implemented the mandatory licensing of Houses in Multiple Occupation. It is expected that an additional licensing scheme will be introduced to license all Houses in Multiple Occupation. The new introductions will affect the process behind this policy but will not in themselves alone create significant change in the policy.

#### **4.0 RESOURCING THE COMMUNITY HOUSING RENEWAL POLICY**

The operational provision of services from the private sector housing renewal policy will be undertaken through the Community Sector Housing Team as part of Community & Neighbourhood Services.

The revenue costs for this service are substantially salary orientated. The capital funding of assistance for approved works substantially comes from the Council’s own resources although central government do directly reimburse 60% of all expenditure on mandatory disabled facilities grants. The allocation of capital funding towards works on the community housing stock is dependant on the other possible area of capital spend, particularly local authority capital grants to housing associations, spend on its stock as far as delivering Housing Strategy initiatives is concerned and the additional demand of the council meeting the Decent Homes Standard. The capital funding allocated to community housing renewal may be spent on initiatives within this policy or other areas specified by statute, eg Compulsory Purchase.

The Council recognises the needs and benefits of supporting the private housing sector in a targeted and effective manner and will continue to support such as an integral element of Neighbourhood Renewal Initiatives.

#### Additional Funding

We will apply for additional funding when available from external bodies such as the Regional Housing Board.

### **5.0 TYPES OF ASSISTANCE AVAILABLE**

The types of assistance available can be broken down into three broad categories of education and encouragement, financial and enforcement.

#### **Education and Encouragement**

The Council officers will, except where statute says otherwise or there is an imminent risk to health or safety, attempt to resolve all issues through processes of education and awareness raising to enable property owners to undertake their responsibilities in an environment of understanding the needs and benefits of such action.

In addition the Council will undertake specific targeted education campaigns in order to achieve certain objectives, eg understanding of need to maintain your home and energy conservation measures.

#### **Financial Assistance**

The term financial assistance may involve the award of a grant, a loan or merely the offering of advice, whether directly or through a third party.

#### **Grants**

The Council is still required and will continue to offer mandatory Disabled Facilities Grants under the existing legislation. In addition, the Council may offer the following grants/loans subject to terms and conditions:

- Discretionary Disabled Facility Grants/Loans
- Discretionary Renovation Grants/Loans
- Discretionary Home Repair Assistance Grants/Loans
- Discretionary Landlords Grants/Loans.

#### **Loans, Equity Release etc**

When the changes to the law were first proposed in the Government's Green Paper "Quality and Crime": A Decent Home for All – the Way Forward for Housing "(published December 2000 and later in "Private Sector Housing Renewal – A Consultation Paper (published March 2001) loans were seen as a very real alternative to grants and a way to help more home owners to be assisted by recycling Local Authority money.

The Joseph Rowntree Foundation, in a September 2002 briefing, found that some households find normal commercial loans difficult or expensive for reasons that included the following:

- Unsecured loans are easy and cheap to arrange but tend to be expensive.

- The set up costs associated with a new secured loan (valuation fees and solicitor's fees) can be a serious deterrent when the amount borrowed is small.
- Small loans are less profitable to lenders than larger ones.
- There may be insufficient equity in low value homes to secure a loan.
- People whose income may lack the capacity to meet the costs of a repayment loan.

The ODPM Housing Renewal Guidance (June 2002) identifies 3 principal categories of loan products:

- a. Interest bearing repayment loans, ie conventional secured or unsecured loans.
- b. Interest only loans. A loan secured against the value of an asset. The borrower pays the interest charge and the capital is repaid on sale of the asset.
- c. Equity release loans. A loan registered as a charge against the value of an asset. No interest is levied. The capital is repaid on the sale of the asset.

The introduction of loan finance for private sector housing renewal programmes is a relatively recent phenomenon. Equity release loans for home improvement purposes were first proposed in a Green Paper entitled 'Home Improvement – A New Approach' (Cmnd 9513) in 1985.

