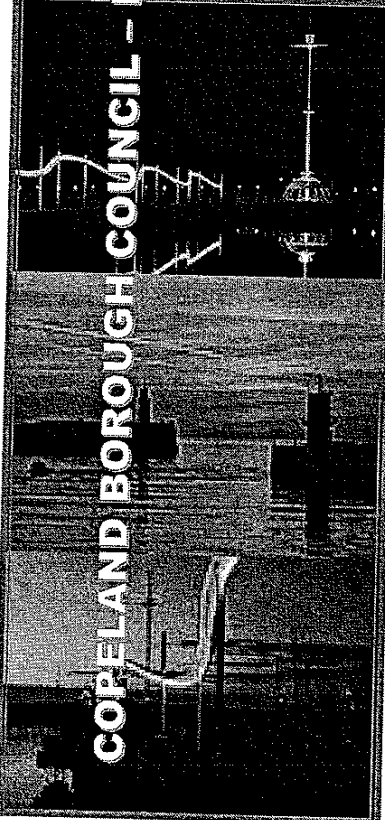


Item 6
SH P 081008.

COPELAND BOROUGH COUNCIL - HOUSING ASSISTANCE POLICY 2008-2012



**COPELAND
BOROUGH COUNCIL
DRAFT**

**HOUSING ASSISTANCE POLICY
2008 - 2012**

AUGUST 2008

Prepared for:

**COPELAND
BOROUGH COUNCIL**

Prepared by:

Goose Housing Research

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1.0 INTRODUCTION

- 1.1 This document sets out the Council's framework for the provision of assistance to home owners for the purpose of improving, repairing, adapting or demolition of residential premises within the Council's boundaries.
- 1.2 Known as the Housing Assistance Policy 2008-2013 it has been developed in accordance with the provisions of Article 3 of the Regulatory Reform (Housing Assistance) (England & Wales) Order 2002.
- 1.3 Article 3 of the Regulatory Reform Order provides the Council with a great deal of flexibility to devise appropriate policies to meet local housing issues and to contribute to its other social and economic objectives. In addition it provides a major opportunity to contribute to the national strategies to tackle poverty, social exclusion, health inequalities and neighbourhood decline.
- 1.4 In accordance with the provisions of the Regulatory Reform Order, this document is the published policy of Copeland Borough Council and is effective from _____. It replaces any previously published policy accordingly.

2.0 KEY PRINCIPLES

2.1 The Housing Assistance Policy 2008-2013 is based on ten key principles. These are:

1. That the primary responsibility for maintaining, improving, repairing and/or adapting premises rests firmly with owners.
2. Under normal circumstances owners wishing to invest in their premises by way of improvement, repair, adaptation and general maintenance, should seek to use financial products available in the commercial market.
3. The Council will consider the provision of financial or other assistance only where:
 - ▶ *Poor housing conditions exist which have an adverse affect on the wellbeing of occupants and would otherwise remain unremedied unless other forms of assistance are available, or*
 - ▶ *Certain household sectors or housing neighbourhoods have been identified as being in need of support, or*
 - ▶ *Assistance would provide a wider social and community benefit.*
4. The policy supports the Council and its partners in achieving strategic economic, housing and regeneration objectives.
5. The policy contributes to national, regional, sub regional and local priorities.
6. That resources available to the Council are finite and will be insufficient to meet all the Borough's housing needs.
7. The policy encourages best value and sustainability through partnership and innovation.

3.0 BACKGROUND

3.1 In 2007 the Council commissioned independent housing consultants to undertake a survey of private housing conditions throughout the Borough. The report of the survey⁽ⁱ⁾ provides a comprehensive information base for policy development. The main survey findings are summarised as follows:

- ▶ *The housing sector is dominated by owner occupied houses, with few flats or houses in multiple occupation.*
- ▶ *£57 million backlog to deal with non decency⁽ⁱⁱ⁾ across the Borough.*
- ▶ *Variation in rates of non decency across the Borough by house type, date of construction, tenure, location and household characteristics.*
- ▶ *Almost 1 in 8 dwellings exhibit at least one Category 1 hazard under the Housing Health & Safety Rating System (HHSRS).*
- ▶ *Almost 1 in 5 households in fuel poverty.*
- ▶ *Rates of disrepair above the national average.*
- ▶ *Almost 15% of dwellings fail to comply with the thermal comfort criterion of the Decent Homes Standard.*
- ▶ *Average dwelling valuation is £118,407 with an average mortgage commitment of £43,000.*
- ▶ *Almost 51% of owner occupiers have no current mortgage commitment.*

⁽ⁱ⁾ Copeland Borough Council – Private Sector House Condition Survey 2007 - DAP
⁽ⁱⁱ⁾ Decent Homes Standard – see Appendix 2

4.0 THE HOUSING ASSISTANCE POLICY

4.1 GENERAL

The Council will provide housing assistance to eligible home owners in accordance with the provisions set out in this policy.

