

CABINET MEMBER MEETING

Agenda Item 47

Brighton & Hove City Council

Subject: Expenditure of the 2008/09 Private Sector Housing Renewal Grant Allocation and Amendments to the council's Housing Renewal Assistance Policy

Date of Meeting: 10 September 2008

Report of: Director of Adult Social Care & Housing

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Key Decision: Yes Forward Plan No. HSG3793

Wards Affected: All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT

1.1 This report seeks approval for:

1.1.1 expenditure of the council's share of the 2008/09 Private Sector Housing Renewal Grant allocation to the Brighton & Hove and East Sussex Together (BEST) local authority consortium in accordance with the provisions of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002

1.1.2 distribution of the remainder of this allocation to the council's BEST partner authorities in East Sussex, and

1.1.3 amendments to the council's Housing Renewal Assistance Policy

1.2 Brighton & Hove City Council is the lead authority for the delivery of the 2008-2011 Private Sector Housing Renewal Programme for Brighton and Hove and East Sussex. Approval by the Housing Cabinet Member provides authority for expenditure of Private Sector Housing Renewal Grant, subject to appropriate eligibility criteria. The amount of Housing Renewal Grant that has been awarded gives scope for expansion of the council's Housing Renewal Assistance Policy with the aim of assisting a larger number of private sector residents with housing improvements and repairs.

2. RECOMMENDATIONS

2.1 It is recommended that the Cabinet Member for Housing approves the following during 2008/09:

2.1.1 Expenditure within Brighton & Hove of £2,776,000 of the 2008/09 BEST Housing Renewal Grant allocation in accordance with the council's Housing Renewal Assistance Policy (as amended), with provision to carry over any part of this amount to the following and/or future financial years;

- 2.1.2 Such expenditure to be targeted on the various forms of assistance identified as Policy Tools in the Council's Housing Renewal Assistance Policy, and/or in accordance with the approved Home Safety and Security initiative and other relevant approved programmes;
- 2.1.3 Payment of the remaining £2,397,000 of the £5,173,000 Housing Renewal Grant allocated for the 2008/09 Brighton & Hove East Sussex Together (BEST) programme to the five East Sussex authorities in accordance with an agreed distribution profile.
- 2.1.4 Expenditure of £440,000 of Brighton & Hove's 2008/09 BEST Housing Renewal Grant allocation as a 40% local authority contribution to match fund the government's contribution towards Disabled Facilities Grants or other relevant works under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 and expenditure of the £660,000 government contribution to this programme.

It is further recommended that the Cabinet Member for Housing approves the following amendments to the council's current Private Sector Housing Renewal Assistance Policy:

- 2.2.1 Eligibility for Decent Homes Assistance and Decent Homes Loans to be extended to include provision for the repair or replacement of any building component that is in a condition of substantial disrepair, and/or provision of one or more of the 'modern facilities and services' specified in the Decent Homes Standard in accordance with the provisions set out in this report;
- 2.2.2 The maximum limit on Decent Homes Assistance to be increased from £25,000 to £50,000 (or 50% of the equity, whichever is the lesser);
- 2.2.3 Amendment of the required minimum period for ownership and occupation by the applicant prior to the date of application from one year to six months for the purpose of Decent Homes Assistance and Decent Homes Loans;
- 2.2.4 The maximum limit on Decent Homes Loans to be increased from £15,000 to £20,000 and the minimum age requirement for Interest Only and Interest Roll-up Loans to be set at 60, with provision for amendment in accordance with any future changes to the relevant lending criteria;
- 2.2.5 Eligibility for Common Parts Assistance and Common Parts Loans to be extended to cover the cost of appropriate repairs or replacement of any key component(s) of the common parts of the building that is(are) in a condition of substantial disrepair in accordance with the provisions set out in this report;
- 2.2.6 Amendment of the required minimum period for ownership and occupation by the applicant prior to the date of application from one year to six months for the purpose of Common Parts Assistance and Common Parts Loans;
- 2.2.7 The maximum limit on Common Parts Loans to be increased from £15,000 to £20,000 and the minimum age requirement for Interest Only and Interest Roll-up Loans to be set at 60, with provision for amendment in accordance with any future changes to the relevant lending criteria;

- 2.2.8 The levels of grant available through Empty Properties Assistance to be increased in accordance with the provisions as set out in this report;
- 2.2.9 Removal of the eligibility deadline for HMO Licensing Grants to enable landlords who have purchased licensable properties since the original deadline to be eligible for an HMO Licensing Grant;
- 2.2.10 Extension of the scope of HMO Licensing Grants to enable the provision of amenities beyond the council's HMO Licensing Standards in relevant cases, and provision for the maximum limit of grant to be increased appropriately to facilitate this;
- 2.2.11 Amendment of the Landlords Minor Heating Grant to include provision of grant-aided energy efficient central heating as an incentive to landlords served with improvement notices not to install inefficient electric heating systems;
- 2.2.12 Amendment of the Landlords Minor Heating Grant to include installation of a gas supply and meter in cases when this is necessary and to increase the maximum level of grant to cover the reasonable cost of such works.
- 2.2.13 Amendment of the Landlords Minor Heating Grant to enable accredited landlords to obtain assistance for the replacement of old or defective central heating boilers.
- 2.2.14 Amendment to the HMO Energy Innovation Grant scheme to extend it to all relevant licensed HMOs;
- 2.2.15 A new Temporary Accommodation Energy Innovation Grant to provide assistance for energy efficiency measures in private sector properties used as temporary accommodation for homeless households;
- 2.2.16 A new Temporary Accommodation Adaptations Grant to be created to provide assistance towards the cost of including wheelchair accessibility and/or other appropriate adaptations to properties leased to the council for the accommodation of homeless households;
- 2.2.17 Amendment to the Disabled Facilities Assistance scheme to widen the scope of assistance provided in accordance with the provisions as set out in this report;
- 2.2.18 The maximum limit on Disabled Facilities Assistance to be increased from £25,000 to £50,000(or 50% of the equity, whichever is the lesser);
- 2.2.19 Amendment of the Occupiers Minor Adaptations Grant to enable certain types of straightforward adaptations to be carried under this scheme (subject to confirmation of changes to relevant funding arrangements);
- 2.2.20 Provision for the payment of Land Registry search fees from Housing Renewal funding;
- 2.2.21 Provision for an allocation of up to £20,000 per year during the period 2008/2011 for marketing and promotion of the various forms of Housing Renewal Assistance in the Housing Renewal Policy.
- 2.2.22 Provision for future amendment of the Housing Renewal Assistance Policy to be delegated to the Assistant Director of Housing in consultation with the Cabinet Member for Housing.

- 2.3 It is recommended that the Cabinet Member for Housing approves 1 October 2008 as the commencement date for all of the amendments to the Housing Renewal Assistance Policy specified in this report.

3. BACKGROUND INFORMATION

- 3.1 The Council's Housing Renewal Assistance Policy 2006 was adopted by the council in accordance with the powers provided to local housing authorities by the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002. This Policy sets out a range of Policy Tools that provide financial assistance to householders. The largest proportion of private sector housing in the city is owner-occupied and most of the Policy Tools are therefore targeted towards assisting private homeowners on limited incomes.
- 3.2 Fieldwork for the council's 2008 Private Sector Housing Stock Condition Survey was undertaken during the 2007/08 winter period and the survey report will shortly be finalised. Some of the key findings of the survey are as follows:
- 3.2.1. The proportion of the private sector housing stock that fails to meet the Decent Homes (35.0%) is substantially higher than the national average of 27.1%;
- 3.2.2. The high Decent Homes failure rate is largely driven by category 1 hazards under the Housing Health & Safety Rating System and energy efficiency standards;
- 3.2.3. Failure of the Decent Homes Standard has become a greater problem following the introduction of the Housing Health & Safety Rating System.
- 3.3 Private Sector Housing Renewal (PSHR) Funding for the three-year period 2008/11 has been the subject of competitive bids by local authority consortia to the South East Regional Housing Board. Brighton & Hove City Council has acted as Lead Authority in submitting a bid for the Brighton & Hove East Sussex Together (BEST) consortium, a partnership between the city council and the five district councils in East Sussex, (Eastbourne, Hastings, Lewes, Rother and Wealden).
- 3.4 In evaluating the bids the Regional Housing Board's assessment panel rated the BEST bid most highly of all, alongside one other bid. The assessment panel stated that "the track record of the partnership authorities is excellent" and also described the BEST bid as excellent in respect of innovation and collaboration. Consequently, the BEST consortium's PSHR bid was successful in securing the highest PSHR allocation in the region.
- 3.5 As the lead authority for the BEST consortium, in addition to managing our own Housing Renewal Assistance programme, we have additional responsibilities for receiving and distributing the funding to the other BEST authorities.
- 3.6 The amount awarded to the BEST local authority consortium for 2008/09 is £5,173,000. A profile for distributing this funding amongst the six consortium authorities was established at the time of preparing our funding bid. On the basis of this profile a sum of £2,776,000 (more than 50% of the total allocation) should be allocated to Brighton and the remaining £2,397,000 should be shared amongst the other five authorities.

