

Private Sector Housing Grant and Assistance Policy 2012

1. Introduction

- 1.1 This policy explains the different types of help the Council can give to improve the condition and suitability of homes in its district. It also explains our broad approach to giving grants and other forms of financial assistance (such as loans), the principles we shall use to decide which will be made available, and our rules for processing and administering them.
- 1.2 It is a revision of the Private Sector Housing Grants and Assistance Policy 2008, which itself replaced the earlier Housing Renewal Policy 2003. Neither of those earlier policies remains in operation.
- 1.3 The policy has been written to take account of the targets set by the Council in its Housing Strategy 2012-2017, but it needs to be read in light of the *Housing (Private Sector) Policy 2012*, to which it is, in-effect, a sub-policy.
- 1.4 We have taken the opportunity to bring the policy up-to-date and ensure that the job titles and references to Council departments etc reflect the changes the Council has made since 2008. The broad approach set by the previous policy remains in place in this version, although there are some modest technical changes. The Council intends to keep the policy under review and will consider alternative approaches to the giving of grants and loans and any new initiatives we believe will help us meet our strategic targets.
- 1.5 Although this policy includes reference to Disabled Facilities Grants (DFGs) and the sections dealing with the proper administration of grants (sections 7-11) are applicable to DFGs as they are to other grants and loans, the rules determining the circumstances in which DFGs can be given, eligible works and the amount of grant available in each case, are all specified in legislation. For that reason, they have not been included or reproduced here. The Council's *Disabled Facilities Grant Policy 2010* explains how we shall make those judgements about eligibility that are the responsibility of the Council, how we shall make judgements about priority and how we shall manage any waiting list.
- 1.6 The policy does not set out which forms of financial assistance (grants and loans) may be available at any particular time. We have reached the conclusion that a policy which prescribes the detail of each grant and loan would require regular revision and, because it would then need to pass through the process of formal approval by the Council's Executive in response to each technical change, would be excessively unwieldy and would restrict our ability to keep our grants and loans responsive to changing circumstances.
- 1.7 Instead, the relevant head of service¹ and the relevant lead member² will determine which grants and other forms of financial assistance (other than mandatory Disabled Facilities Grants) will be available. In each case these must be set in accordance with the principles set out in this Policy. Details of

¹ Currently the Head of Regeneration and Housing.

² Currently Lead Member for Housing

those specific grants and other forms of financial assistance will be specified in separate documents which will effectively become appendices to this Policy.

- 1.8 Not everyone takes advantage of advice, grants or loans even when they are available. Sometimes the Council will need to use enforcement powers to solve problems and improve homes. Our Enforcement Policy sets out how and when we will use our enforcement powers.

2. Background

- 2.1 The Regulatory Reform (Housing Assistance) Order 2002 came into effect on 18 July 2003 and repealed most of the legislation dealing with grants for owners and landlords. Disabled Facilities Grants (DFGs) are now the only mandatory grant, that is, the only grant the Council is obliged to give³.
- 2.2 In the past we could only provide financial assistance in the particular ways set out in acts of parliament. Since 2003 the Regulatory Reform Order (RRO) has given the Council the flexibility to decide how best to solve local house-condition problems. However, if the Council is to use this flexibility the RRO says it must have a policy which sets out what help it will give and in what circumstances. That is what the Private Sector Housing Grant & Assistance Policy is intended to do.

3. Strategic aims and priorities

- 3.1 The Cherwell Sustainable Community Strategy 2010 confirms the Council's and its partners' vision for the district and set four ambitions:
- Opportunities for all (dealing with community issues)
 - A diverse and resilient economy (dealing with economic issues)
 - Connected and protected (dealing with infrastructure and environment)
 - Resourceful and receptive (dealing with the community leadership)
- 3.2 These ambitions are given focus in the Cherwell Community Plan 2016 which includes the following broad aims:
- Maximise affordable housing across a range of tenures
 - Enable home adaptations for disabled people
 - Rejuvenate Cherwell's housing and its environment
- 3.3 The Housing Strategy 2012 -17 (which was produced following substantial research into housing need, stock condition and local housing market conditions) then sets out the Council's housing priorities and objectives in detail. Section 4.3 (below) explains what we plan to achieve.