Housing assistance in accordance with this policy will be provided only in respect of premises situated within the boundaries of Copeland Borough Council.

Housing assistance will be available to qualifying households under the eligibility criteria and to the rates, maximum levels, conditions and particulars as described in this policy. This Housing Assistance Policy will have effect from ----- to 31/03/13.

4.2 AIM OF ASSISTANCE

As a part of Council's strategic housing objectives the purpose of housing assistance is to improve the quality of housing accommodation and its environment, secure a reduction in non decency and to assist households in most need.

The Council's general preference is to retain its housing stock. As such the Council's general presumption will favour improvement, repair and adaptation of the existing housing stock. However there will be occasions where circumstances are such that retention of individual or a number of dwellings is questionable. The Council reserves the right to examine alternative options to remedy poor housing conditions using approved techniques, particularly where retention may not represent value for money or where there are wider social and community issues to consider.

Potential applicants for assistance under this policy should not automatically expect the Council to approve financial assistance, even where the applicant and premises appear to comply with the eligibility criteria. Each case will be considered on its individual circumstances and merits.

4.4 PURPOSE OF ASSISTANCE

The purpose of providing assistance to homeowners is to support the improvement, repair and adaptation of existing residential premises or to provide new residential premises by conversion of existing non residential premises or to promote the wellbeing of identified neighbourhoods through environmental improvements.

4.5 STANDARD

The overall aim of housing assistance is to bring dwellings up to the Decent Homes Standard. This means that a dwelling satisfies the following criteria:

- ▶ *It meets current statutory minimum standards*
- ▶ *It is in reasonable repair*
- ▶ *It has reasonably modern facilities and services*
- ▶ *It provides a reasonable degree of thermal comfort*

A full definition of this standard is provided at Appendix 2. It follows therefore that in order to be eligible for financial assistance the premises in question must fail to comply with the Decent Homes Standard.

Financial assistance can only be applied for in the manner prescribed by, and on the documentation issued by the Council. No other method is acceptable.

Upon completion of the housing assistance process the premises must comply with the Decent Homes Standard, unless otherwise determined by the Council.

4. *First Time Buyers*

- Households aged 18 years or over who are intending to acquire an owners interest in qualifying premises for the first time (i.e. have no, or, have had no owners interest in any other premises.) Proof of eligibility to be confirmed by the applicants solicitor.

4.7 PREMISES ELIGIBLE FOR ASSISTANCE

In order to be eligible for consideration of financial assistance the premises for which assistance is being sought must be:

- ▶ *Not compliant with the Decent Homes Standard*
- ▶ *Have been constructed not less than 10 years before the date of application*
- ▶ *Be registered in the Copeland Borough Council Tax list*
- ▶ *Have been constructed as a permanent building and not a temporary structure*
- ▶ *Be capable of improvement, repair, adaptation, conversion or demolition at reasonable cost*
- ▶ *Be physically capable of being made compliant with the Decent Homes Standard*
- ▶ *In the case of first time buyers premises which have been vacant for a period of at least 6 months prior to the application and recorded as such in the Council Tax Register*

The Council reserves the right to alter the assistance rate and/or the composition of the assistance type in accordance with the provisions of the Regulatory Reform (Housing Assistance) (England & Wales) Order 2002 in any subsequent review of this policy.

4.9 CONDITIONS OF FINANCIAL ASSISTANCE

Every application for financial assistance must be accompanied by a certificate of future occupancy. In the case of a grant being awarded, it is a condition that the applicant or a member^(viii) of the applicants family must occupy the premises for a period of 5 years commencing on the certified date (i.e. the date the Council agrees completion of the work). This condition will be entered as a local land charge. Any breach of condition during the 5 year period will entitle the Council to demand repayment of all or part of the grant together with compound interest.

In the case of an interest free loan, the amount of assistance will be registered as a local land charge. The total amount of assistance is repayable to the Council if the premises are subsequently sold or otherwise conveyed to a third party.

A more detailed explanation of the conditions of financial assistance is attached at Appendix 4.