- 3.7 Indicative amounts of grant funding that are likely to be awarded to the BEST consortium for the remaining two years of the programme have also been provided by the East Regional Housing Board. These are £6,755,000 for 2009/10 and £6,672,000 for 2010/11.
- 3.8 The level of funding provided for the current financial year, and the prospect of even larger allocations for the following two years provides an opportunity for substantial expansion of the council's current private Sector Housing Renewal Policy.
- 3.9 A key focus of our private sector housing renewal programme is funding of adaptations for disabled private householders. This complements the focus on adaptations being taken forward as part of the work of the Chairman's Tenant Focus Group considering Council Housing adaptations and needs of those seeking social housing.
- 3.10 Two significant changes to the provisions relating to government funding for Disabled Facilities Grants (DFGs) have been notified to local authorities with an indication that these changes would apply in the current financial year. Firstly, a requirement that the government allocation be used to pay for 60% of the cost of DFGs, topped up by a 40% local authority contribution, is to be abolished. This will allow more flexibility in the respective funding proportions, although it is important to note that the mandatory obligation on local authorities to approve and pay DFGs will continue to apply.
- 3.11 Secondly, the requirement that the government contribution be used exclusively to finance DFGs is to be relaxed, so that the funding can now be used to finance other works under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002. However, the amendments proposed in this report will result in an increase in our funding for disabled persons' adaptations.
- 3.12 It is intended that the council will maintain the same (40%) level of support for adaptations for disabled private sector residents as provided in previous years. However, it is proposed the flexibility provided by the changes to financial provisions be used to expand the current Minor Adaptations Grant scheme.
- 3.13 At the time of writing this report, confirmation as to when these changes have or will be implemented is being sought from the government.

4. 2008/09 BEST PRIVATE SECTOR HOUSING RENEWAL PROGRAMME

- 4.1 Authority is sought to spend Brighton & Hove's £2,776,000 share of the BEST allocation for 2008/09, for the payment of the remaining £2,397,000 of the 2008/09 BEST Housing Renewal Grant allocation to the five East Sussex authorities and for £440,000 of Brighton & Hove' share of the allocation to be used as a 40% local authority contribution to match fund £660,000 government contribution towards Disabled Facilities Grants or other relevant works under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002.
- 4.2 In the event that not all of Brighton & Hove's share of the BEST allocation is spent by the end of 2008/09, authority is also sought for funding to be carried forward for expenditure in the following and/or future years.

- 4.3 Authority is sought for the the remaining £2,397,000 of the £5,173,000 Housing Renewal Grant allocated for the 2008/09 Brighton & Hove East Sussex Together (BEST) programme to the five East Sussex authorities in accordance with an agreed distribution profile.

5. REVIEW AND AMENDMENT OF THE COUNCIL'S HOUSING RENEWAL ASSISTANCE POLICY

- 5.1 The success of the BEST funding bid provides scope for the council's current Private Sector Housing Renewal Assistance to be expanded so that a wider range of private sector residents on limited incomes could be offered financial assistance in the form of loans or grants towards home repairs and improvements.

- 5.2 The recommended amendments to the various Policy Tools and other provisions of the Housing Renewal Assistance Policy 2006 are set out below.

6. AMENDMENTS TO THE PROVISIONS FOR DECENT HOMES ASSISTANCE AND DECENT HOMES LOANS

- 6.1 Decent Homes Assistance and Decent Homes Loans are currently available to provide financial assistance for private homeowners whose properties fail to meet the Decent Homes Standard. However, there is no current provision for preventing homes from becoming non-decent in the future.

- 6.2 One of the criteria of the Decent Homes Standard requires a property to be in a reasonable state of repair. A property is deemed to meet this requirement unless one or more key building components, or two or more other building components, are old and, because of their condition, need replacing or major repair.

- 6.3 A crucial element of this requirement is the stipulation that building components must be 'old' as well as in disrepair in order to fail this part of the Decent Homes Standard. The definition of 'old' in this context is that the building component must be older than its specified 'standard lifetime'.

- 6.4 It is now proposed that Decent Homes Loans and/or Decent Homes Assistance be made available for repair or replacement of any building component that is in substantial disrepair. This would enable appropriate repairs or replacements to be undertaken as a means of preventing properties in disrepair from falling into a state of non-decency.

- 6.5 Another criterion of the Decent Homes Standard concerns the presence or absence of reasonably modern facilities and services. To fail this criterion a dwelling must be lacking three or more of the following:

- a kitchen which is 20 years old or less;
- a kitchen with adequate space and layout;
- a bathroom which is 30 years old or less;
- an appropriately located bathroom and WC;
- adequate noise insulation;
- adequate size and layout of common entrance areas for blocks of flats.

- 6.6 Again, as a means of preventing future failures of the Decent Homes Standard under this criterion, it is proposed that Decent Homes Loans and/or Decent Homes Assistance be made available to remedy a deficiency in one or more of the specified modern facilities or services.
- 6.7 There are a significant number of cases where the cost of eligible works is in excess of the current limit of £25,000. In addition, by broadening the eligibility criteria to exclude consideration of the age of building components as proposed, the potential for higher costs will increase. Consequently, it is proposed that the Decent Homes Assistance limit be increased from £25,000 to £50,000 (or 50% of the equity, whichever is the lesser).
- 6.8 The Decent Homes Loan and Common Parts Loan schemes are delivered on the council's behalf by South Coast Moneyline under the provisions of the Southern Homes Loans Partnership (SHLP). Membership of SHLP currently comprises South Coast Moneyline, Brighton & Hove City Council and four other south coast local authorities.
- 6.9 South Coast Moneyline have recently recommended that the loan maximum be increased from £15,000 to £20,000 and that the qualifying age for interest only loans be reduced from 70 to 60. The 60 year qualification has also been proposed by South Coast Moneyline for a new Interest Roll-up loan product. Such changes would be helpful, particularly in view of the proposal to broaden the eligibility requirements. It is therefore proposed that these changes be adopted and, to provide additional flexibility, that provision also be made for future amendment in accordance with any further changes to the relevant lending criteria as agreed between the council, its SHLP local authority partners and South Coast Moneyline.
- 6.10 Because the ceiling on Decent Homes Loans is specified in South Coast Moneyline's Lending Criteria the proposed changes are also subject to ratification by the SHLP local authorities and South Coast Moneyline's Credit Committee. This ratification can be given on the council's behalf by the Lead Officer appointed under the terms of the relevant legal agreements.
- 6.11 A further proposed amendment to Decent Homes Assistance and Decent Homes Loans is for the required minimum period for ownership and occupation by the applicant prior to the date of application from one year to six months.
- 6.12 The detailed provisions for Decent Homes Assistance and Decent Homes Loans, with amendments as recommended above, are set out in Appendix 1. Changes to the amounts of loans and assistance to be offered, as provided in Appendix B to the original Housing Renewal Assistance Policy are set out in a new Annex (Tests of Resources and Lending Criteria).

7. AMENDMENTS TO THE PROVISIONS FOR COMMON PARTS ASSISTANCE AND COMMON PARTS LOANS

- 7.1 At present the eligibility for these forms of housing renewal assistance are relatively stringent, requiring that at least one of the flats in the building to be subject to a Category 1 Hazard under the Housing Health & Safety Rating System. There has been minimal take up of these forms of assistance to date.

