

SUBJECT:	Review of Housing Renewals Policy
MEETING:	Individual Cabinet Member Decision
DATE:	25th July 2018
DIVISION/WARDS AFFECTED:	All

1.0 PURPOSE

- 1.1 The purpose of this report is to seek approval to adopt the draft Housing Renewals Policy.

2. RECOMMENDATIONS

- 2.1 To consider the relevance of providing support to private sector households.
- 2.2 To agree and adopt the attached policy. **See Appendix 1.**

3. KEY ISSUES

- 3.1 There is a need to review and refresh the Council's Housing Renewal Policy due to a variety of both financial and legislative changes. In addition a number of new initiatives have been introduced by Welsh Government to support and encourage the improvement of existing private sector housing, such as loan funding. The Policy effectively formalises existing practice.
- 3.2 In addition to service specific changes there is a need to ensure the Policy is fully aligned with the Council's Safeguarding Policy and therefore, is fit for purpose.
- 3.3 The Council decided over a decade ago that it could not continue to offer discretionary repairs and improvement grants. The main funding, has been £600,000 of capital to fund disabled facilities (DFG's) and Safety at Home (SaH) grants. Over time, the purchasing power of that sum declined and demand, though variable, increased both in quantity and complexity. As adults live longer and wish to stay in their own homes for as long as possible and children with complex disabilities needed specialised facilities in their homes, the demand on the budget has increased. In 16/17 the Council recognised this growth and raised the budget to £900,000. This has helped to improve the average turnaround for DFG's to 193 days.
- 3.3 A further recent development is the Welsh Government has provided a three year funding stream under its ENABLE programme which has added approximately £100,000 to the resources available for disabled adaptations. The fund supports a flexible and responsive approach to delivering adaptations, particularly through partnership arrangements.
- 3.4 As well as the requirement to provide mandatory Disabled Facilities Grants and the discretionary (but highly valued) Safety at Home Grants, the Council has also been able to process Welsh Government funds intended to help home owners carry out home improvements and to encourage owners of empty properties to bring them back into use. The Committee considered a loans report on 19th June 2018. The interest free loans are intended to support these initiatives and essentially mean the Council can offer financial support for private sector housing in absence of being able to

provide discretionary renovation grants. The expectation from Welsh Government is that these loans are promoted by the Council. Take up to date has been limited, therefore, seeking to increase awareness is a key priority.

- 3.5 In addition to the financial support described above the HRP also covers the housing standards enforcement work of the Council's Environmental Health Service. The service also inputs directly into the Home Improvement Loans (HILs) and Houses into Homes (H2H) schemes by ensuring that all Category 1 hazards to health are rectified as part of the scheme of work. The specific policy covering enforcement measures is set out in **Appendix A** of the draft Policy.

4. OPTIONS APPRAISAL

- 4.1 The following options are available, which are fully evaluated in **Appendix 2** are:

- **Option 1** – Continue with the existing housing renewal policy and make no changes. The current policy is, however out of date and not fit for purpose.
- **Option 2** – Adopt the proposed policy in whole
- **Option 3** – Adopt the proposed policy in part

5. OPTIONS EVALUATION

- 5.1 The Council is legally obliged to provide DFGs and to enforce the requirements of the Housing Health and Safety Rating System but all other renewal processes are wholly discretionary. It could opt not to provide SaH grants but these are very low cost (£161 average) and provide the safety features which either prevent injuries such as falls or facilitate early discharge from hospital by making homes safer to use. If such funding was to stop it would simply put additional pressure onto the Social Care and Health services and budgets.
- 5.2 Funding for the HILs and H2H schemes comes from the Welsh Government and the fees attached to these products are intended to offset local authority costs of administering them. There is little to be gained through not offering them although there is a staffing implication. Not offering may result in houses deteriorating further and empty homes not coming back into use and may impact negatively on the reputation of the Council

4. REASONS:

- 4.1 The Council has a legal duty under the Housing Grants, Construction and Regeneration Act 1996 to provide DFGs. There is also a duty to enforce the provisions of the Housing Health & Safety Rating.

5. RESOURCE IMPLICATIONS:

- 5.1 A funding overview is detailed in **Appendix 3**.
- 5.2 Fees are chargeable for the interest free loans. The fees, however, only effectively cover administration costs and terms and conditions prevent the Council from using the fees to generate a 'profit.'
- 5.2 The recent additional funding is obviously welcomed, but this has placed an additional pressure on the 1.6 whole time equivalent staff responsible for delivery.