TABLE/:

^{viii} As defined by S.113 of the Housing Act 1985 (as amended)

COPELAND BOROUGH COUNCIL - HOUSING ASSISTANCE POLICY

HOUSING FINANCIAL ASSISTANCE TABLE

PRIORITY GROUP	Assistance Type	Assistance % Rate		Contributor % Rate	Maximum Assistance 2 bedroom		Maximum Assistance 3 bedroom		Maximum Assistance 4 bedroom		Maximum Contribution 2 bedroom		Maximum Contribution 2 bedroom	
		%			£		£		£		£		£	
		Maximum Allowable.....												
1. VULNERABLE HOUSEHOLDS		100		0	18000		18000		25000		30000			
	Grant	50			9000		9000		12500		15000		0	0
	IFL	50			9000		9000		12500		15000			
2. OLDER PERSON HOUSEHOLDS		75		25	13500		13500		18750		22500		4500	
	Grant	50			6750		6750		9375		11250			
	IFL	50			6750		6750		9375		11250			
3. FAMILY HOUSEHOLDS		50		50	9000		9000		12500		15000		9000	
	Grant	50			4500		4500		6250		7500			
	IFL	50			4500		4500		6250		7500			
4. FIRST TIME BUYERS		75		25	13500		13500		18750		22500		4500	
	Grant	50			6750		6750		9375		11250			
	IFL	50			6750		6750		9375		11250			



4.10 HELP FOR HOUSEHOLDS WITH A MEMBER WHO HAS A LONG TERM OR LIMITING ILLNESS OR DISABILITY

The principal form of assistance will be in the mandatory Disabled Facilities Grants under the Housing Grants, Construction and Regeneration Act 1996.

The grant is subject to needs of the individual being confirmed by the Welfare Authority (Cumbria Social Services), and that the works are practical and reasonably priced. The grant is subject to a test of the applicants resources (including spouse). If the application is for a child, then the test is not applicable. The maximum grant award is £30,000.

The eligibility and test of resources is prescribed by central government.

Conditions of future occupation apply for a period of 5 years upon completion of the adaptations.

Where a Disabled Facilities Grant is insufficient to fund the required works the Council will consider an interest free loan of up to £5000 (in addition to the grant). The loan would be registered as a local land charge and is repayable when the premises are sold or otherwise conveyed.

4.11 PRIVATE RENTING

The private rented sector in Copeland represents just over 5% of the total private housing stock. Whilst housing conditions are relatively worse in this sector, the numbers involved are relatively low. The Council considers that responsibility for the improvement and maintenance of a good quality private rented sector rests firmly with landlords and their commercial operations.

Where private rented dwellings fall below minimum national standards the Council will take appropriate enforcement action in accordance with agreed procedures. Financial assistance is not available to private landlords. However the Council reserves the right to review its policy for this sector in the light of ongoing research and development of a landlord forum, local accreditation schemes and licensing issues.

4.15 PROFESSIONAL, TECHNICAL & ADMINISTRATION COSTS

The Council reserves the right under this policy to make a charge to applicants for housing assistance to cover reasonable professional, technical and administrative costs.

4.16 REINVESTMENT

All interest free loans repaid on disposal and all grant monies reclaimed for breach of conditions will be paid into the Housing Capital account and used for further investment in private sector housing renewal.

4.17 REVIEW

This Housing Assistance Policy will be reviewed on the second anniversary of its adoption by the Council, or at such other time as may be deemed appropriate in the light of changing circumstances and emerging issues.

FURTHER INFORMATION

If you would like to comment on or require further information regarding this policy please contact:

Housing Renewal
Copeland Borough Council
The Copeland Centre
Catherine Street
Whitehaven
CA28 7SJ
Tel: 01946 598429
Email: d.cochrane@copelandbc.gov.uk

APPENDIX 1

REGULATORY REFORM (HOUSING ASSISTANCE) (ENGLAND & WALES) ORDER 2002

The relevant provisions of this Order came into force on 19th July 2002.

Article 3 says.....

'For the purpose of improving living conditions in their area, a local housing authority may provide, directly or indirectly, assistance to any person for the purpose of enabling him to:

- a. Acquire living accommodation (whether within or outside their area)*
- b. Adapt or improve living accommodation (whether by alteration, conversion or enlargement, by the installation of any thing or injection of any substance, or otherwise)*
- c. Repair living accommodation*
- d. Demolish buildings comprising or including living accommodation*
- e. Where buildings comprising or including living accommodation have been demolished to construct buildings that comprise or include replacement accommodation'*

The regulations go on to say that 'Assistance may be provided in any form'. Specifically a local housing authority is authorised to take any form of security (including by way of a charge on a property) in respect of such assistance.

However, assistance can only be given under Article 3 where the Council has adopted a policy for the provision of assistance under that article.