- 7.2 It is proposed that the existing eligibility requirements for Common Parts Assistance and/or Common Parts Loans be expanded to include appropriate repairs or replacement of any key component(s) of the common parts of the building that is(are) in a condition of substantial disrepair.
- 7.3 Amongst other measures, this would allow for assistance to be given in cases where the repair of defective external fire escapes has been required by the Fire and Rescue Service or the council.
- 7.4 In line with the recommended amendments to Decent Homes Loans it is proposed that the maximum amount of Common Parts Loans be raised from £15,000 to £20,000 and that the qualifying age for interest only (and Interest Roll- up) loans be set at 60. Again, it is also proposed that provision be made for future amendment in accordance with any further changes to the relevant lending criteria as agreed between the council, its SHLP local authority partners and South Coast Moneyline. As for Decent Homes Loans these changes are also subject to ratification by the SHLP local authorities and South Coast Moneyline's Credit Committee.
- 7.5 A further proposed amendment to Common Parts Assistance and Common Parts Loans is for the required minimum period for ownership and occupation by the applicant prior to the date of application from one year to six months.
- 7.6 The detailed provisions for Common Parts Assistance and Common Parts Loans, with amendments as recommended above, are set out in Appendix 2. Changes to the amounts of assistance as provided in Appendix B to the original Housing Renewal Assistance Policy are set out in a new Annex (Tests of Resources and Lending Criteria).

8. AMENDMENTS TO THE MAXIMUM LIMITS SET FOR EMPTY PROPERTIES ASSISTANCE

- 8.1 The current levels of funding available under the Empty Properties Assistance scheme were set in 2003. Since then building costs have increased significantly. Average annual inflation over this period, based on the Consumer Price Index has been approximately 3.3%.
- 8.2 In order to reflect the effect of inflation since the amounts of Empty Property Grants were set in 2003 it is now proposed that the levels of funding under this scheme be increased on the basis of an annual inflation rate of 3.3% rounded to the nearest £500. The detailed provisions for Empty Properties Assistance amended to provide for the new amounts of assistance to be awarded on this basis according to the size of the dwelling(s) provided are set out in Appendix 3.

9. AMENDMENTS TO THE LANDLORDS' HMO LICENSING GRANT SCHEME

- 9.1 The current Landlords' HMO Licensing Grant scheme provides for grants of up to £2,000 to be given towards the cost of fire precaution works and additional facilities in cases when an application for an HMO Licence was submitted before the qualifying cut-off date of 12 July 2006. This has been an effective means of supporting those landlords who responded positively at the time that the new HMO Licensing obligations came into operation.

- 9.2 However, the establishment of the fixed qualifying date has meant that new owners of HMOs who purchased properties after the cut-off date and then applied for an HMO Licence have not had the opportunity to apply for a grant.
- 9.3 In order to provide fair treatment to all owners of licensable HMOs it is now proposed that eligibility for Landlord's HMO Licensing Grants be extended to include new owners who apply for an HMO Licence.
- 9.4 It is also proposed that, in appropriate cases, the provision of amenities beyond the council's HMO Licensing Standards (such as the installation of mechanical ventilation as a means of tackling condensation, the installation of showers or the conversion of a room to provide additional WC facilities) be included as a possible measure under this grant scheme.
- 9.5 To accommodate a wider range of potential works under this grant it is proposed that the provisions relating to the amount of grant be amended. For works required to meet the council's HMO Licensing standards for means of escape and amenities it is proposed that the existing restriction of 50% grant, up to a maximum of £2,000 be retained.
- 9.6 For provision of amenities that go beyond the council's minimum standards it is proposed that an additional amount for the whole of the reasonable cost, up to a limit of £3,000, be made available.
- 9.7 The detailed provisions for Landlords' HMO Licensing Grants, with amendments as recommended above, are set out in Appendix 4.

10. AMENDMENTS TO THE LANDLORDS MINOR HEATING GRANT SCHEME

- 10.1 The current Landlords Minor Heating Grant scheme is primarily employed as an incentive to landlords to sign up to the council's Landlords Accreditation Scheme. However, there have been a substantial number of cases when such an incentive could have helped to secure a more satisfactory outcome as a consequence of enforcement action under the Housing Act 2004.
- 10.2 When an Improvement Notice is served on a landlord requiring installation of heating as a remedy of a Category 1 Excess Cold Hazard under the Housing Health and Safety Rating System (HHSRS) it is clearly desirable that energy efficient gas-fired central heating be installed. However, it is not possible to insist on this and very often landlords will install an electric heating system as this is a simpler, cheaper and more convenient option for them.
- 10.3 To address this it is now proposed that the eligibility requirements for Landlords Minor Heating Grants be expanded to include landlords who are served with HHSRS Improvement Notices requiring installation or improvement of heating.
- 10.4 It is further proposed that the scope of the Landlords Minor Heating Grant be expanded to include installation of a gas supply and meter in cases when this is necessary and to increase the maximum level of grant to cover the reasonable cost of such works.

- 10.5 For accredited landlords only it is proposed that the scope of the Landlords Minor Heating Grant be expanded to include replacement of old or defective central heating boilers
- 10.6 The detailed provisions of the amended Landlords Minor Heating Grant scheme as now proposed are set out in Appendix 5.

11. AMENDMENTS TO THE HMO ENERGY INNOVATION GRANT SCHEME

- 11.1 When the HMO Energy Innovation Grant scheme was initially established it was available generally to any private landlord who owned an HMO that was either provisionally or fully registered under the council's HMO Registration scheme.
- 11.2 Subsequently, particularly due to budget limitations, the scheme was more specifically focused solely on properties used to accommodate homeless people. Energy efficient heating and insulation measures have now been installed to seven such properties under the scheme, providing many of the city's most vulnerable residents with a comfortable and affordable home environment.
- 11.3 Apart from temporary accommodation there are currently no further private sector properties in Brighton & Hove requiring significant energy efficiency improvements that are used by the council on a routine basis to accommodate homeless people. This provides an opportunity to revise the HMO Energy Innovation Grant scheme to enable more HMO tenants to benefit from energy efficiency improvements to their homes.
- 11.4 In order to provide some additional safeguards to tenants it is proposed that additional grant conditions be established to prevent landlords from unreasonably increasing rent levels and to provide tenants with an adequate degree of control over the availability of heating and hot water.
- 11.5 The detailed provisions of the amended HMO Energy Innovation Grant scheme as now proposed are set out in Appendix 6.

12. A NEW TEMPORARY ACCOMMODATION ENERGY INNOVATION GRANT

- 12.1 In some cases the heating and/or thermal insulation in temporary accommodation leased from private landlords does not fully meet satisfactory standards. In order to remedy this it is proposed that a new Temporary Accommodation Energy Innovation Grant scheme be established.
- 12.2 It is proposed that each grant would be given to cover the full cost of eligible works up to specified appropriate limits as applied to other similar energy efficiency grants. The detailed provisions for this new grant scheme are set out in Appendix 7.

13. A NEW TEMPORARY ACCOMMODATION ADAPTATIONS GRANT

- 13.1 A significant proportion of householders placed in temporary accommodation leased from private landlords are disabled. Such people would benefit from wheelchair accessibility and/or other adaptations to the properties.

13.2 Consequently, it is proposed that a new Temporary Accommodation Adaptations Grant scheme be established to enable assistance to be given for such adaptations.

13.3 It is proposed that each grant would be given to cover the reasonable cost of adaptations deemed to be appropriate for the dwelling(s) and the proposed or current occupier(s) by an Occupational Therapist or other appropriately qualified professional, or, where appropriate, in accordance with established design guidance (e.g. PAN 03 Accessible housing & Lifetime Homes). The detailed provisions for this proposed new grant scheme are set out in Appendix 8.

14. AMENDMENTS TO THE PROVISIONS FOR DISABLED FACILITIES ASSISTANCE

14.1 Disabled Facilities Assistance (DFA) is available to applicants who meet the eligibility criteria for a Disabled Facilities Grant who require additional funding in order to pay for adaptations to their home for the benefit of a disabled member of the household. However, in some cases adaptation of the existing home of a disabled person may not be the most suitable option to pursue (e.g. because the property's size or physical layout makes it impracticable to carry out the necessary adaptation).

14.2 In such cases providing financial assistance to enable the disabled person's household to move to a property more suited to adaptation would present a more satisfactory solution. Consequently, in those cases when a household is eligible to receive a Disabled Facilities Grant it is proposed that DFA be made available to assist with a move to an alternative property.