- 5.3 There are costs associated with the provision of all forms of grant aid and it is possible, indeed likely, that demand for such products will increase as will the unit cost of each. Enforcement of HHSRS is a statutory duty and the Council budgets for the provision of services to do so. The costs of ensuring compliance can be recovered from the owners of the properties involved. HILs and H2H loans and grants attract fees, which should cover costs involved.
- 5.4 The Houses into Homes funding stream being grant is offered to the Council in perpetuity so long as it is being utilised and recycled as loans to applicants. The Home Improvement Loan funding scheme in contrast has to be repaid to Welsh Government by 2030. If the funding repayable is less than the award (ie from loan default) then Welsh Government will share 50% of the shortfall to a maximum amount of 2.5% of the funding awarded.
- 6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS:**
- 6.1 The maintenance of adequate quantities and types of dwellings, some suitably adapted for the needs of disabled occupants contributes to the well being of communities and residents. The bringing back into use of formerly empty dwellings eliminates their negative impact upon the immediate environment. There are no negative implications. **See Appendix 4.**
- 7. SAFEGUARDING & CORPORATE PARENTING IMPLICATIONS:**
- 7.1 The policy supports both safeguarding and corporate parenting through improving standards in private sector housing.
- 7.2 Procedures exist to ensure applications for DFGs are processed within the shortest possible time, and for these processes to be further expedited when requested by the referring Occupational Therapist. It is proposed that all contractors who seek grant-aided work shall also be required to be DBS checked and to receive basic safeguarding training. This is currently being implemented. A code of practice for contractors is also proposed and Safeguarding training.
- 8. CONSULTEES:** Cabinet; Senior Leadership Team; Head of Planning, Housing & Place-Shaping; Assistant Head of Finance; Senior Occupational Health Practitioners; Monmouthshire CAIR; Adults Select Committee
- 9. BACKGROUND PAPERS:** None
- 10. AUTHOR:** Ian Bakewell, Housing & Communities Manager
- 11. CONTACT DETAILS:** E-mail: ianbakewell@monmouthshire.gov.uk Telephone: 01633 644479

Appendix 2

Evaluation Criteria – Cabinet, Individual Cabinet Member Decisions & Council

Title of Report:	Review of Housing Renewals Policy (HRP)
Date decision was made:	25.07.18
Report Author:	Ian Bakewell, Housing & Communities Manager

What will happen as a result of this decision being approved by Cabinet or Council?

The policy effectively formalises existing practice. The advantage of the Policy being in place is it increases transparency and accountability of the Council.

12 month appraisal

What benchmarks and/or criteria will you use to determine whether the decision has been successfully implemented?

The following benchmarks will be used to assess whether the decision has had a positive or negative effect:

- The turnaround time for DFGs and SAHs
- Unit cost of DFGs and SAHs
- Uptake of HILs
- Uptake of H2H for vacant properties
- Case studies
- Client feedback

12 month appraisal

What is the estimate cost of implementing this decision or, if the decision is designed to save money, what is the proposed saving that the decision will achieve?

No direct budget savings will be achieved by implementing this decision. Nor will expenditure be incurred to implement the new policy itself. There are costs, which are budgeted for and funding is available

However, it is considered that expenditure will have cost benefit advantages and it is considered that as a result of DFG and SaH investment, Social Care and Health services will avoid the cost of high level home care or even residential care for disabled occupants. Evidence will be sought from Social Care through the provision of costed case studies.

Investment in home improvements and in bringing vacant properties back into use will help to meet housing need

12 month appraisal

Any other comments

Appendix 3

MCC Housing Renewal Funding Overview

Disabled Adaptations - DFG's and SaH: £900,000

Welsh Government ENABLE Funding – £96,782

Houses into Homes Loans - £604,749*

Home Improvement Loans - £620,855*

*The Houses into Homes funding stream being grant is offered to the Council in perpetuity so long as it is being utilised and recycled as loans to applicants. The Home Improvement Loan funding scheme in contrast has to be repaid to Welsh Government by 2030. If the funding repayable is less than the award (ie from loan default) then Welsh Government will share 50% of the shortfall to a maximum amount of 2.5% of the funding awarded.