Since 1989, however, there have been two major changes which have firmly re-focused attention on loans for improvement. These have been, firstly, the diminution of the capital budget for private sector grants and secondly, (at least after the mid 1990s), the rapid increase in house price inflation.

But the most recent and influential evidence in support of the use of loans has been revealed by the English House Condition Survey (2003). The estimated cost of remedying standards in the properties of vulnerable households living in non decent homes was £10.5b. This demonstrated rather starkly the relatively modest sum available in terms of public subsidy through the RRO, (currently circa £250m per annum).

Secondly, however, the EHCS enabled an analysis of the ownership profile of 'vulnerable' households in 'non decent' accommodation. This showed that approximately half a million vulnerable households, (39% of the total vulnerable households in the private sector), owned their own properties outright; a further 30%, (approximately 380,000 households), owned with a mortgage. The average value of the property owned by vulnerable households in non decent accommodation at the time was approximately £80,000. Given that house prices have increased since this time it is increasingly difficult to argue against the use of at least some small part of this equity in order to ensure the satisfactory condition of the housing stock.

At its meeting on 10 October 2006 the Cabinet considered a report into loan options. It was agreed that in respect of discretionary assistance to vulnerable home owners that all assistance now be offered in the form of equity release loans rather than grants, and that all money recovered from loans be used to assist other vulnerable home owners in the future.

## **Enforcement**

Enforcement action will not be the first response to minor contraventions of legislation and will be undertaken in accordance with the Councils current enforcement policy. The need for

formal enforcement may be brought about by various factors such as the severity of a problem, imminent risk, previous history, confidence in a landlord, public interest etc. Please see Regulatory Services Enforcement Policy.

### **Links with Energy Efficiency Schemes**

The Council will continue to encourage joint works between the grants and energy conservation sections. Energy Efficiency Commitment, EEC.

The following schemes are currently promoted:

#### *Warm Front*

A government funded scheme with no end date currently set. A grant available to households who are owner occupiers or rent privately and in receipt of certain income related benefits. Can be used to provide heating improvements, cavity wall insulation, loft insulation and draught proofing as appropriate. In the case of applicants over the age of sixty the scheme is known as Warm Front Plus and can provide central heating and basic security as well as the above.

#### *Clearskies Renewable Energy Grants*

No end date as yet. A government funded programme offering part funding towards domestic wind, solar hot water, micro-hydro, ground source heat pumps and biomass heating systems.

## **6.0 THE GRANT/LOAN APPLICATION PROCESS AND HOW TO ACCESS IT**

The Council's policy on assistance takes into account responsibilities of owners to primarily maintain their own properties but also considers ability so to do, and vulnerability of different groups as well as other considerations in determining eligibility criteria and terms and conditions. Those who are able to qualify for assistance will be given every opportunity to access the process through full dissemination of information at Council points of contact and those of partner organisations.

A summary of policy will be provided at such outlets and electronically on the Council's website. A copy of the Council's Community Housing Renewal Policy will be offered to all potentially interested organisations, eg Help the Aged and Age Concern etc as well as a summary being reproduced in the Council's various newsletters on an annual basis.

Initial access to the process can therefore be via existing points of contact within the Council, its partner organisations or other interested parties.

The first stage of the processes will commence when a potential applicant makes initial contact and enquiries as to possible assistance. The initial contact will be assessed and the applicant informed whether the proposed work is likely to qualify for assistance. All qualifying enquiries will be recorded on the computerised grants administration system, an enquiry pack dispatched, and an officer will make a "home" visit to all responders. On the visit the officer will assess the types of work involved and the most suitable type of assistance considered. In the event of assistance being likely, based on the type of work involved, the enquirer may be referred for a provisional financial assessment (means testing).

The second stage of the application process will be the completion of the formal application including appropriate certificates and agreement with the terms and conditions etc as well as

the required number of estimates / quotes. When a complete application is received it may be referred for the formal assessment of a grant/loan.

The level of any grant/loan approved may be the total cost of agreed works or where the applicant is required to raise some funding of their own the difference between the value of their own funding and the total cost of agreed works.