14.3 It is recommended that a sum of up to £20,000 be given to cover specified types of expenditure associated with moving house and that this element of DFA should be made available in addition to any DFA provided to contribute to the cost of adapting the new property. It is proposed that any element of DFA provided to move house will not be repayable on disposal of the property, whilst DFA for adaptations shall remain repayable on disposal as it is at present.

14.4 In most cases the amount of DFA required comes within the current limit of £25,000. However, occasionally there are cases when this amount is exceeded. To enable applicants in this position to proceed more easily with the necessary adaptations it is now proposed to increase the DFA limit for adaptations to £50,000 (or 50% of the equity, whichever is the lesser).

14.5 The detailed provisions for Disabled Facilities Assistance, with amendments as recommended above, are set out in Appendix 9.

15. AMENDMENTS TO THE PROVISIONS FOR OCCUPIERS MINOR ADAPTATIONS GRANT

- 15.1 Occupiers Minor Adaptations Grants are currently only provided in cases when the need for an adaptation is particularly urgent. Limiting the availability of such grants to urgent cases has been important because of the funding structure for Disabled Facilities Grants (DFGs), which has been based on a rigid 60:40 split in funding between the government and local authorities and a ring-fenced DFG allocation. These provisions have now been relaxed, enabling some of the government funding to be used for other forms of assistance under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002.
- 15.2 This additional flexibility provides scope for expanding the Occupiers Minor Adaptations Grant scheme to enable it to be used for some of the more straightforward types of adaptation, specifically stair lifts, ceiling track hoists and some level access showers. It is proposed to increase the maximum amount of grant to £5,000 to suitably accommodate this.
- 15.3 These amendments are subject to confirmation that relevant changes have been implemented in the way that disabled persons adaptations in private sector housing can be funded.
- 15.4 The detailed provisions for Occupiers Minor Adaptations Grant, with proposed amendments, are set out in Appendix 10.

16. PROVISION FOR LAND REGISTRY SEARCH FEES TO BE PAID FROM HOUSING RENEWAL FUNDING

- 16.1 In the case of major forms of Housing Renewal Assistance it is necessary to confirm that the applicant has the appropriate legal interest in the property at the time of application and on completion of the works before payment is made. This is carried out by way of Land Registry searches, which cost £3.00 per search. At present these are paid for out of the Private Sector Housing revenue budget.
- 16.2 It is now proposed that Land Registry Searches undertaken for the purpose of delivering the Housing Renewal Assistance programme be paid in future from Housing Renewal funding. The total amount involved in any year is not likely to exceed £500.

17. PROMOTION OF THE HOUSING RENEWAL ASSISTANCE GRANT PROGRAMME

- 17.1 A very important element of delivering a Housing Renewal Assistance programme is ensuring that people who are potentially eligible for assistance get to hear about what is available. This is particularly important when significant changes are being made to the types of assistance that are on offer.
- 17.2 In order to enable an effective promotion campaign to be established and maintained throughout the duration of the three-year Housing Renewal Assistance programme it is proposed that a sum of up to £20,000 be used per year to promote the Housing Renewal Assistance Policy through any appropriate means.

18. ARRANGEMENTS FOR FUTURE AMENDMENT OF THE HOUSING RENEWAL POLICY

- 18.1 The Housing Renewal Policy is a fairly complex and detailed policy document, and the various proposed amendments set out in this report will make it even more so. This increases the potential need for future amendments.
- 18.2 At the same time, there are occasions when it may be necessary to make amendments to the policy at short notice, particularly when there is a need to increase or reduce the rate of expenditure of Housing Renewal funding or as a result of recommendations arising from the Equalities Impact Assessment of the proposed policy amendments. To enable this it is proposed that the power to make future amendments to the policy be delegated to the Assistant Director of Housing in consultation with the Cabinet Member for Housing.

19. IMPLEMENTATION

- 19.1 It is proposed that amendments to the council's Housing Renewal Assistance Policy approved following consideration of this report shall have effect from 1 October 2008.

20. TRANSITIONAL PROVISIONS

- 20.1 The following transitional provisions apply when this policy first has effect: -
- 20.1.1 Any application for assistance made and formally approved, before the date from which this policy has effect, under any previous policy will continue to be administered under that policy and will be subject to any conditions imposed by that policy.
- 20.1.2 Any application for assistance fully made but not formally approved before the date from which this policy has effect will be considered under and subject to any conditions imposed by this policy. If, however, any application would be liable to refusal solely because of changes to eligibility criteria, then the eligibility criteria of the previous policy will apply to the application to permit it to proceed subject to any other conditions imposed by this policy.

20. CONSULTATION

- 20.1 The council's 2006 Housing Renewal Assistance Policy was established following a comprehensive consultation exercise conducted both within the council and with external stakeholders. The proposed amendments as set out in this report have been developed having regard to the consultation responses.

21. FINANCIAL & OTHER IMPLICATIONS

- 21.1 Financial Implications:
The council has received an allocation in the form of a capital grant that will enable expenditure of £2,776,000 on Private Sector Housing Renewal during 2008/09 as part of a three year programme (2008-2011). A further £660,000 has been allocated to the council for expenditure on Disabled Facilities Grants and other relevant works.

In the event that there is a substantial shortfall in the amount spent under the Housing Renewal Assistance Policy there is a risk that allocations for future

years could be reduced. The amendments proposed in this report will help to maximise expenditure in the current financial year. They will also help to substantially increase spending commitment in 2009/10 onwards, which should in itself lessen the risk of a reduction in future allocations.

Staff resources have been committed by the council to ensure that the BEST consortium can closely monitor expenditure under this programme and to fully meet the obligations for reporting to the Government Office for the South East.

Finance Officer Consulted: Name Michael Bentley Date: 15/08/08

21.2 Legal Implications:

The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 gives local authorities the power to provide assistance for the purpose of improving living conditions in their area if they have adopted a policy for that purpose. The council adopted its original Housing Renewal Policy on 1 July 2003. A revised policy became operational on 1 May 2006 with further amendment on 16 November 2006. Approval of this report will give authority for future expenditure in accordance with the Housing Renewal Policy as amended and extended by the detailed provisions set out in the attached Appendices and Annex.

Lawyer Consulted: Name Liz Woodley Date: 18/08/08

21.3 Equalities Implications:

An Equalities Impact Assessment (Rapid Impact Checklist) was undertaken in the course of developing the 2006 Housing Renewal Policy. The impacts identified at that time were almost exclusively positive. The specific conclusions were as follows:

- The only negative impacts identified related to the offer of loans and the reduction in the level of non-means tested assistance
- These changes both relate to government initiatives and guidance on affordability and do not affect race groups. The recommendation above will allow us to address the religious objection to loans
- It is judged unnecessary to apply the full EQIA process in these circumstances

In relation to specific equalities interest groups the only negative impact identified related to the fact that interest-bearing loans cannot be taken up by some members of the community on grounds of religious faith. This led to the identification of a single recommendation as follows:

- In terms of the negative impact for religious groups, instead of loans, other tools within the policy will be used to investigate possible alternative solutions in those cases.

With respect to action taken to address this particular impact, the provider of the interest-bearing loans provided under the Housing Renewal Assistance Policy is currently investigating the development of a loan product that would be

acceptable to communities whose faiths conflict with the payment of interest on loans. It has also been requested that the consultants who are currently developing a marketing strategy for the housing improvement loan products give appropriate consideration to this issue in the course of formulating the strategy.

The current Housing Renewal Policy has a number of positive impacts. In particular the policy aims its assistance towards vulnerable households who are unable to access other sources of financial assistance. It also targets those with disabilities that might otherwise be unable to remain in their homes. The proposed amendments will largely serve to increase such positive impacts.

Proactive measures to increase the take up of housing renewal assistance by members of Black & Minority Ethnic Communities will also form part of the 2008/09 programme

21.4 Sustainability Implications:

Maintenance/repair/improvement of private sector housing stock has positive implications for sustainability in delivering key objectives of the council's Sustainability Strategy Action Plans relating to both Housing and Energy Use.

21.5 Crime & Disorder Implications:

The Housing Renewal Assistance Policy already includes provision for Minor Security Assistance, a scheme of small scale grants for locks and other home security measures. This scheme has been developed in partnership with Sussex Police, who undertake the delivery of assistance.

