

**AMENDMENTS TO THE COUNCIL'S HOUSING RENEWAL ASSISTANCE
POLICY****(Report by the Head of Housing Services)****1. PURPOSE OF REPORT**

- 1.1 To recommend amendments to the Council's Housing Renewal Assistance Policy.

2. BACKGROUND INFORMATION

- 2.1 The Council thoroughly revised its approach to housing renewal in light of changes introduced under the Regulatory Reform (Housing Assistance) Order (England and Wales) 2002 (RRO). The effect of the Order was to repeal the powers authorities had to make renovation and home repair assistance grants and to introduce new permissive powers "to provide assistance" to acquire, repair, adapt or demolish living accommodation.
- 2.2 The Council adopted the Housing Renewal Assistance Policy which aims to help people to repair, improve or adapt their homes to meet their needs. The new policy entitles people to apply for interest free loans. Since the policy has been introduced, only one grant has been awarded¹ demonstrating the shift in policy from grants to loans.
- 2.3 The Policy is working well. This report recommends seven changes.

3. IMPLICATIONS

- 3.1 The seven recommended changes to the Policy are detailed on Annex 1. The changes can be met within the existing budget. In summary, it is recommended that:
1. The Council provide small grants of up to £800 per case to help people on low incomes to pay for their contribution to Warm Front grants². This should be called 'Warm Front Top-Up Grant';
 2. approval levels for DFG Top-Up³ Assistance are increased to £15k to reflect in the increase in building costs and the decision on whether to award DFG Top Up Assistance over £15k is delegated to the Head of Housing Services instead of the Head of Housing Services together with the Director of Operational Services;
 3. the decision on whether to increase officer approval levels in 1. and 2. above in the future is delegated to the Head of Housing Services instead of Cabinet;
 4. Top-Up Assistance for children's DFGs is subject to a means test because the means test on the mandatory element has recently been abolished by Government;

¹ Grants are only awarded to people where there is insufficient equity of 25% or less in their property to support a loan.

² Warm Front is the Government's scheme to install energy efficiency measures in people's homes. It is awarded to those who are in fuel poverty.

³ DFG Top-Up is available for owner occupiers only. If the cost of a DFG exceeds £25k mandatory limit, the Council can offer Top-Up. This is a loan and a charge is placed on the property.

5. the means test for Disabled Persons Relocation Grant⁴ for children's cases is abolished;
6. to qualify for assistance applicants should not owe money to Huntingdonshire District Council and if they do, should demonstrate a reasonable period of repayment; and
7. the policy should be amended to reflect that the Housing Fitness Standard (Section 189 & 190 of the Housing Act 1985) has been replaced by the Housing Health & Safety Rating System (HHSRS) (Part 1 of the Housing Act 2004).

4. RECOMMENDATIONS

- 4.1 That Cabinet approve the recommendations set out in paragraph 3.1 and detailed on Annex 1 and authorise officers to make the corresponding changes to the Housing Renewal Assistance Policy document.

BACKGROUND INFORMATION

- Regulatory Reform (Housing Assistance) Order (England and Wales) 2002
- Housing Renewal Assistance Policy, April 2003
- Housing Act 2004

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⁴ The cost of moving to a more suitable property is a viable option, the Council will pay for some of the removal costs instead of adapting the current home. This is only available where it would save the Council money.

Annex 1

	Existing Policy Stance	Proposed New Policy Stance	Justification and Implications
1	Applications for assistance with funding an applicant's contribution to Warm Front Grants are processed in the same way as other Repairs Assistance applications. This means that applicants are means tested and a charge is placed on their property before any funding is released.	The Council provide small grants of up to £800 per case to help people on low incomes to pay for their contribution to Warm Front Grants. People on means tested benefits should be passported into this grant regime but those on non-means tested benefits should be subject to the Councils means test. This should be called 'Warm Front Top-Up Grant'.	It takes an average of four months to complete an application for Repairs Assistance. Placing the legal charge on the property accounts for a significant period of this time. Warm Front can fund heating repairs / improvements to vulnerable people's homes. If the applicant cannot afford their contribution to Warm Front, the work will not proceed. In 2005/6 Warm Front received approximately 200 eligible applications and of these, 20 customers had a contribution of approximately £470. If the recommendations are approved the Councils liability based on this information would be £470 x 20 = £9.5k. However, only a proportion would be eligible for Council assistance towards their contribution as some will be on non-means tested benefits.
2	Top Up Assistance below £10k is approved at officer level. Top Up Assistance over £10k has to be endorsed by the Head of Housing Services and the Director of Operational Services.	Top Up Assistance is approved at officer level up to £15k. Top Up Assistance over £15k is endorsed by the Head of Housing Services.	The cost of extensions has increased over recent months. This means that extensions frequently exceed the DFG maximum of £25k. It therefore seems appropriate that the levels of permission are increased.
3	Top-Up Assistance is not means tested.	Top-Up Assistance loans for children's DFGs are subject to a means test because the means test on the mandatory element has recently been abolished by Government.	Top-Up Assistance was never means tested on the basis that the means test was already done on the mandatory £25k element. The Government abolished the means test for children's DFGs in December 2005 so it is prudent and more equitable to means test the Top-Up Assistance loan for children's DFGs.
4	Changes to grant approval levels set out in the Policy can only be made by Cabinet.	The decision on whether to increase grant approval levels for Warm Front Top Up Grant and DFG Top Up Assistance are delegated to the Head of Housing Services in future.	More flexible approach may be needed to reflect changes in build costs.

5	Disabled Persons Relocation Grant is means tested.	That the means test for Disabled Persons Relocation Grant for children's cases is abolished	Relocation grant can help pay for the cost of moving where it is more cost effective to help an applicant move to a more suitable property than to adapt their existing home. As the Government abolished the means test for children's DFGs, the means test for children's Relocation Grant should also be abolished. If it is not abolished, there is a perverse incentive for people to remain in their current home which could be a less suitable and more expensive solution.
6	Policy is silent on whether or not grants / loans should be awarded to people that owe money to the Council.	To qualify for assistance, applicants should not owe money to Huntingdonshire District Council and if they do, should demonstrate a reasonable period of repayment. This decision should be made by the Private Sector Housing Officer.	That public funds should not be awarded to people with outstanding debts to the Council unless they can demonstrate a repayment history.
7	The policy refers to sections 189 & 190 of the Housing Act 1985 (Fitness standards).	The policy needs to be updated and based upon the new Housing Health & Safety Rating System (HHSRS) Part 1 of the Housing Act 2004 following its introduction.	A new way to assess the condition of homes in England & Wales came into force on 6 April 2006. The Housing Fitness Standard (Section 189 & 190 Housing Act 1985) has been replaced with the Housing Health & Safety Rating System (HHSRS) Part 1 of the Housing Act 2004.