The result of the second stage of the process will be conveyed to applicants in writing.

## **7.0 GRANT/LOAN DETAILS**

### **a. Mandatory Disabled Facilities Grants**

The Council will award mandatory disabled facilities grants according to the current governing legislation and guidance issued by central government which determines, amongst other things, the type of work that can be funded, the maximum contribution that may be made, and the test of financial resources that must be made.

### **b. Discretionary Disabled Facilities Grants**

The council will not currently consider any discretionary grant assistance applications.

## **DECENT HOMES ASSISTANCE**

To be defined as a decent home, a house must meet the following criteria:

- Be above the current minimum standard for housing e.g. be free from Housing Health & Safety Rating System category 1 hazards
- Be in reasonable repair e.g. the absence of one or more key building components being old or in poor condition or two or more other building components being old or in poor condition.
- Have reasonably modern facilities and services (it must fail on three or more of the following to fail the Decent Homes Standard) e.g.
  - a kitchen more than 20 years old,
  - a kitchen with inadequate space and layout,
  - a bathroom that is more than 30 years old
  - an inappropriately located bathroom and WC
  - adequate noise insulation (where external noise is a problem)
  - adequate size and layout of common areas for blocks of flats
- Provides a reasonable degree of thermal comfort e.g. has effective insulation and efficient heating.

Decent Homes Assistance is a loan primarily designed to provide assistance for small scale repairs and improvements which are necessary for a house to be brought up to a decent standard or towards the Decent Homes Standard, from the list of qualifying works specified in appendix 2.

When an enquiry is received from a person who is eligible for assistance, an officer will visit and inspect the property. The inspecting officers will then draw up a schedule of appropriate

works and send it to the enquirer who has to obtain three itemised estimates and return them with a completed application form and statement of title.

Decent Homes Assistance is available to owner-occupiers and tenants over the age of 18 years of age who have a repairing obligation and who meet the test of resource requirements detailed below.

A maximum of £10,000 is available per application based on the lower of the three estimates submitted by the applicant. No more than £10,000 can be paid for a single property over a period of any 5 years and a person cannot make more than 2 applications within a 5 year period. The Council may, in exceptional circumstances, approve a grant in excess of the normal maximum for example in the following circumstances, where the VAT element of the cost of the works brings the total over £10,000, where work has commenced and essential unforeseen works are identified or where the cost benefits of approving a higher level are significant in the over all scheme in meeting the decent homes standard.

All approvals for Decent Homes Assistance will be subject to conditions as detailed in this section and in appendix 1.

### **Test of resources**

An application for Decent Homes Assistance can only be made if the applicant is in receipt of one of the following benefits:

- Income Support
- Guaranteed Credit for the over 60's
- Income based Job Seekers Allowance
- Housing Benefit
- Council Tax Benefit
- Working Tax Credit with a disability element and the income of the household is less than £15,460
- Child Tax Credit and the income of the household is less than £15,460
- Attendance Allowance
- Disability Living Allowance
- Industrial Injuries
- Disablement Benefit
- War Disablement Pension

All applications will be means tested, and the applicant may be required to make a contribution towards the cost of the works.

### **GENERAL GRANT/LOAN CONDITIONS - Appendix 1**

Action other than the provision of grant/loan aid may be taken at the discretion of South Holland District. This will be where:-

- the use of closure, demolition, deferred action or other statutory action to require repair is the most satisfactory course of action in accordance with the Housing Act 2004 and the associated guidance.
- alternative schemes are available which meet the housing policy aims, maximise the resources available for the policy delivery and have been agreed as the method of assistance available.

## Definitions

- In this section the term “loan” means any form of financial assistance approved for the purpose of housing renewal.
- The “date of issue” is the date on the grant approval.
- The “certified date” is the date of completion of the eligible works to the Council’s satisfaction.
- “Owner” shall have the same meaning as in Regulation 5(1) of the Regulatory Reform (Housing Assistance)(England and Wales) Order 2002 and may therefore include certain leasehold as well as freehold owners.

