Agenda Item No: 5



# Cabinet (Resources) Panel 06 May 2014

Report title Amendments to Small Works Assistance Grants

**Policy** 

**Decision designation** AMBER

Cabinet member with lead

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responsibility

In forward plan

Councillor Peter Bilson

**Economic Regeneration and Prosperity** 

Key decision No

Wards affected All

Accountable director Tim Johnson, Education and Enterprise

Yes

Originating service Housing

Accountable employee(s) Lisa Morgan Housing Improvement Officer

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Report to be/has been considered by

### Recommendation(s) for action or decision:

Cabinet (Resources) Panel is recommended to:

- Approve the amendments to the existing Private Sector Housing, small works assistance grants policy under the Regulatory Reform (Housing Assistance)(England and Wales) Order 2002 by increasing the upper limit for the award of Small Works Assistance Grant from £5,000 to £10,000
- 2. Approve the amendments to the affordable warmth grant assistance, to require that an applicant's property must be in Council Tax Band A, B or C to improve the targeting of funding to assist the most vulnerable private sector households in the City.

### 1.0 Purpose

- 1.1 To approve the amendments to the existing Private Sector Housing, small works assistance grants policy under the Regulatory Reform (Housing Assistance)(England and Wales) Order 2002 by increasing the upper limit for the award of small works assistance grant from £5,000 to £10,000. As per the existing policy, small works assistance grants will remain repayable on demolition, sale or change of ownership, through a charge being added to the property and only one award of assistance will be made per property/applicant.
- 1.2 To approve the amendments to the affordable warmth grant assistance, to require that an applicant's property must be in Council Tax Band A, B or C to improve the targeting of funding to assist the most vulnerable private sector households in the City.

### 2.0 Background

- 2.1 At its meeting of 5 December 2012, Cabinet approved the delivery of private sector housing assistance measures through an "in house" Home Improvement Service. The housing assistance policy provides for repayable emergency small works assistance grants to assist vulnerable homeowners to deal with housing matters which potentially compromise their health and safety and well-being.
- 2.2 The small works assistance grants scheme targets owner occupier households with limited income. Eligible works are those of an urgent nature considered to be dangerous or prejudicial to health and includes (but not limited to) electrical and gas safety as well as security improvements.
- 2.3 Currently, small works assistance grants are available across the City through the Wolverhampton Home Improvement Service (WHIS) via the Handyperson Scheme, to owner-occupiers over 60 years of age who are in receipt of specific means tested benefits. A maximum grant of £5,000 per application is available for works where there is immediate risk to the householder. The grant is payable for works to address situations which are considered to be dangerous (category 1 hazards under the Housing Health and Safety Rating System) or likely to be "Prejudicial to the Health" of the occupants. These defects should be of an "acute" nature rather than indicative of a "chronic" long-standing or gradual degenerative condition. The exception to this may be in circumstances where long standing rot /infestation or disrepair would lead to imminent risk of collapse of a part of the structure.
- 2.4 The Housing Capital Programme approved by Council on 1 March 2012 included a budget of £1.0 million per annum for five years for the Private Sector Housing Assistance Programme including small works assistance from 2012/13 which is split equally between the small works assistance grants and the affordable warmth grants programmes.

The affordable warmth assistance programme provides energy efficiency measures for vulnerable people on a low income and at risk of chronic cold/damp related illnesses. Appropriate heating and insulation works are carried out subject to a maximum grant of £5,000. The approximate average grant is £2,700. The grant is City wide and only available to qualifying private sector households. For residents to qualify, they must be on specific income related benefits and suffer from a serious cold or damp related illness.

### 3.0 Proposals

- 3.1 Early feedback from WHIS has identified that since the original policy was introduced in July 2003 there has been no uplift in the maximum award of grant available to take into account increasing building costs. Early indication from grants delivered between November 2013 to March 2014 is that 40% applications for assistance are in excess of the maximum £5,000 award and therefore have to be considered through an Individual Executive Decision Notice which adds to the bureaucracy involved in administering the programme and delays in undertaking essential works.
- 3.2 It is proposed therefore that the maximum award for small works assistance grant is increased from £5,000 to £10,000. As per the existing policy, small works assistance grants will remain repayable on demolition, sale or change of ownership, through a charge being added to the property and only one award of assistance will be made per property/applicant. Progress on expenditure and assistance delivered will be monitored monthly through the WHIS reporting mechanism as part of the Housing Strategy Delivery Plan.
- 3.3 In order to avoid situations where grants are awarded to applicants residing in relatively high value properties and who are deemed to be equity rich and therefore are likely to be able to finance the measures by other means, it is proposed that the affordable warmth assistance, is amended to require that the applicants property must be in Council Tax Band A, B or C. Applicants residing in properties in a higher band will only receive assistance in exceptional circumstances which will be subject to an Individual Executive Decision Notice to consider the Council's discretion to award assistance outside of the normal criteria.

### 4.0 Financial implications

- 4.1 The full amount of small works assistance grants up to the value of £10,000 will remain repayable on demolition, sale or change of ownership, through a charge being added to the property.
- 4.2 Affordable warmth grant remains a non repayable grant, up to a maximum value of £5,000 per award.
- 4.3 At present there is a budget in the approved housing capital programme of £500,000 per annum for repayable small works grants and £500,000 per annum for affordable warmth grants from 2014/15 for three years. However, these budgets are currently under review. [CF/30032014/B]

### 5.0 Legal implications

5.1 The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 confers a power on local authorities to improve living conditions in their area. It provides the assistance can be given for a range of matters including repairing living accommodation and the adaptation or improvement of living accommodation. Housing Assistance can be provided in any form i.e. grant or loan and can be made subject to conditions. This power to provide assistance can only be exercised once a policy has been adopted and published. Thereafter the local authority can only provide assistance in accordance with that policy. The recommendations within this report are consistent with the Councils strategic objectives in operating the Housing Assistance Policy.

[JH/01042014/I]

### 6.0 Equalities implications

- 6.1 This report has equal opportunities implications in that it seeks to provide funding to vulnerable households living in substandard private sector accommodation. It seeks to target resources towards financially disadvantaged or "vulnerable" households living in non-decent homes and assists the achievement of addressing the strategic housing target of increasing the number of vulnerable households living in privately owned homes which meet the decent homes standard.
- 6.2 An initial screening was completed of this new policy and this shows that a full analysis is not required. Equalities monitoring is in place and this will allow for the process of allocating support to pay "due regard" to Public Sector Equality Duty.

### 7.0 Environmental implications

7.1 Small works assistance grants enables Housing Services to improve the standard of housing in the City, reduce inequalities and potentially reduce carbon emissions in line with the Council's sustainability strategy; in turn this will improve the function, amenity and visual impact of the City neighbourhoods.

### 8.0 Human resources implications

8.1 Administration of the grants received will be contained within existing resources from Housing Services

#### 9.0 Corporate landlord implications

9.1 Small works assistance grants are delivered to owner occupiers only and have no corporate landlord implications.

### 10.0 Schedule of background papers

10.1 Housing Assistance in Wolverhampton 11<sup>th</sup> April 2012
Cabinet report, Delivery of Housing Assistance Policies, 5<sup>th</sup> December 2012.
Cabinet Resources Panel – 31 January 2012
Regenerating Wolverhampton Cabinet Team – 26/04/2004
Cabinet – 14/07/2010, 28/09/2010, 23/03/11
The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002
Housing Renewal Guidance – ODPM Circular 05/2003