



Cabinet Member Report

Decision Maker:	Cabinet Member for Housing, Regeneration, Business and Economic Development
Date:	1 May 2015
Classification:	General Release
Title:	Review of Private Sector Renewal Assistance 2015
Wards Affected:	All
City for All Summary	This report does not address any of the specific City for All priorities
Key Decision:	Yes
Financial Summary:	The proposals contained within this report can be met within existing budgets. The Housing General Fund capital programme for 2015/16 to 2017/18 is £1,159k in each financial year with £200k per annum available to fund private sector discretionary grants and £959k on Disabled Facilities Grants (or equivalent assistance.)
Report of:	Executive Director of Growth, Planning, and Housing.

1. Executive Summary

- 1.1 This report reviews the City Council's policy for providing assistance to residents and landlords in respect of housing renewal. This is principally in respect of private sector housing but some assistance, for example, works to improve the security of the home, is available to residents in all tenures.
- 1.2 Following the Regulatory Reform (Housing Assistance) Order 2002 (RRO), a statutory instrument which swept away the statutory provisions relating to renovation grants, other than disabled facilities grants (DFGs), local authorities

are free to adopt policies and procedures for the provision of financial assistance to secure private sector renewal. A budget of £200k capital is available in each of the years 2015/16 to 2017/18 from Council resources.

- 1.3 An annual grant is received from central government for DFGs . It is no longer ring-fenced; however, the mandatory nature of this grant remains. In 2015/16 the Council's allocation via the Better Care Fund is £642k. The Council will apply £317k of its own resources and utilise all of the capital grant deriving a budget of £959k. Approximately £100k of this budget will be used to fund the Council's handyperson service. (see paragraph 4.7).
- 1.4 Legacy funding is also available from the Mayor of London for private sector 'Decent Homes' improvements. This ends in 2015/16. This report highlights the proposed key changes to be made under delegated powers (see paragraph 4.5).
- 1.5 A summary of the proposed RRO policy is attached at Appendix 1 and the full RRO policy will be brought into effect by the Executive Director of Growth, Planning and Housing under existing delegated authority.

2. Recommendations

- 2.1 That the amendments to the full RRO policy outlined below in section 4 be approved: such changes to be brought into effect by the Executive Director of Growth, Planning and Housing under delegated authority on a date of his choosing.

3. Reasons for Decision

- 3.1 This decision is necessary in order to provide the Cabinet Member with a means of approving the changes to the RRO policy referred to in section 4 in an area of responsibility delegated to the Executive Director.

4. Background, including Policy Context

- 4.1 The City Council's private sector housing assistance policy is periodically reviewed and the last review was in September 2013.
- 4.2 With the advent of the RRO, general powers for the provision of assistance in respect of private sector renewal replaced the former statutory provisions for various types of grants. The City Council's future policy under this Order is attached in summary form in Appendix 1 and the full RRO policy will be brought into effect, subject to this approval, by the Executive Director of Growth, Housing, and Property under existing delegated authority. The main changes are highlighted below.

Repairs to existing adaptations

- 4.3 There has been an increasing need for repairs to existing adaptations, largely as a result of residents living longer. The existing policies can cater for these circumstances but the processes are unwieldy for low cost repairs and therefore it is proposed that the new form of assistance is introduced.

Draught proofing and loft insulation grants

- 4.4 It is proposed that loft insulation and draught proofing assistance is removed. This was available in the Queen's Park ward and Harrow Road ward and emanates from the time of the declaration of this area in 2010 under the Mayor's Low Carbon Zone initiative. The Mayoral funding ended in 2012/13 and the work of intensive pro-active encouragement of such works has ended and the take-up of this grant was minimal in 2014/15.

Decent Homes Assistance

- 4.5 Funding has been obtained from the Mayor of London in previous financial years in order to assist in improving the homes of low-income owner-occupiers. This funding is ring-fenced for this purpose and is 100% funded by the Mayor. It is, therefore, at no cost to the Council. For control purposes it is managed within the £200k discretionary assistance budget. The available funds might be exhausted before the end of 2015/16. In order to avoid this and consider applications for such funding after such time it is proposed that the wording of the Council's policy be changed to allow the Council to refuse an application on the grounds that this specific funding has been exhausted.

