

# BRIDGEND COUNTY BOROUGH COUNCIL

## REPORT TO CABINET

1 NOVEMBER 2016

### REPORT OF THE CORPORATE DIRECTOR, OPERATIONAL & PARTNERSHIP SERVICES

#### AMENDMENT TO THE PRIVATE SECTOR HOUSING RENEWAL AND DISABLED ADAPTATIONS POLICY

##### **1.0 Purpose of Report**

- 1.1 To seek Cabinet approval to amend the Private Sector Housing Renewal and Disabled Adaptations Policy (Appendix 1) to reflect the new Corporate Priorities, to provide assistance to Registered Social Landlords(RSLs) and Charitable Housing Organisations to work in partnership with the Council to address housing need, and to maximise participation in Homes in Towns (HiTs) Grants.

##### **2.0 Connection to Corporate Plan / Other Corporate Priority**

- 2.1 By assisting residents to remain in their own homes as long as possible, this Policy contributes to the following Corporate Priorities;

- Supporting a successful economy;
- Helping people to be more self-reliant; and
- Smarter use of resources.

##### **3.0 Background**

- 3.1 The Council's current Private Sector Housing Renewal and Disabled Adaptations Policy together with the Bridgend Standard for Adaptations and Assistance was approved by Cabinet on 7<sup>th</sup> June 2016. This was developed having regard to the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002. This legislation gave local authorities a wide ranging power to prescribe the type of assistance they provide, and the terms and conditions associated with that assistance. Local authorities can provide grants, loans, equity release, labour or any form of assistance to maximise improvements in private sector housing to meet local circumstances. However, Councils cannot exercise these powers until the policy is approved and published.
- 3.2 Disabled Facilities Grants to adapt properties for people with disabilities are mandatory. All other types of assistance are discretionary.
- 3.3 As required under Welsh Government guidance, the existing policy is based on local evidence of need, and aligns with wider local and national strategic objectives. The Council's Local Housing Market Assessment, Stock Condition Survey and review of adaptation services have identified the need to provide a range of different grants and assistance to tackle identified problems in the County Borough such as housing disrepair, empty properties, area regeneration, poor conditions in the private rented sector and home energy efficiency, as well

as targeting vulnerable clients, particularly older and disabled persons.

- 3.4 The need to update the Private Sector Housing Renewal and Adaptation Policy is in recognition of the Council's need to support the new Corporate Priorities, work proactively to with RSLs to meet our strategic objectives of providing affordable housing and meet our obligations under the Housing (Wales) Act 2014 and the Social Services & Wellbeing (Wales) Act 2014.

#### **4.0 Current situation / proposal.**

- 4.1 The following changes are proposed:-

Disabled Facilities Grant – It is proposed to clarify the repayment conditions, namely to repay the grant in full if the recipient is found not to be entitled to it.

In addition, to add the following paragraph,

'Where the recipient dies before the certified date or grant condition period (10 years), the Authority in making the decision for repayment shall have regard to all the circumstances of the case before determining the appropriate outcome.'

- 4.2 ENABLE – To include reference to the recently announced Welsh Government Enhanced Adaptations Service funding (ENABLE) programme, to deliver adaptations that would not otherwise be delivered through the mandatory Disabled Facility Grant system, in the Council's Policy. Initial guidance from Welsh Government has been given, with assistance falling into three broad categories, Very Small, Small and Large, however the exact nature of this assistance will be to tackle local needs in conjunction with local partners.

Further information and guidance is currently being worked upon nationally, however local proposals for the funding will meet the broad current and future criteria set out by the Welsh Government.

- 4.3 Comfort Safety & Security Grants - the eligibility criteria for this grant has been simplified to reflect the needs of applicants and to streamline the process, and meet the aims of the new Corporate Priorities.

Also to add the following sentence regarding Repayment Conditions;

*'Any financial assistance for qualifying works under this grant heading will not be repayable to the Council'.*

- 4.4 Empty Homes Grant– It is proposed to alter the eligibility of the applicant of the grant to reflect changes in the legislation as part of the Housing (Wales) Act 2014. It is proposed to amend the wording to:

*"The applicant must:*

*..... be (or their appointed agents be) registered with Rent Smart Wales under the Housing (Wales) Act 2014 (and provide documentary evidence)."*

- 4.5 Assistance to RSLs in Strategic Regeneration – It is proposed to rename this grant 'Strategic Housing Assistance' to reflect the Council's wider aims of working in partnership with RSLs and Charitable Housing Organisations to meet housing

need.

- 4.5.1 Currently the grant allows up to £25,000 per unit of accommodation. It is proposed to amend this to reflect a maximum total grant that can be received, in line with European Union State Aid Regulations, as indicated below;

*“Any scheme assisted under this grant funding will be subject to full nomination rights as outlined in the Social Housing Allocation Policy (SHAP) or any specific Council Lettings Policy in place at the time of nomination.*

*Maximum Loan Amount*

*Up to a maximum of £25,000 per unit of accommodation up to a maximum of €500,000, per applicant, over any three year fiscal period as it relates to a particular applicant subject to this being in compliance with European Union de Minimis State Aid Regulations including procedural requirements, and in the case of RSLs not to exceed not to exceed 58% of the Total Scheme Costs, to be determined by the Local Authority.”*

Strategic Regeneration Grants can take advantage of the higher State Aid Regulations de minimis ceiling applicable for “services of general economic interest” (‘SGEI’), i.e. the ceiling of €500,000 as opposed to the ordinary de minimis ceiling of €200,000. These grants fall within the special rules on SGEI because of the conditions attached to them. Taking advantage of the de minimis rules will require compliance with certain procedural requirements under the State Aid Regulations.