APPENDIX 2

THE DECENT HOMES STANDARD

This appendix gives a detailed definition of the decent homes standard and explains the four criteria that a decent home is required to meet. These are:

- A. it meets the current statutory minimum standard for housing;
- B. it is in a reasonable state of repair;
- C. it has reasonably modern facilities and services;
- D. it provides a reasonable degree of thermal comfort.

The decent home definition provides a minimum standard. Landlords and owners doing work on their properties may well find it appropriate to take the dwellings above this minimum standard at their own expense.

Criterion A: the dwelling meets the current statutory minimum standard for housing

Introduced in April 2006, under Part 1 of the Housing Act 2004 this is the Housing Health & Safety Rating System (HHSRS). The HHSRS is intended to identify faults in residential premises which create hazards to vulnerable occupants which carry a high degree of risk of harm. A scoring system under HHSRS measures the degree of hazard across 29 key areas. Hazards are individually rated into scoring bands. Where a hazard score is above the prescribed level (or band) then this triggers mandatory enforcement action, as the hazard is classed as a Category 1 hazard. Under current government guidance (version 2) the prescribed level is 1000 (or band C). Thus hazards scoring within bands A, B or C will be classified as category 1. Other hazards scoring below 1000 i.e. bands J to D are classed as category 2 and do not automatically trigger mandatory enforcement action, but rather certain action at the discretion of the Council.

Criterion B: the dwelling is in a reasonable state of repair

A dwelling satisfies this criterion unless:

- one or more key building components are old and, because of their condition, need replacing or major repair; or
- two or more other building components are old and, because of their condition, need replacement or major repair.

good condition or in poor condition but not old would not, in themselves, cause the dwelling to fail the standard. Thus for example a bathroom with facilities which are old but still in good condition would not trigger failure on this criterion.

Where the disrepair is of a component affecting a block of flats, the flats that are classed as non-decent are those directly affected by the disrepair.

Criterion C: The dwelling has reasonably modern facilities and services

A dwelling is considered not to meet this criterion if it lacks three or more of the following facilities:

- 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.

The ages used to define the 'modern' kitchen and bathroom are less than those for the disrepair criterion. This is to take account of the modernity of kitchens and bathrooms, as well as their functionality and condition.

There is some flexibility inherent in this criterion, in that a dwelling has to fail on three criteria before failure of the decent homes standard itself. Such a dwelling does not have to be fully modernised for this criterion to be passed: it would be sufficient in many cases to deal with only one or two of the facilities that are contributing to the failure.

These standards are used to calculate the national standard and have been measured in the English House Condition Survey (EHCS) for many years. For example, in the EHCS:

- a kitchen failing on adequate space and layout would be one that was too small to contain all the required items (sink, cupboards, cooker space, worktops etc) appropriate to the size of the dwelling;
- an inappropriately located bathroom or WC is one where the main bathroom or WC is located in a bedroom or accessed through a bedroom (unless the bedroom is not used or the dwelling is for a single person). A dwelling would also fail if the main WC is external or located on a different floor to the nearest wash hand basin, or if a WC without a wash hand basin opens on to a kitchen in an inappropriate area, for example next to the food preparation area;

dwellings that are decent and those that fail. 1 for example efficient heating based on renewable sources.

Table 1: Component lifetimes used in the disrepair criterion

Building Components (key components marked *)	Houses and Bungalows	All flats in blocks of below 6 storeys	All flats in blocks of 6 or more storeys
Wall structure*	80	80	80
Lintels*	60	60	60
Brickwork (spalling)*	30	30	30
Wall finish*	60	60	30
Roof structure*	50	30	30
Chimneys	50	50	N/A
Windows*	40	30	30
External doors*	40	30	30
Kitchen	30	30	30
Bathrooms	40	40	40
Heating – central heating gas boiler*	15	15	15
Heating – central heating distribution system	40	40	40
Heating – other*	30	30	30
Electrical systems*	30	30	30

IN POOR CONDITION

Table 2 sets out the definitions used within the disrepair criterion to identify whether building components are 'in poor condition'. These are consistent with EHCS definitions and will be the standard used to monitor progress nationally through the EHCS. The general line used in the EHCS is that, where a component requires some work, repair should be prescribed rather than replacement unless:

- the component is sufficiently damaged that it is impossible to repair;
- the component is unsuitable, and would be even if it were repaired, either because the material has deteriorated or because the component was never suitable; (for external components) even if the component were repaired now, it would still need to be replaced within 5 years.