## General

- The Council reserves the right to vary the eligibility criteria specified in the policy in line with changes to benefit legislation and guidance.
- Eligible works are those that are detailed in a schedule of works sent to the applicant.
- The cost incurred in obtaining reports/surveys on the condition of the property will only be eligible for assistance where works that are eligible for loan assistance are found to be necessary.
- Personal information obtained throughout the loans process will be treated as confidential. Where information is to be shared with another organisation the applicant’s permission will be sought. Non personal information will be kept by the Council and used for statistical and monitoring purposes.
- The Council reserves the right to request confirmation of financial information by requiring evidence of household income and expenditure or benefit status from the organisation providing the benefit.
- The loan applicant will normally be required to obtain at least three itemised estimates for the eligible works. The Local Authority may request additional estimates if they are not satisfied with those that have been submitted.
- No retrospective application or request for financial assistance will be considered where the relevant work has already been started or completed.
- Unless otherwise specified, all relevant work must be completed, to the satisfaction of the Council, within 12 months of the date of issue of the loan. The Council may agree, in writing, an extension to this period, but this will only be done if there are extenuating circumstances.
- Work must be carried out by the contractor who provided the estimate on which the grant was based. The Council may give authorisation, in writing, for another contractor to carry out all or part of the work, but this will only be applicable if the work has not started and an estimate has been submitted by the new contractor.
- It is the responsibility of the applicant to obtain Planning Permission or Building Regulation consent where necessary. Fees will only be paid when details are submitted as part of the application and in approved circumstances.

- Payment will only be made on the satisfactory completion of the work specified in the schedule of works and the submission of all supporting paperwork.
- In the case of unforeseen works, the Head of Community & Neighbourhood Services has the discretion to increase the level of the grant. Loans will not be approved retrospectively.
- Loan applicants will be required to allow the inspecting officer to carry out a security and energy audit of their home. They will then be given a schedule of recommended works, which if carried out, will improve the security of their home.
- Guarantees will be required for certain types of work such as damp proofing. Where a guarantee is required this will be made clear in the schedule of works.
- The Council will carry out checks on all of properties receiving loan assistance. The check will consider information provided in the application process as well as the quality and cost of the works carried out. Access must be provided for the purpose of follow up surveys if your property is selected.
- Works involving the gas supply/fittings must be carried out by a CORGI registered contractor.
- Electrical works must be carried out by a contractor who is registered under the NICEIC scheme.
- Unless a contractor has been nominated by the Council to carry out specific works, three itemised estimates for all works will be required. In exceptional circumstances and with the approval of the Head of Community & Neighbourhood Services, one estimate may be accepted if it is considered reasonable.
- The Council reserves the right to request additional estimates where those submitted with the loan application are not considered to be satisfactory.
- Householders receiving Warmfront assistance may be required to provide access for a Decent Homes Standard assessment or be asked to complete a questionnaire in respect of the Decent Homes Standard.

### **Eligibility Criteria General**

- With the exception of Disabled Facilities Grant, loans are available to owner-occupiers and to tenants with a repairing obligation.
- All applicants must be over the age of 18 years.
- The premises must qualify as a dwelling for the purpose of payment of council tax.

### **Eligibility Criteria Mobile Homes**

- The land used to site a mobile home must have the necessary Planning Permission and must have a site licence within the meaning of the Caravan Sites and Control of Development Act 1960. There are specified exemptions to this requirement.

- The applicant must occupy the mobile home under an agreement to which the Mobile Homes Act 1983 applies or under a gratuitous licence.