21.6 Risk and Opportunity Management Implications:

The level of the funding allocation awarded to the council provides an opportunity for expansion of the range of assistance provided through the Housing Renewal Assistance Policy. Expansion of the policy is essential to maximising the benefits of housing renewal assistance

21.7 Corporate / Citywide Implications:

By expanding the scope for achieving decent homes for a larger number of the city's homeowners and private tenants and by targeting assistance at vulnerable residents the proposals in this report will support the council's priorities to make better use of public money and to reduce inequality by increasing opportunity.

22. EVALUATION OF ANY ALTERNATIVE OPTION(S):

22.1 The main alternative to the proposals for amending the council's Housing Renewal Policy would be to maintain the present policy as it is.

22.2 Experience of operating the current policy as it stands indicates that taking no action would result in a major shortfall of expenditure under the programme, particularly bearing in mind the increased indicative allocations for 2009/10 and 2010/11.

23. REASONS FOR REPORT RECOMMENDATIONS

- 23.1 The recommended proposals set out in this report will enable the council to deliver an important programme of private sector housing renewal. This will help to maximise the council's ability to enable private sector residents to live in homes that are decent, energy efficient, in reasonable repair and adapted to the needs of disabled occupiers.

Documents in Members' Rooms

None

Background Documents

1. Brighton & Hove City Council Housing Renewal Assistance Policy 2006

Decent Homes Loan (DHL)/Decent Homes Assistance (DHA)

DHL and/or DHA are available to owner-occupiers/leaseholders to enable them to bring their homes up to the Decent Homes Standard and/or in cases of disrepair to a standard that exceeds the Decent Homes Standard in respect of the requirement relating to the age of building components

DHLs are loans administered by an approved third party and offered at a subsidised interest rate. DHA is in the form of interest free loans, repayable on disposal of the property.

Subject to their availability DHLs will be offered to applicants living in qualifying homes who meet the necessary eligibility and lending criteria. DHA is available to otherwise eligible applicants who cannot afford to pay the interest on a DHL, and in those cases where the value of the necessary works exceeds the DHL limit. DHA will also be available to eligible applicants during any period during which the DHL scheme is not available. [See Annex (Tests of Resources and Lending Criteria)].

Applicant Qualification Criteria

- at least 18 years old, and
- freeholder¹ or leaseholder with at least 10 years to expiry of lease, and with responsibility for carrying out eligible work, and in either case,
- owned and occupied the property for at least six months as the applicant's only or main residence immediately prior to the application date

Property Qualification Criteria

- dwelling built or converted more than 10 years before application date, and
- fails to meet Decent Homes Standard, or
- has one or more building component in a condition of substantial disrepair, or
- lacks one or more of the 'reasonably modern facilities and services' as identified in the Decent Homes Standard, or

Eligible Work

- work required to remedy a failure of the Decent Homes Standard
- suitable repair or replacement of any building component that is in substantial disrepair
- Provision of one or more of the 'reasonably modern facilities and services' identified in the Decent Homes Standard where any such facility or service is lacking or deficient

Maximum Amount– Decent Homes Loan

- up to £20,000 – loan amount determined by a test of resources and lending criteria as agreed between the council and its loan provider partner. [See Annex (Tests of Resources and Lending Criteria)]. Future amendment(s) may be made to the

¹ "owner in fee simple absolute"

Decent Home Loan lending criteria subject to agreement between the council, its SHLP local authority partners and South Coast Moneyline.

Maximum Amount– Decent Homes Assistance

- where the approved test of resources indicates that the available funds would be insufficient to finance DHL interest payments, or where a DHL has been approved, where the cost of the qualifying work exceeds the amount of DHL, DHA of up to £50,000 or 50% of the equity existing at the time of DHA approval, whichever is the lesser.

Pre-completion Conditions

- all eligible work to be satisfactorily completed within one year of approval unless permission given by the council for an extension of time prior to the elapse of the year
- work must be carried out by one of the contractors whose estimates were submitted as part of the application or by an alternative contractor as agreed in advance by the council.
- applicant to retain qualifying interest in property during the course of the work
- approval conditions to be a Local Land Charge.

Post-Completion Conditions – Decent Homes Loan

- property to remain in owner-occupation for five years following completion of work
- loan to be repayable at a subsidised rate of interest in accordance with an approved loan scheme
- loan to be secured by an Equitable Mortgage [See Annex (Tests of Resources and Lending Criteria)]

Post-Completion Conditions – Decent Homes Assistance

- property to remain in owner-occupation for five years following completion of work
- assistance will be repayable on applicant's disposal of qualifying interest. Requests for exemption from the requirement to repay the assistance will be considered on an individual basis, on application in writing to the Head of Housing Strategy or Successor. Exemptions are likely to be agreed only in exceptional circumstances.
- completion conditions to be a Registered Land Charge and a Local Land Charge.

Common Parts Loan (CPL)/Common Parts Assistance (CPA)

Available to qualifying leasehold owner-occupiers of flats to assist them to meet their liabilities towards the cost of appropriate repairs or replacement of any key component(s) of the common parts of the building that is(are) in a condition of substantial disrepair.

CPLs are loans administered by an approved third party and offered at a subsidised interest rate. CPA is in the form of interest free loans, repayable on disposal of the property.

Subject to their availability CPL will be offered to applicants who meet the necessary eligibility and lending criteria. CPA is available to otherwise eligible applicants who cannot afford to pay the interest on a CPL and in those cases where the value of the applicant's contribution to the necessary works exceeds the CPL limit. CPA will also be available to eligible applicants during any period during which the CPL scheme is not available. [See Annex (Tests of Resources and Lending Criteria)].

Applicant Qualification Criteria

- at least 18 years old, and
- leaseholder with at least 10 years to expiry of lease, and with responsibility for paying a contribution towards the cost of eligible work, and in either case,
- owned and occupied the property for at least six months as the applicant's only or main residence immediately prior to the application date

Property Qualification Criteria

- dwelling built or converted more than 10 years before application date, and
- one or more of the key components of the common parts of the building is/are in substantial disrepair

Eligible Work

- appropriate works required to repair or replace one or more of the key components of the common parts of the building where such key component(s) is(are) in substantial disrepair..

Maximum Amount– Common Parts Loan

- up to £20,000 – loan amount determined by a test of resources and lending criteria as agreed between the council and its loan provider partner. [See Annex (Tests of Resources and Lending Criteria)]. Future amendment(s) may be made to the Common Parts Loan lending criteria subject to agreement between the council, its SHLP local authority partners and South Coast Moneyline.

Maximum Amount– Common Parts Assistance

- where the approved test of resources indicates that the available funds would be insufficient to finance CPL interest payments, or where a CPL has been approved, where the cost of the qualifying work exceeds the amount of CPL, CPA of up to £25,000 or 50% of the equity existing at the time of CPA approval, whichever is the lesser.

Pre-completion Conditions

- all eligible work to be satisfactorily completed within one year of approval unless permission given by the council for an extension of time prior to the elapse of the year
- work must be carried out by one of the contractors whose estimates were submitted as part of the application or by an alternative contractor as agreed in advance by the council.
- applicant to retain qualifying interest in property during the course of the work
- approval conditions to be a Local Land Charge.

Post-Completion Conditions – Common Parts Loan

- applicant's flat to remain in owner-occupation for five years following completion of work
- loan to be repayable at a subsidised rate of interest in accordance with an approved loan scheme
- loan to be secured by an Equitable Mortgage [See Annex (Tests of Resources and Lending Criteria)].

Post-Completion Conditions – Common Parts Assistance

- applicant's flat to remain in owner-occupation for five years following completion of work
- assistance will be repayable on applicant's disposal of qualifying interest in his/her flat. Requests for exemption from the requirement to repay the assistance will be considered on an individual basis, on application in writing to the Head of Housing Strategy or Successor. Exemptions are likely to be agreed only in exceptional circumstances.
- completion conditions to be a Registered Land Charge and a Local Land Charge.

Empty Properties Assistance

Available where empty properties which have been empty for over one year are brought back into residential use and/or up to six units are created and returned to use with council nomination rights and council-approved rent limits for five years. (In certain exceptional circumstances the requirement that the property must be empty for over one year may be waived at the discretion of the Head of Housing Strategy)

Applicant Qualification Criteria

- freeholder² or leaseholder with at least 10 years to expiry of lease
- leaseholder with the responsibility for carrying out eligible work

Property Qualification Criteria

- in the case of a single dwelling, dwelling built or converted more than 10 years before application date, or
- in the case of a proposed conversion, building built more than 10 years ago and conversion to result in no more than six units of accommodation, and
- dwelling/building to have been unoccupied for at least one year prior to application date and to fail the decent homes standard, and
- agreement concerning nominations and rent levels in respect of all dwellings subject to assistance, must be made between the applicant and the council, prior to approval of assistance.