Table 2: Poor Condition Definitions used in the disrepair criterion

Building Components (key components marked *)	Houses and Bungalows
Wall structure*	Replace 10% or more or repair 30% or more
Wall finish*	Replace/repoint/renew 50% or more
Chimneys	1 chimney needs partial rebuilding or more
Roof Structure*	Replace 10% or more to strengthen 30% or more
Roof Covering*	Replace or isolated repairs to 50% or more
Windows*	Replace at least one window or repair/replace sash or member to at least two (excluding easing sashes, reglazing painting)
External doors*	Replace at least one
Kitchen	Major repair or replace 3 or more items out of the 6 (cold water drinking supply, hot water, sink, cooking provision, cupboards)
Bathroom	Major repair or replace 2 or more items (bath, wash hand basin)
Electrical System	Replace or major repair to system
Central Heating Boiler*	Replace or major repair
Central Heating Distribution	Replace or major repair
Storage Heating*	Replace or major repair

APPENDIX 3

FINANCIAL ASSISTANCE

Financial assistance is given for the purpose of undertaking improvements, repair, conversion, adaptation or demolition of premises within the boundary of Copeland Borough Council.

IMPORTANT - Applicants should not commence any work until they receive formal written approval from the Council. If they do not comply with this they will jeopardise entitlement to Financial Assistance.

All applications for financial assistance must be made in accordance with the procedures and documentation adopted by the Council. Only forms supplied by the Council for the purpose of applying for financial assistance (together with any other documentation as may be required) will be accepted as a valid application.

Each application for financial assistance will be considered by the Council in accordance with the Housing Assistance Policy 2008-2013. Potential applicants should not automatically assume that financial assistance will be approved, even where it appears that circumstances comply with the Council's eligibility criteria.

Financial assistance will be in the form of a combination of grant aid **and** an interest free loan (known as the Assistance Type). The Council has prescribed the rate at which it will contribute towards financial assistance (known as the Assistance Rate).

The amount of financial assistance will be determined by the Council taking into account the following factors:

- The extent and cost of works (subject a maximum limits)
- The applicants circumstances
- The size of the premises (based on number of bedrooms)
- Extent to which other forms of assistance are available

The Council has determined 4 priority groups of households as eligible for financial assistance, and has applied a varying scale of Assistance Rates for each. These are:

Repayment of either the grant or the interest free loan will remove the relevant land charge accordingly.

Where the cost of works (including fees and other ancillaries) is in excess of the relevant maximum, the applicant will be responsible for financing the excess in addition to any contribution determined using the Assistance Rate under the Housing Assistance Policy 2008-2013.

In order to maximise the value of financial assistance the Council will seek to reuse funding where ever possible for housing investment. Accordingly all interest free loans repaid on disposal and all grant monies reclaimed for breach of conditions will be paid into the Housing Capital account and used for further investment in private sector housing renewal.

The Council reserves the right to amend the Assistance Rate, or the distribution between grant and interest free loan, or to amend, add or delete the Priority Groups as specified in the policy. Any such amendments or variations will be in accordance with Article 3 of the Regulatory Reform (Housing Assistance)(England & Wales) Order 2002.

For more details and information contact:

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Copeland Borough Council
The Copeland Centre
Catherine Street
Whitehaven
CA28 7SJ
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Email: d.cochrane@copelandbc.gov.uk

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APPENDIX 4

SUMMARY OF CONDITIONS APPLYING TO FINANCIAL ASSISTANCE

- ▶ The premises for which assistance is sought must be a permanent structure, located within the boundaries of Copeland Borough Council.
- ▶ Qualifying premises must require works to achieve the Decent Homes Standard.
- ▶ Applicants must have an owners interest in the premises (i.e. freehold or long term lease with over 20 years remaining including repairing obligations).
- ▶ Applicants must agree in writing to the offer of financial assistance acknowledging any financial commitment or conditions attached to the offer before any assistance is paid (the certificate of understanding and compliance).
- ▶ Applicants must provide a certificate of future occupation in accordance with the stipulations made by the Council.
- ▶ Where a grant has been awarded, upon completion the applicant must live in the premises as his/her (or a member of the familyⁱ) as the sole or main residence for a period of 5 years. Failure to do so will entitle the Council to reclaim all or part of the grant with interest.
- ▶ Where an interest free loan has been awarded, a charge will be placed in the local land charges register. When the premises are sold or otherwise conveyed to a third party the amount of loan will be repayable to the Council.
- ▶ Repayment of either grant or interest free loan will remove the relevant charge from the register accordingly.
- ▶ The specification approved by the Council for financial assistance can not be varied or amended without the express instruction of the Council.

ⁱ As defined by Section 113 of the Housing Act 1985 (as amended)