³ Provided all the eligibility rules are met. These are set out in the Housing Grants, Construction & Regeneration Act 1996 and various regulations made under that Act.

4. Principles for the provision of assistance

4.1 Advice

The Council will endeavour to provide advice on-request about the things we deal with. There will be no charge for this unless the request is judged to be a qualifying request under the Freedom of Information Act (in which case we will tell you and confirm if there is to be a cost). Advice may be given in person, by telephone, in writing, by email and, in some cases, by means of leaflets. We will also make information available on our website (www.cherwell.gov.uk). We cannot however act for individuals in place of professional advisors such as solicitors, surveyors, architects or engineers. In particular, we cannot get involved in neighbour-disputes (unless the circumstances mean we have to take enforcement action), and we cannot assist with civil disputes.

4.2 Focussing our work

Because public funds are limited we cannot help everyone by giving them financial assistance; many people are properly able to provide for and help themselves in any event. For this reason grants and loans will be used to help those people in greatest need and to assist in the achievement of the Council's strategic housing targets. *(Note : In the rest of this document the term 'grant or loan' means grant, loan or other form of financial assistance).*

4.3 Our objectives

In accordance with the aims and priorities in its Housing Strategy, the Council will consider providing financial assistance to achieve the following:

- **Ensuring homes are safe, warm and well managed:**
- Maintaining physical standards within housing
- Affordable warmth and sustainable energy
- **Increasing the supply and access to housing:**
- Supply and access to private rented sector
- Refurbishing and decommissioning stock
- Bringing empty homes back into use
- **Providing housing for our most vulnerable residents:**
- Delivery of disabled facilities grants
- Delivery of Home Improvement Agency services

4.4 Eligibility for assistance and conditions

In order to make sure we are helping the right people we will set appropriate eligibility criteria for each of our discretionary grants and other forms of financial assistance. We may also set conditions about how the house or flat which is the subject of the grant can be used and who may occupy it. Different criteria will apply to different forms of assistance but they will be drawn from the following lists of possible criteria. Once they have been set they will apply to all grants of that type. *(Note: Eligibility rules and conditions for mandatory DFGs are given in legislation. They are not set by the Council and so are not included below).*

4.4.1 Eligibility may be restricted to any of the following tenures:

- Owner-occupied
- Private-rented
- Shared-ownership

4.4.2 **Eligibility may be restricted to any of the following:**

- Owner-occupiers
- Owner-occupiers who have been in residence for a specified period
- Owner-occupiers of specified age or with resident dependents of specified age
- Tenants
- Tenants with repairing obligations
- Tenants of specified age or with resident dependents of specified age
- Vulnerable households
- Households in financial need
- Households in which a member is subject to a disability
- Private Sector Landlords
- Landlords providing accommodation to households threatened with homelessness

4.4.3 **Future use criteria may require that landlords:**

- Make premises available for letting for a specified period
- Give nomination rights to the Council for a specified period
- Agree to accept tenants in receipt of specified benefits for a specified period
- Restrict the rent to a maximum level specified by the Council for a specified period
- Let or re-let to qualifying tenants (of a type determined by the Council) for a specified period
- Repay some or all of the grant (on a basis determined by the Council) if other conditions are not met
- Repay some or all of the grant or loan upon sale or transfer of the property

4.4.4 **Future use criteria may also require that owners:**

- Repay some or all of the grant or loan if they cease to occupy the property

4.5 **Making the most of our resources**

In order to make sure that the Council is getting the best value from its grants in terms of its officers' time, the targets it has to meet, its legal duties and value for money, we may make conditions about the standards which works have to achieve, about multiple applications and about the amount of grant or loan available. Different criteria may be used for different types of grant or loan. The following lists show the conditions we may use. Once they have been set they will apply to all grants and loans of that type.