Eligible Work

- in the case of a single dwelling, work required to make the dwelling meet the Decent Homes Standard, subject to the prevailing Housing Needs priorities, and to all necessary planning and building control consents.
- in the case of a conversion, work required to provide up to six new dwellings meeting the Decent Homes Standard, subject to the prevailing Housing Needs priorities, and to all necessary planning and building control consents.
- where appropriate to make a dwelling/building wheelchair accessible

Maximum amount of Assistance

- Maximum assistance will be £12,000 for a studio property, £17,500 for a one bedroom property, £25,000 for a two-bedroom property and £30,500 for a three/four bedroom property, plus VAT where applicable. Assistance will also cover appropriate professional fees up to a maximum of 12.5% of eligible expense plus VAT (where charged). In cases where dwellings/buildings are made wheelchair-user accessible an appropriate additional amount of assistance will be made available according to the circumstances of each case.

² "owner in fee simple absolute"

Pre-Completion Conditions

- all eligible work to be satisfactorily completed within one year of approval, unless permission given by the council for an extension of time prior to the elapse of the year
- work must be carried out by one of the contractors whose estimates were submitted as part of the application or by an alternative contractor as agreed in advance by the council.
- applicant to retain qualifying interest in property during the course of the work
- approval conditions to be a Local Land Charge

Post-Completion Conditions

- for five years following completion of work, dwellings for which assistance have been paid to be occupied in accordance with the nominations and rent levels agreement
- applicant to retain qualifying interest in property for five years following completion of work
- completion conditions to be a Registered Land Charge and a Local Land Charge

Landlords' HMO Licensing Grant

Applicant Qualification Criteria

- freeholder or leaseholder with at least 10 years to expiry of lease and with responsibility for carrying out the eligible work.

Property Qualification Criteria

- properties consisting of three or more storeys occupied by five or more persons in two or more households and
- that would not have been within the previous definition of HMO under Part XI of the Housing Act 1985 and
- that are subject to a valid proposed or full HMO Licence under the provisions of Part 2 of the Housing Act 2004

Eligible Work

- Work, such as the provision of additional amenities and the upgrading of systems to detect fires and protect the means of escape, that is required to meet HMO licensing standards but that would not have been required under the Housing Act 1985
- Provision of other amenities beyond the council's minimum standards as agreed by the council
- Any work that would have been required for the property to meet Housing Act 1985 standards or arising due to poor maintenance will not be eligible for assistance

Maximum amount of Assistance

- For work to meet the council's HMO Licensing Standards 50% of the reasonable cost of carrying out the eligible work, subject to a maximum grant of £2,000
- For provision of amenities beyond the councils' minimum standards the reasonable cost up to a maximum of £3,000

Pre-Completion Conditions

- all eligible work to be satisfactorily completed within one year of approval unless permission is given by the council for an extension of time prior to the elapse of the year.
- work must be carried out by one of the contractors whose estimates were submitted as part of the application or by an alternative contractor as agreed in advance by the council
- applicant to retain qualifying interest in property during the course of the work
- approval conditions to be a Local Land Charge

Post-Completion Conditions

- applicant to retain his/her qualifying interest in the property throughout the period for which the licence is granted; this will generally comprise 5 years from the date of licence application
- property to be used, throughout the period for which the licence is granted, for the purpose for which it has been licensed; this will generally comprise 5 years from the date of licence application

- completion conditions to be a Local Land Charge

Landlords Minor Heating Grant

In those cases when private tenants are eligible for a Warm Front grant for heating they should be encouraged to apply for a grant through that scheme. However, Landlords Minor Heating Grant is available as an alternative, particularly for those cases when tenants do not qualify for a Warm Front grant.

Applicant Qualification Criteria

Landlords who

- are accredited with the council under an approved scheme ,or
- who have been served with an Improvement Notice requiring heating measures to remedy a Category 1 Excess Cold HHSRS Hazard, and
- who do not qualify for grant aid/assistance to cover the whole cost of eligible works under the Carbon Emissions Reduction Target or any other relevant scheme

Property Qualification Criteria

Dwelling built or converted more than 10 years before application date

Eligible Work

- provision of gas-fired condensing boiler central heating in dwellings with inadequate heating and, in the case of landlords served with an Improvement Notice, any other heating-related works specified within that Notice. For the purposes of Landlords Minor Heating Grant, 'inadequate heating' means the absence of central heating or modern electric storage heaters in living rooms and bedrooms.
- installation of a gas supply and meter in cases when this is necessary
- in the case of applications by accredited landlords only, installation of high efficiency replacement boiler in cases where the existing boiler is at least 15 years old or where the boiler is seriously defective and cannot be suitably repaired
- in appropriate cases eligible work could include the installation of a Micro-Combined Heat and Power system as an alternative to a condensing boiler
- in cases where it is not practicable to install a gas-fired appliance, modern electric storage heaters might be provided as an alternative.

Maximum amount of Assistance

- £3500 per application (including VAT) for works (excluding any cost of installing a gas supply and/or meter [if required]) plus the cost of fees (including VAT) for authorised services by a partner organisation approved by the council
- When installation of a gas supply and/or meter are required an additional amount, in addition to installation costs up the £3,500 limit, to cover the whole of the reasonable cost of installation of such facilities plus the cost of fees (including VAT) for authorised services by a partner organisation approved by the council
- not more than one Minor Heating Grant per dwelling

(Where alternative funding is available from the Energy Efficiency Commitment or any other relevant scheme then council-funded assistance will be reduced accordingly).

Pre-Completion Conditions

- all eligible work to be satisfactorily completed within one year of approval unless permission is given by the council for an extension of time prior to the elapse of the year
- all applications to be managed by the council's Energy Efficiency Managing Partner and the work to be carried out by a contractor appointed under the Brighton & Hove Energy Action Partnership Agreement
- applicant to retain qualifying interest in property during the course of the work

Post-Completion Conditions

- None

HMO Energy Innovation Grant

HMO Energy Innovation Grant is available for the installation of energy efficient heating and/or thermal insulation measures to licensed houses in multiple occupation that cannot be funded through the Warm Front scheme or the Carbon Emissions Reduction Target.

Applicant Qualification Criteria

- freeholder or leaseholder with at least 10 years to expiry of lease and with responsibility for carrying out the eligible work.

Property Qualification Criteria

- the property must be subject to a valid proposed or full HMO Licence under the provisions of Part 2 of the Housing Act 2004

Eligible Work

- provision of high efficiency gas-fired central heating in HMOs with inadequate heating. For the purposes of the HMO Energy innovation Grant, 'inadequate heating' means the absence of central heating or modern electric storage heaters in rooms used for living and/or sleeping
- installation of a gas supply and meter in cases when this is necessary
- in appropriate cases eligible work could include the installation of a Micro-Combined Heat and Power system as an alternative to a condensing boiler
- in cases where it is not practicable to install a gas-fired appliance, modern electric storage heaters or electric central heating might be considered as an alternative
- loft insulation, cavity wall insulation, hot water tank jacket and draught proofing to currently recommended standards and including provision of associated loft access where necessary

Maximum Amount of Assistance

- The amount of Grant available shall be determined in each case. In the case of central heating installations this shall be on the basis of at least two competitive estimates obtained by the council's Home Energy Efficiency Managing Partner
- When a gas supply and/or meter are required the amount of grant shall be increased to cover the whole of the reasonable cost of providing such services
- In cases where insulation only is being installed a single estimate from a contractor appointed by the council's Home Energy Efficiency Managing Partner may be deemed to be adequate

(Where alternative funding is available from Warm Front, the Carbon Emissions Reduction Target or any other relevant scheme then council-funded assistance may be reduced accordingly)

Pre-completion Conditions

- Landlords are required to inform their current tenants about the proposed works
- all eligible work to be satisfactorily completed within one year of approval unless permission given by the council for an extension of time prior to the elapse of the year

- all applications to be managed by the council's Energy Efficiency Managing Partner and the work to be carried out by a contractor appointed under the Brighton & Hove Energy Action Partnership Agreement
- applicant to retain qualifying interest in property during the course of the work
- approval conditions to be a Local Land Charge.