Adaptations for disabled residents in housing association owned accommodation

- 4.6 Landlords who are housing associations and the tenants of such bodies are entitled to apply for mandatory DFGs and properly made applications must be determined in accordance with statute by local housing authorities. However, Central Government's desire is that such landlords either self-fund adaptation works for their tenants or at least engage with local housing authorities in order to come to an arrangement for the sharing of costs and responsibilities. An attempt was made to enter into such an arrangement in recent years but this failed. In recent years there has been an overall increase in demand from residents for adaptations in Westminster and a marked increase in the number of applications from housing associations for DFGs. This is placing a strain on the available budget. Therefore it is proposed that a specific form of assistance for housing associations is introduced under which the Council will fund 50% of the cost of the works (up to a maximum of 50% of £30,000) with the expectation that housing associations will fund the rest themselves rather than applying for a

mandatory DFG. In the event that a DFG application is properly made, the Council is lawfully bound to determine the application within 6 months unless it is withdrawn. In doing so, the Council must determine the amount of grant having regard to the extent to which the landlord is able to charge a higher rent.

Handyperson Service.

- 4.7 A new bi-borough handyperson service will be procured with a contract commencement date of the 1st November 2015. No changes to the eligibility criteria are proposed and this service will remain free of charge. The existing service which costs £9,000 approx. per month will continue until that time. From the 1st November the cost will be £4,750 per month. The cost for 2015/16 will therefore be about £87,000. This will be derived from two sources. Firstly, £30,000 comes from the Supporting People budget and the remaining £57,000 from the non-ring-fenced DFG budget. In subsequent years the contract price will be £57,000. £30,000 will be derived from the Supporting People budget and £20,000 from the DFG budget.

5. Financial Implications

- 5.1 Changes to the policy outlined in paragraph 4 above may be contained within the existing budgets.

		Cost 2015-16 £k	Cost 2016-17 £k
<i>Handyman Scheme</i>	Spend	87	57
Funded From:-			
Supporting people Funding	Funding	30	30
Disabled Facilities Works	Funding	57	27
<hr/>			
<i>Disabled Facilities Works</i>	spend	959	959
(Mandatory Grants)			
funded from:-			
Govt Grant	Funding	642	642
Council GF	funding	317	317
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<i>Private sector Discretionary Grants</i>	Spend	200	200
Funded from :-			
Council GF	Funding	200	200

Total Capital Spend	1,159	1,159
Funding		
Disabled Facilities Works	642	642
Council GF	517	517
Total Funding	1,189	1,189
Note SP funding is revenue	30	30

5.2 Budgets are also available to fund expenditure included in paragraph 1.3 and paragraph 4.7.

6. Legal Implications

6.1 The content of this report and the amendments to the full RRO policy set out in section 4 are in line with the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002.

7. Staffing Implications

7.1 There are no staffing implications.

8. Consultation

8.1 The operational service area in City Management has been consulted on these proposals along with commissioning colleagues in the Royal Borough of Kensington and Chelsea.

**If you have any queries about this Report or wish to inspect any of the Background Papers please contact:
 Jake Mathias. Telephone: 0207 641 3359. Email:
 jmathias@westminster.gov.uk**

BACKGROUND PAPERS:

Equality impact assessment of the effect of combining 2 or 3 publicly funded handyperson services operating in the City of Westminster and the Royal Borough of Kensington and Chelsea into a single service.

APPENDICES:

Appendix 1 – summary of proposed policy under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002.

For completion by the Cabinet Member for Cabinet Member for Housing, Regeneration, Business and Economic Development

Declaration of Interest

I have <no interest to declare / to declare an interest> in respect of this report

Signed: _____ Date: _____

NAME: **Councillor Daniel Astaire**

State nature of interest if any

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(N.B: If you have an interest you should seek advice as to whether it is appropriate to make a decision in relation to this matter)

For the reasons set out above, I agree the recommendation(s) in the report entitled Review of Private Sector Renewal Assistance 2015 and reject any alternative options which are referred to but not recommended.

Signed

Cabinet Member for Housing, Regeneration, Business and Economic Development

Date

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

Additional comment:

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If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, the Head of Legal & Democratic Services, Strategic Director Finance and Performance and, if there are resources implications, the Strategic Director of Resources (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Cabinet Member: Your decision will now be published and copied to the Members of the relevant Policy & Scrutiny Committee. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication to allow the Policy and Scrutiny Committee to decide whether it wishes to call the matter in.