### **Procedures**

- **Statement of Title.** In the case of landlords and owner-occupiers, where an application for loan has been made, the applicant must complete and provide a declaration (this will be in the form of a certificate completed by the applicant) stating that they are the owner of the property (see definition section). Proof of title will be required from Land Registry or by production of the deeds to a property.
- Tenants will be required to give evidence of their tenancy as part of their loan application. Proof of tenancy may be from the tenancy agreement between the tenant and the landlord.
- Where an applicant has a joint interest in a property, written consent of the other owner(s) will normally need to be obtained and evidenced.
- Where the property is rented, the applicant must submit written consent from their landlord stating that they consent to the work being carried out. Confirmation of ownership of the property will also be required from the landlord or otherwise obtained by the Council.
- A written schedule of works will be sent to the applicant. Any variation from this schedule may only be made with the prior written approval from the Council.
- A loan will only be paid when the Council receives a satisfactory invoice in relation to the work in question, together with any supporting documentation or information requested by the Council e.g. guarantees. The invoice must be made out to the applicant or their nominated agent. No invoice will be accepted from the applicant or a member of their family.
- Following the making of an application and until any repayment liability has been discharged in full, the applicant shall on request supply the Council with any such information as the Council may reasonably require in connection with the application, including the ownership and/or occupation of the property which was the subject of the application.

### **Repayment Conditions Loans**

- If the owner makes a disposal of the whole or any part of the property at any time in the future after the certified date (5 years for DFG's), except where the thermal comfort works have been carried out under Warm Front, he shall notify the Council in writing and pay to the Council the amount of loan that has been paid on an Equity Release basis. Failure to comply with this repayment condition within 28 days from the disposal of the property will result in interest being charged (Public Works Loans Board six-month variable rate prevailing on 1 April or 1 October (whichever be the later) preceding the date when payment falls due plus one quarter per cent).
- The Council will secure the loan repayment condition by way of a legal charge on the property.

- The Council may at its sole discretion waive the repayment where for example an applicant is moved into care or any other such circumstance where repayment of the loan would create undue financial hardship.
- For the purposes of these conditions, any reference to a “disposal” of a property means:
  - a conveyance of the freehold
  - an assignment of the lease, where the lease was used to qualify for the grant
  - the grant of a lease, other than a mortgage term, for a term of more than 21 years otherwise than at a rack rent
- Repayment of loan may be required if the information supporting the grant application, approval or payment is found to be incorrect and affects the eligibility criteria or the cost of the works involved.
- The Head of Community & Neighbourhood Services may reduce, refuse loan or demand repayment in full or part, with interest if works are not satisfactorily completed, cost less than the estimate, or where work was commenced prior to approval.

## **QUALIFYING WORKS - Appendix 2**

### **1. Decent Homes Assistance**

- The purpose of this loan is to enable vulnerable owner-occupiers and tenants with a repairing obligation of homes that fail the Decent Homes Standard (DHS), to pay for works to be carried out so that the condition of their house can be improved to achieve Decent Homes Standard or where this is not possible to towards achieving this standard.
- The following works, as defined in DCLG guidance “Decent Homes – The definition and guidance for implementation” (June 2006), will be eligible:
  - Works that are required to ensure that the property is free from category 1 hazards of the Housing Health and Safety Rating System.
  - Works that are required to ensure that the repairs element of the DHS is met e.g. works to walls, roof structure and covering, windows, doors, chimneys, gas (boilers /fires), electrical works or works to remedy disrepair to two or more other building components.
  - Works to replace a kitchen over 20 years old or a bathroom over 30 years old where there are three or more failures of the modern facilities section of the DHS.
  - To ensure that a kitchen has adequate space and that the layout is appropriate for the use. This work will only be considered where there are three or more failures of the modern facilities section of the DHS.
  - Works to provide an appropriately located WC and bathroom where one does not exist and where there are three or more failures of the modern facilities section of the DHS.

- Measures to provide adequate noise insulation where it is determined that noise from traffic or factories is causing a significant problem. Where appropriate, other measures may be taken to reduce the impact of external noise. In addition, measures will not be required where there is a conflict of interest, for example, with the planning authority. This work will only be considered where there are three or more failures of the modern facilities section of the DHS.
- Energy efficiency works to ensure the provision of efficient heating and effective insulation. Advice will be given on the most appropriate type of assistance available to aid necessary works.