Post-Completion Conditions

- the property must continue to be used as a House in Multiple Occupation for a minimum of five years from the date of completion
- In any cases where insulation only is installed the rent must not be increased for a period of at least 12 months after the date of installation*
- In cases of boiler replacements or central heating installations the rent must not be increased for a period of at least 24 months after the date of installation*
- Grant-funded central heating systems must be designed and managed so that all tenants have an adequate level of control over the heating and supply of hot water to their lettings
- completion conditions to be a Local Land Charge

(* excepting that if the property is regulated under a fair rent agreement or if there is a yearly rent review under the tenancy agreement, this may continue, as long as any rent increase does not take into account any insulation or heating work carried out under an HMO Licensing Grant)

Temporary Accommodation Energy Innovation Grant

Temporary Accommodation Energy Innovation Grant is available for the installation of energy efficient heating and/or thermal insulation measures to private sector housing leased or provided to the council under a management agreement for the temporary accommodation of homeless households.

Applicant Qualification Criteria

- Freehold owner of property leased or provided to the council under a management agreement for the temporary accommodation of homeless people
- Owner must have the legal responsibility for carrying out the eligible work

Property Qualification Criteria

- Property must be used for the temporary accommodation of homeless people by the council under a lease or management agreement with a minimum of three years remaining unexpired on the date of application

Eligible Work

- provision of high efficiency gas-fired central heating in dwellings with inadequate heating. For the purposes of the Temporary Accommodation Energy innovation Grant, 'inadequate heating' means the absence of central heating or modern electric storage heaters in living rooms and bedrooms
- installation of high efficiency replacement boiler in cases where the existing boiler is at least 15 years old or where the boiler is seriously defective and cannot be suitably repaired
- in appropriate cases eligible work could include the installation of a Micro-Combined Heat and Power system as an alternative to a condensing boiler
- in cases where it is not practicable to install a gas-fired appliance, modern electric storage heaters or electric central heating might be considered as an alternative
- loft insulation, cavity wall insulation, hot water tank jacket and draught proofing to currently recommended standards and including provision of associated loft access where necessary

Maximum Amount of Assistance

- £5,000 per dwelling/letting (including VAT and the cost of fees [including VAT] for authorised services by a partner organisation approved by the council)
- The maximum amount of grant awarded for insulation measures per dwelling/letting, within the overall maximum limit as outlined above, shall be £800 per application (including VAT) plus the cost of fees (including VAT) for authorised services by a partner organisation approved by the council
- not more than one Temporary Accommodation Energy Innovation Grant per dwelling

(Where alternative funding is available from Warm Front, the Carbon Emissions Reduction Target or any other relevant scheme then council-funded assistance may be reduced accordingly)

Pre-completion Conditions

- all eligible work to be completed within one year of approval unless permission is given by the council for an extension of time prior to the elapse of the year
- all applications to be managed by the council's Energy Efficiency Managing Partner and the work to be carried out by a contractor appointed under the Brighton & Hove Energy Action Partnership Agreement.
- applicant to retain qualifying interest in property during the course of the work.

Post-Completion Conditions

- None

Temporary Accommodation Adaptations Grant

Temporary Accommodation Adaptations Grant is available for wheelchair accessibility and/or other adaptations for the benefit of disabled people in private sector properties leased to the council for the temporary accommodation of homeless people.

Applicant Qualification Criteria

- Freehold owner of property leased or provided to the council under a management agreement for the temporary accommodation of homeless people

Property Qualification Criteria

- Property must be used for the temporary accommodation of homeless people by the council under a lease or management agreement
- In cases where the proposed adaptation(s) are estimated to cost no more than £5,000 the lease or management agreement must have a minimum of three years remaining unexpired on the date of application
- In cases where the proposed adaptation(s) are estimated to cost more than £5,000 the lease or management agreement must have a minimum of five years remaining unexpired on the date of application

Eligible Work

- Provision of wheelchair accessibility and/or other appropriate adaptation for the benefit of a disabled person or persons
- Professional fees and any other relevant costs incurred for the purposes of identifying properties that are suitable for adaptation and specifying appropriate adaptations

Maximum Amount of Assistance

- Reasonable cost of adaptations deemed to be appropriate for the dwelling(s) and the proposed or current occupier(s) by an Occupational Therapist or other appropriately qualified professional, or, where appropriate, in accordance with established design guidance (e.g. PAN 03 Accessible housing & Lifetime Homes)

Pre-completion Conditions

- work must be carried out by one of the contractors whose estimates were submitted as part of the application or by an alternative contractor as agreed in advance by the council
- applicant to retain qualifying interest in property during the course of the work
- approval conditions to be a Local Land Charge

Post-Completion Conditions

- In those cases where the estimated cost of the adaptation(s) is more than £5,000, if the lease is terminated other than by the council within a period of four years from the date of completion the grant shall be repaid to the council
- The above condition to be a Local Land Charge

Disabled Facilities Assistance (DFA)

Disabled Facilities Assistance is available to applicants who meet the eligibility criteria for DFG and who require additional funding in order to pay for the adaptations or to move to another property more suited to adaptation (or already adapted) for the benefit of a disabled person. DFA for adaptations is in the form of interest free loans, repayable on disposal of the property. DFA for moving home is in the form of a non-repayable grant.

Applicant Qualification Criteria

- at least 18 years old, and
- freeholder³ or leaseholder with at least 10 years to expiry of lease and authority to do the work

Property Qualification Criteria

- none

Eligible Work/Activity

- work required to meet the needs of a Disabled Person in accordance with the provisions of Housing Grants, Construction & Regeneration Act 1996 s.23(1) (as amended)
- where it is not practicable for a disabled person's home to be suitably adapted to meet their needs the process of marketing & selling their existing home and buying & moving into a new home located within Brighton & Hove that is suitable for adaptation (or already adapted) to meet their needs

Maximum Amount of Assistance

- for adaptations, subject to a test of resources (set out in the Annex (Tests of Resources and Lending Criteria)), Disabled Facilities Assistance of up to £50,000 or 50% of the equity existing at the time of application, whichever is the lesser.
- to assist moving to another property up to a total maximum of £20,000 to cover the costs arising from the following:
 - preparation of a Home Information Pack
 - estate agents fees (limited to 1.5% of the property value)
 - solicitors fees
 - valuation fees
 - Stamp Duty (limited to the amount for a property valued at 15% higher than the property being sold)
 - mortgage arrangement fees
 - removal costs
- Both forms of DFA up to these specified limits will be offered in those cases when applicants qualify for DFA for necessary adaptations to be carried out to the new home.

³ "owner in fee simple absolute"

Pre-completion Conditions (Adaptations)

- all eligible work to be satisfactorily completed within one year of approval unless permission given by the council for an extension of time prior to the elapse of the year
- work must be carried out by one of the contractors whose estimates were submitted as part of the application or by an alternative contractor as agreed in advance by the council.
- applicant to retain qualifying interest in property during the course of the work
- approval conditions to be a Registered Land Charge and a Local Land Charge

Pre-completion Conditions (Property Move)

- Before proceeding with the process of moving, the property proposed as the new home must be inspected and confirmed in writing as suitable by the council's Housing Adaptations Service. (Any costs incurred before such confirmation has been received shall not be eligible for payment under this scheme)

Post-Completion Conditions

- property to remain in owner-occupation for five years following completion of adaptations or following move
- completion conditions in the case of adaptations to be a Registered Land Charge and a Local Land Charge. (No such conditions shall apply for assistance provided to move home)
- assistance given for adaptations will be repayable on applicant's disposal of qualifying interest. Requests for exemption from the requirement to repay the assistance will be considered on an individual basis, on application in writing to the Head of Housing Strategy. Exemptions are likely to be agreed only in exceptional circumstances
- the requirement to repay assistance shall not apply in the case of such assistance provided to move home.

Occupiers' Minor Adaptations Grant

Applicant Qualification Criteria

- any occupier eligible for DFG funding based on the approved preliminary test of resources [See Annex (Tests of Resources and Lending Criteria)].

Property Qualification Criteria

- the property must be the disabled person's only or principal home.