- 4.6 Homes In Town Grant (HIT) – There has been interest in this grant since its introduction from potential applicants who are on the periphery of or in the wider Town Centre area. In order to increase the take up of the grant and to assist Corporate Priorities it is proposed to widen the area of eligibility – the proposed amended area of eligibility is indicated in Map A of Appendix 1 attached to this report, together with altering the wording of the grant to;

*‘The HIT grant will be prioritised in the target area as set out in Map A. Prioritisation will be given to applications that fall within the inner core in the first instance, although applications will be invited for properties that fall within the outer ring. An application will only be considered, if in the Authority’s opinion, the property is suitable for letting through a nomination from the Common Housing Register or under the Council’s Local Lettings Policy in place at the time of referral.’*

- 4.6.1 Maximum Grant Amount - Potential schemes are required to undertake Acoustic surveys and works to alleviate any potential sound/noise generated. In order to assist this it is proposed to include the following:

*“85% of any works identified/recommended as a result of an Acoustic Survey;”*

In addition, the maximum grant that can be received has been clarified, as indicated below:

*“This grant can be combined with any other grants such as Townscape Heritage Initiative and Empty Property Loans available from the Council, to a combined*

*maximum value of €500,000, per applicant (s), over any three year fiscal period as it relates to a particular applicant subject to this being in compliance with European Union de Minimis State Aid Regulations including procedural requirements.”*

Homes in Town Grants Grants can take advantage of the higher State Aid Regulations de minimis ceiling applicable for “services of general economic interest” (‘SGEI’), i.e. the ceiling of €500,000 as opposed to the ordinary de minimis ceiling of €200,000. These grants fall within the special rules on SGEI because of the conditions attached to them. Taking advantage of the de minimis rules will require compliance with certain procedural requirements under the State Aid Regulations.

4.6.2 Eligibility - In addition under the applicant eligibility it is proposed to amend it to reflect the requirements of the Housing (Wales) Act (as paragraph 4.3 of this report) and to amend the property eligibility to the following;

*“• be rented on completion of works, at the rate of the Local Housing Allowance and be made available under for letting through a nomination from the Common Housing Register or under the Council’s Local Lettings Policy in place at the time of referral, for a minimum period of 3 years where 1-5 units are created and 5 years where 6 or more units are created;*

*• not be the subject of a demolition order under the Housing Acts or a compulsory purchase order (Housing Act and or Planning Acts); and”*

And repayment conditions to;

*“• 100% grant is repayable for up to 3 years where 1-5 units are created and 5 years where 6 or more units are created.”*

## **5.0 Effect upon Policy Framework& Procedure Rules.**

5.1 The proposals described above will implement the Council’s Local Housing Strategy, and achieve a balance between meeting mandatory duties, providing services to vulnerable clients, and contributing to Welsh Government and corporate objectives, within available resources.

## **6.0 Equality Impact Assessment**

6.1 An Equality Impact Assessment has been undertaken for the 2016 Policy to assess its relevance to the Authority’s public equality duties and potential impact on protected equality characteristics. This policy has been assessed as relevant to the Authority’s general and specific duties to promote equality and eliminate discrimination with regard to gender, disability, race, religion and belief and age. The policy has also been assessed as relevant to the Authority’s duty to promote and protect human rights (specifically protection of property and right to respect for private and family life). The proposed amendments made to the Policy have no effect on this EIA.

## **7.0 Financial Implications.**

7.1 Funding for the existing grants is identified in the Council’s capital programme as

Housing Renewal / Disabled Facilities Grants. Grants can only be awarded up to the level of available funding within any financial year.

8.0 Recommendation

8.1 Cabinet is recommended to approve the revised Private Sector Renewal and Disabled Adaptation Policy, as attached at Appendix 1.

**P A JOLLEY**

**CORPORATE DIRECTOR- OPERATIONAL AND PARTNERSHIP SERVICES**

**17/10/16**

**Contact Officer: Martin Ridgeway/Angie Bowen**

**Housing Strategy Team Leader/Group Manager,**

**Housing and Community Regeneration**

**Telephone: (01656) 643527/643501**

**E-mail: [martin.ridgeway@bridgend.gov.uk/](mailto:martin.ridgeway@bridgend.gov.uk)**

**[angie.bowen@bridgend.gov.uk](mailto:angie.bowen@bridgend.gov.uk)**

**Postal Address: Operational & Partnership Services Directorate, Bridgend County Borough Council, Civic Offices, Angel Street, Bridgend, CF31 4WB**

**Background documents: Cabinet Report on 7 June 2016**

**Regulatory Reform (Housing Assistance) (England and Wales) Order 2002**

**Housing (Wales) Act 2014**

**Social Services & Wellbeing (Wales) Act 2014**

**State Aid Regulations**