## **2. Safe and Secure Housing**

The following works will be eligible:

- Burglar alarm with or without an auto dialler
- Door chains
- Five lever locks or equivalent to external doors
- Window locks to the most vulnerable windows
- Spy holes
- Door strengthening
- External Lighting where assessed necessary and which is activated by movement

## **3. Mandatory DFG**

Works eligible are detailed in the Housing Grants, Construction and Regeneration Act 1996.

## **4. General Requirements**

- All electrical works must be carried out by an NICEIC approved contractor (or equivalent).
- Where works are carried out to rewire a property an electrical completion certificate is required.
- All works involving gas must be carried out by a CORGI registered contractor.
- South Holland District Council supports the use of sustainable materials and will not give a grant or loan for works that involve the use of hardwoods.
- Guarantees will be required for works to remedy rising damp and for treatments for woodworm and dry rot.
- Other guarantees and certificates may be required at the request of the inspecting officer.

- Where appropriate, Building Regulation Approval will be required.

### **Ancillary and Preliminary Fees**

Ancillary and preliminary fees will be available for works such as surveys that are required to determine the extent of renewal work needed. Fees will be paid at a maximum of 12.5% where this is considered appropriate.

### **Renovation Grants (Discretionary)**

It is proposed to cease offering large Renovation grants under any circumstances as such financial assistance uses a large proportion of available funding for the benefit of only a few people each year.

### **Landlords (Discretionary)**

In accordance with current Council policy it is not proposed to make any immediate grant funding available to landlords of individual or multiple occupancy dwellings that they own or purchase as a commercial venture. However, the important role that the private rented sector has to play in meeting housing need must be considered.

We have developed a Landlord's Forum. This meets on a quarterly basis with a selection of relevant topics discussed.

The Housing Act 2004 radically overhauled the way the council regulates standards in private rented housing. It also introduces compulsory licensing of certain houses in multiple occupation (HMO). These changes came into force on 6 April 2006.

The council aims to maximise the availability of private rented accommodation in South Holland and ensure that it is of a decent standard to protect the health and safety of tenants. The availability of HMO lettings is also important in order to sustain affordable housing. The council sees the new legislation as an opportunity to improve the services provided by landlords and the provision of decent homes for all residents in the district.

The council has the power to set up additional local area HMO licensing schemes to enable HMOs which are not licensable under the mandatory scheme and that are considered to be badly managed to be licensed. The Council may designate the whole of the district or an area within it, however this designation must be confirmed by the Secretary of State.

The Community Housing Team currently and will continue to undertake considerable activity through the enforcement of standard in tenanted accommodation which improves these properties at no capital cost to the Council. All grant and enforcement activity are monitored through the Best Value Performance Indicator BV62.

## **8.0 TERMS AND CONDITIONS**

These terms and conditions form part of the Council's Community Housing Renewal Policy and will be applicable to all elements of it, except where otherwise stated, and in so much as the terms and conditions applicable to Mandatory Disabled Facilities Grants are set by

statute determined by central government and followed by local authorities. Therefore, these terms and conditions are not applicable to Mandatory Disabled Facilities Grants although some may be the same as those which are applicable to such grants, details of which are separately available. The terms and restrictions are therefore at this present time restricted to applications for Decent Home Assistance.

The terms and conditions and eligibility criteria for discretionary grants / loans detailed within this policy will be set down in writing for all applicants.

In making an application for assistance, when applicants sign the application form they are agreeing to all the terms and conditions as detailed by the Council.

Information provided to the Council by applicants as part of the application process will be checked thoroughly and may be shared with other departments of the Council and other organisations involved in any aspect of handling public funds to prevent and detect fraud or in investigation of other possible criminal activities.

Applications or enquiries will only be accepted on the prescribed forms of the Council.

No application shall be accepted for a discretionary grant / loan for a property which is, by construction or conversion, less than eleven years old.

All applications for assistance must be accompanied by an owner / occupation certificate which state the applicant has a qualifying interest in the property subject to the application for assistance.