Eligible Work

- urgent disabled facilities work where the assistance is a suitable alternative to a Disabled Facilities Grant, subject to recommendation by an Occupational Therapist and agreement of the Adaptations Technical Team Leader or Private Sector Housing Manager
- Straightforward installation of a stair lifts, ceiling track hoist or level access shower where the total cost falls within the maximum amount of assistance
- professional fees necessary for an application to be determined for Disabled Facilities Grant or Assistance that could not otherwise be undertaken.

Maximum amount of Assistance

- £5,000 per application plus a warranty up to a maximum of £500 (inclusive of VAT where applicable)
- not more than one Minor Adaptations Grant in any three year period

Pre-Completion Conditions

- all eligible work to be completed within one year of approval unless permission given by the council for an extension of time prior to the elapse of the year
- work must be carried out by one of the contractors whose estimates were submitted as part of the application or by an alternative contractor as agreed in advance by the council.
- applicant to retain qualifying interest in property during the course of the work.
- where approved funding for professional fees can be covered by a DFG which is subsequently approved, payment will be made instead as part of the DFG.

Post-Completion Conditions

- none

(Amendments to Occupiers Minor Adaptations Grant from the 2006 provisions are subject to confirmation that relevant changes have been implemented in the way that disabled persons adaptations in private sector housing can be funded)

ANNEX (TESTS OF RESOURCES AND LENDING CRITERIA)

This Annex sets out the details of the tests of resources and lending criteria to be applied to the relevant Policy Tools specified in the Brighton & Hove City Council Housing Renewal Assistance Policy 2008.

Disabled Facilities Assistance (DFA)

DFA will be dependent on the receipt of duly made applications for a Disabled Facilities Grant (DFG) and DFA. DFGs are subject to a statutory test of resources, which is used to determine whether or not the applicant has to make a contribution towards the work required. The legally prescribed maximum cost of work that can be considered for DFG is currently £30,000.

Where applications for DFG and DFA have been made, the test of resources applied to the DFG application will be used to determine the applicant's contribution, if any, to the total programme of work required to meet the Occupational Therapist's recommendations. No additional test of resources will be applied to the DFA application. Subject to the DFA restrictions and conditions listed in the Policy (as amended), DFA will generally be approved, where the reasonable cost of work exceeds £30,000, to cover the difference between £30,000 and the total reasonable cost of the work. However, when the test of resources results in the applicant having to make a contribution, DFA will not be approved to cover that contribution. Accordingly, if the contribution exceeds £30,000, DFA will generally be approved to cover the difference between the amount of contribution and the total reasonable cost of the work.

Decent Homes Loan (DHL)

DHLs will be offered through the Southern Home Loans Partnership, a partnership between several local authorities, including Brighton & Hove City Council, and South Coast Money Line (SCML). They will be subject to any other relevant DHL restrictions and conditions listed in the Policy (as amended) and to the lending criteria as agreed between the council, its Southern Homes Loans Partnership local authority partners and South Coast Moneyline.

From the Implementation date of the 2008 Policy amendments and onwards until further relevant amendment, and subject to ratification by the council, its SHLP local authority partners and the South Coast Moneyline Credit Committee, the DHL lending criteria shall be as follows: -

- General lending criteria:
 - Purpose restricted to home improvements / adaptations to bring property up to decent home standards (assessed by LAs);
 - SCML to determine if applicant(s) are eligible for mainstream finance;
 - Loan applications are considered on an individual basis and the product type will be determined by the client's best interests subject to SCML/LA approval;

- Loan size
 - Minimum loan £1,000;
 - Maximum £20,000.
- Term
 - Maximum term of capital repayment loans to be 15 years;
 - No maximum term to be set for interest only loans.
- Loan Security
 - Each loan will be secured by an Equitable Mortgage;
 - The cost to register the Equitable Mortgage with the land registry will be paid by the applicant.
- Eligibility for interest only loans/interest roll-up:
 - Only available for those over 60 years of age;
 - Loans for younger age groups may be considered by the Credit Committee for a fixed term (e.g. 5 years) and subject to LA approval.
- Minimum disposable income:
 - £50 per month;
 - No more than one-third of the applicant's available disposable income may be used for a loan repayment.
- Ownership and Registration
 - Applicant must be the beneficial owner of property. Any other owner will be party to the loan and need to sign documentation (or Power of Attorney with supporting documentation);
 - Property must be registered with Land Registry and therefore if unregistered land, client will need to seek registration at their cost;
 - A credit reference search or a voter's roll check will be undertaken.
- Second mortgages:
 - Any applicant with existing finance secured against their property will be required to have their loan application approved by the SCML credit committee;
 - A minimum of 25% equity available against the current property value after all borrowings are accounted for including any unsecured liabilities;
 - The available equity should be three times the proposed loan amount;
 - Authority will be sought from the applicant to approach 1st mortgage company for confirmation of debt outstanding and their approval to a second charge. The cost of this to be paid by the applicant;
 - Detailed information will be required as to the first mortgage financial arrangements: this will need to be known prior to any loan application being approved.
- Loans to assist residents of flats where common parts require improvements
 - Loans offered to individuals sharing a block (purpose built or converted flats) to improve the standards of common parts subject to the qualifying criteria of the local authority. The cost of works to be shared pro rata between each flat and will only be offered on the basis that all the owners are able to demonstrate affordability. SCML credit committee approval required for all loans that fall under this category.

Decent Homes Assistance (DHA)

DHA will generally be approved where: -

- i) An applicant's minimum disposable income is lower than that required to meet the DHL lending criteria. In this case the DHA will be approved to cover the reasonable cost of the eligible work* or where;
- ii) A DHL is approved but it is insufficient to cover the reasonable cost of the eligible work. In this case DHA will generally be approved to cover the difference between the amount of the DHL and the reasonable cost*.

In cases where an applicant's maximum disposable income exceeds that in the Home Improvement Loan lending criteria, the Disabled Facilities Grant (DFG) statutory test of resources will be used to determine the applicant's initial contribution towards the cost of work. If the reasonable cost of the eligible work exceeds the amount of that initial contribution, DHA will generally be approved to cover the difference*. To facilitate this and to inform any possible need for revision of the DHL lending criteria, DHA applicants will be required to provide financial information to enable the DFG test of resources to be carried out.

[*Any DHA approval will be subject to the DHA restrictions and conditions listed in the Policy (as amended), for example in respect of eligible work and maximum amounts.]

Common Parts Loan (CPL)

CPLs will be offered through the Southern Home Loans Partnership. They will be subject to any other relevant CPL restrictions and conditions listed in the Policy (as amended) and to the lending criteria as agreed between the council, its Southern Homes Loans Partnership local authority partners and South Coast Moneyline.

From the Implementation date of the 2008 Policy amendments and onwards until further relevant amendment, and subject to ratification by the council, its SHLP local authority partners and the South Coast Moneyline Credit Committee, the CPL lending criteria shall be the same as those listed above for Decent Homes Loans.

Common Parts Assistance (CPA)

CPA will generally be approved where: -

- i) An applicant's minimum disposable income is lower than that required to meet the CPL lending criteria. In this case the CPA will be approved to cover the reasonable cost of the eligible work**; or where
- ii) A CPL is approved but it is insufficient to cover the reasonable cost of the eligible work. In this case CPA will generally be approved to cover the difference between the amount of the CPL and the reasonable cost**.

In cases where an applicant's maximum disposable income exceeds that in the Home Improvement Loan lending criteria, the Disabled Facilities Grant (DFG) statutory test of resources will be used to determine the applicant's initial contribution towards the cost of work.

If the reasonable cost of the eligible work exceeds the amount of that initial contribution, CPA will generally be approved to cover the difference**. To facilitate this and to inform any possible need for revision of the Home Improvement Loan lending criteria, CPA applicants will be required to provide financial information to enable the DFG test of resources to be carried out.

[**Any CPA approval will be subject to the CPA restrictions and conditions listed in the Policy (as amended), for example in respect of eligible work and maximum amounts.]

Minor Decent Homes Grant and Occupiers' Minor Heating Grant

Where mentioned in the Policy, 'qualifying means tested benefit' means: -

- Income Support;
- Pension Credit Guarantee Credit;
- Income-based Job Seeker's Allowance;
- Housing Benefit/Local Housing Allowance; or
- Council Tax Benefit.

Occupiers' Minor Adaptation Grant

The approved preliminary test of resources will consist of an assessment of the applicant's income using the Disabled Facilities Grant test of resources methodology but without requiring the applicant to complete a full statutory DFG application form.