It is the applicant who employs the builder to undertake agreed works and the Council have no contractual liabilities in that relationship as their role is only to administer the grant / loan process.

The applicant is ultimately responsible for ensuring the quality of the completed works; the responsibility can be passed on to an agent of the applicant, eg an architect.

If an applicant submits an estimate/quote from a member of their family who then carries out the agreed works the grant/loan will only be paid on the basis of the cost of materials and not labour.

Upon conclusion of discretionary grants/loans it will be expected that the property is left in a statutorily fit condition, any exception to this will require the authority of the Community Services Manager.

An application for a disabled facilities grant will only be considered complete and then processed when it is accompanied by an Occupational Therapist's report recommending the necessary works. It would be normal and beneficial for such a report to be provided at the commencement of the enquiry/application process.

An application for assistance towards works that have already been completed will not be processed, any part of works not commenced, which would otherwise have been considered for assistance will be processed for possible grant/loan assistance as long as work is not commenced prior to formal approval.

The details of means testing referred to in individual grant/loan descriptions shall apply to all applications and should be accompanied by an owner occupier's certificate.

The amount of grant/loan payable shall be the actual cost of undertaking the works plus any associated fees less any owner's etc contribution, up to the total value of the grant/loan approved. Additional funding will only be provided above the original approval level in the event of unforeseen work being needed to allow completion of eligible works or associated works of a nature to protect the health and safety of occupiers, or evidenced increases in costs to the contractor from their suppliers etc. A formal re-approval to a higher level of assistance will be required before any payment above the originally approved level is paid.

All payments shall be conditional upon receipt of an acceptable invoice and made direct to the appropriate contractor following agreement with the applicant that works to the appropriate stage have been satisfactorily completed. In a situation of dispute between the applicant and contractor, which is not resolved in a reasonable time period the grant/loan, or part thereof, may be paid to the applicant at the discretion of the Council.

The Council will include the cost of preliminary or ancillary service fees and charges within the calculation of assistance, each submission of fees will be individually considered for reasonableness. The payment of any such fees is conditional on a grant / loan being approved and the completion of all specified works, otherwise the Council will not be held responsible for any fees incurred before or after approval.

The Council will consider requests for interim payments for the value of works completed such that no interim payment will be for more than 90% of the total approved amount before final completion.

The Council will determine on each approval document the time period allowed for works to be completed, which will not normally exceed 12 months and may be significantly shorter for small items of work. In some cases the council may require the works to be completed in a specific financial year.

The grant/loan works must be carried out by one of the contractors whose estimates/quotes were submitted as part of the application process, the grant/loan having been calculated by adopting the Council's principles of Best Value.

The number of estimates/quotes accompanying an application for assistance for works costing in excess of £1,000 shall be at least two whilst at or below £1,000 at least one estimate quote shall be provided. The Council reserve the right to ask for more estimates/quotes if they are not happy with those submitted or to accept a single quote where two would normally be required for work from specialist contractors.

Where an applicant's circumstances change or are confirmed as different from originally stated, after approval is issued, such that approval would no longer be given, then the grant approval will be cancelled and no payments made, or no further payments made where interim payments have already been paid, except in exceptional circumstances when the Community Services Manager may give authority to provide further funding so as to conclude work at a suitable and appropriate stage. Where payments have been made, the local authority may demand repayment together with interest at 3% above Bank of England base rate from the date on which payment was made until total repayment is completed.

In any case where financial circumstances at the time of application are later confirmed differently to those submitted by the applicants/s such that after approval a new processing of information would lead to reduced assistance or denial of assistance then the original approval will be amended/cancelled and the local authority may demand repayment together with interest at 3% above Bank of England base rate from the date on which payment was made until repayment is completed. In such circumstances the local authority may choose to cancel the whole approval or demand repayment of all monies paid, plus interest, despite the

fact that a reduced level of assistance would have been approved, where it is felt the degree of error in the applicant completing the original means test forms is such to suggest a deliberate attempt to deceive.

In certain circumstances where the Council believe that actions of applicants may have been taken to deliberately defraud the Council a file will be passed to the Police for investigation.

The Council will not undertake works on behalf of applicants, except where works may be due in default of an owner's failure to comply with a statutory notice.

The Council or their agents will hold final authority to determine what works are included on grant/loan schedules although it is acceptable for owners, tenants or their agents etc to draw up initial schedules of work which may be reduced or added to by the Council in terms of work qualifying for possible assistance.

The payment of any grant/loan approved will only be considered after any applicants contribution has been accounted for in the value of invoices submitted.

The responsibility to gain all necessary approvals for works to be undertaken with assistance rests with the applicant or their agent, such approvals may be Planning Permission or Building Regulation Approval or any of the matters raised within the terms and conditions of grant assistance.

Grant/loan assistance will only be approved for the benefit of applicants who are able to provide evidence of a valid National Insurance Number.

The discretionary grants/loans the Council awards are all subject to levels of available funding in each financial year and as such the Council reserves the right to defer approval, or even consideration, of applications for periods of time of its own choosing in order to properly manage its budgets.

In considering applications for the benefit of people with disabilities the Council may choose not to grant aid adaptations for which County Council Social Services are responsible under the Chronically Sick and Disabled Persons Act 1970.

The Council may specify in grant approvals involving the installation of specialised equipment for the benefit of people with disabilities that the equipment is to be returned to the Council if within 10 years it is no longer needed. The grant recipient, or a representative, shall notify the Council as soon as the equipment is no longer needed and the Council or their agent may choose to remove it for re-use elsewhere, making good any damage caused by its removal.

Where the original grant was approved with a contribution from the applicant then the percentage of that contribution as an element of the total value of the agreed works shall be calculated and that percentage of the second hand value of the specialised equipment paid to the original applicant or their agent.

The Council may refer enquiries for assistance to an externally managed scheme eg Warmfront Scheme as appropriate.

The Council may from time to time utilise special funding from central government, or other sources, aimed at specific subjects to target issues of local and national concern in accordance with any special conditions, eg replacement of inefficient boilers. Any special terms and conditions applicable to such initiatives will be appended to the Community

Housing Renewal Policy as they will not significantly alter the Council's primary approach to the subject.

The Council may not consider applications from persons, organisations etc where there is a possible alternative source of funding for maintaining properties, eg the NHS.

The Council reserves the right to re-consider any individual application against any of these terms and conditions upon the authority of the Community Services Manager.

### **APPEALS PROCESS FOR APPLICATIONS OUTSIDE POLICY**

The Council has a general duty to consider the condition of the private sector housing stock upon which the Community Housing Renewal Policy is based. All initial enquiries for assistance about the condition of private sector housing will be considered. Where any enquiry falls outside the policy for assistance the Community Services Manager will consider whether it warrants special attention outside of normal policy, in accordance with the appropriate scheme of delegation.

In the event of the Community Services Manager determining assistance is not warranted then this information will be conveyed in writing with the opportunity of appealing that decision to the Head of Community & Neighbourhood Services whose decision will be considered final in this field of discretionary grants.

There is no appeal route against the outcome of "means testing" including the possibility of loans or equity release etc rather than, or as well as reduced, grant assistance.

### **9.0 COMMUNITY HOUSING ENFORCEMENT POLICY**

Please see Regulatory Services Enforcement Policy.

### **10.0 COMPLAINTS POLICY**

If anyone is unhappy with the service provided we would first of all ask that they let the person know who has been dealing with their case and give them opportunity to improve matters or explain why things have happened as they have.

If after contact with the officer dealing with the case a customer is still dissatisfied and wishes to explore the matter further they should contact the Community Services Manager who will provide a full written response within 5 working days of becoming aware of the matter. In the event of all enquiries not being complete to enable a full response within 5 working days an interim response will be made indicating when a full response may be expected.

In the event that a customer is still dissatisfied at this stage the Council has a formal complaints procedure, which will have been referred to in previous correspondence and the customer may utilise that process to take the matter further.