4.5.1 **Conditions may prohibit:**

- More than one grant or loan per dwelling
- More than one grant or loan of the same type being given within a specified period
- More than one grant or loan of any type being given within a specified period

4.5.2 **Conditions may also be used to limit:**

- The maximum grant or loan
- The minimum grant or loan
- The maximum total value of grants or loans paid for any one property
- The maximum total value of grants or loans paid for any one property over a specified period

- The rate (% of agreed cost of works) at which grant or loan is paid
- The maximum sum or % rate at which eligible fees may be paid

4.5.3 ***In the case of loans and equity release, conditions may specify that:***

- Interest will be charged at a specified %
- Capital and any interest must be repaid in certain circumstances, at certain intervals or by certain dates

4.5.4 ***Conditions may also require that particular standards are achieved and that works must deal with:***

- Hazards assessed as being category-1 hazards under the Housing Health & Safety Rating System
- Hazards assessed as being category-2 hazards under the Housing Health & Safety Rating System (or certain categories of those hazards)
- Defects causing the premises to fail the Decent Homes standard
- Inadequate levels of insulation
- Public safety issues
- Matters affecting the health or safety of particularly vulnerable occupants
- Particular issues affecting vulnerable occupants' ability to continue living in their homes
- Security risks affecting vulnerable occupiers

5. Deciding what grants we will give

- 5.1 In order to provide flexibility, to ensure that financial assistance continues to be effective and deliver the required objectives, the types of discretionary grants and loans available and the particular criteria and conditions that will apply to each type will be determined and approved by the Head of Regeneration and Housing in consultation with the Lead Member for Housing.
- 5.2 The criteria and conditions applying to each type of financial assistance will be set in accordance with this policy and a summary of the grant including its applicable conditions and criteria will be approved in writing. Those documents (for as long as they remain effective) will form an appendix to this policy.
- 5.3 Once approved, grants and loans will continue to be available until either they are cancelled in writing by the Head Regeneration and Housing in consultation with the Lead Member for Housing; or until the allocated budget for the particular grant or loan has been committed.
- 5.4 If the Council is allocated funding for discretionary grants or loans through government department, agency or other source and is required to give formal acceptance, or if approval of an additional capital budget is required, the matter will be referred to Members in accordance with the Council's standing orders.

6. Exceptional circumstances

- 6.1 In exceptional cases, variations to the criteria applied to particular grants and loans may be agreed by the Head of Regeneration and Housing. In particular, the Council wants to be able to provide assistance, without undue delay, to

anyone whom it judges likely to suffer degrees of injury or harm that outweigh their ineligibility under the standard criteria. Any decision to agree an exceptional variation to the established criteria applying to a grant or loan will be confirmed in writing by the Head of Regeneration and Housing.

- 6.2 Where an application for a particular type of grant or loan covered by this policy raises an issue that is not specifically covered by the policy, the Head of Regeneration and Housing will determine whether and in what circumstances assistance can be provided. This decision will be confirmed in writing.
- 6.3 If any case raises an issue which seems likely to set a precedent for other similar cases or which would in effect create a new type of grant or loan outside the terms of this policy, the Head of Regeneration and Housing will determine whether to recommend a revision of the policy. Cases of this sort will not be treated as exceptional cases.

7. Documents and estimates

- 7.1 Applications for financial assistance must be made using an application form approved by the Council⁴.
- 7.2 The Council will determine what other documents have to be completed and will issue these to applicants. They must be returned as part of the grant application.
- 7.3 When works have to be carried out the Council will either produce or agree and approve a schedule setting out those works and will usually require estimates to be made using this schedule.
- 7.4 We will usually ask for at least 2 estimates so that we can be sure the costs are reasonable. Contractors submitting estimates must provide their details, including: name, address, telephone number(s) and VAT number (if VAT has been included). The Head of Regeneration and Housing must approve the use of a single estimate in any particular case or type of case.
- 7.5 We will not accept incomplete applications, estimates that are not provided in the correct form or prices we judge to be unreasonably high.

8. Grant Approvals

- 8.1 We will not approve any grant if work has been started or completed before we have given approval (unless we have made exceptional prior arrangements in writing).
- 8.2 For most types of grants and loans we will inspect the premises to determine what works are required and eligible as part of the approval process, but we may rely upon a partner-organisation to inspect on our behalf.
- 8.3 Once we have approved a grant we will confirm that in writing. The Council is not committed to providing any funding or any particular sum until we have given that written approval.

⁴ For mandatory DFGs the content of the application is set down in legislation.

- 8.4 The Council will not commit to varying an approval in order to pay for additional or unforeseen works, but may do so if it judges the works and the costs to be appropriate and if it is given sufficient notice and opportunity to visit the site, prior to the works being undertaken, to assess the circumstances and the need for the extra works.
- 8.5 For most types of grants and loans we will re-inspect premises to ensure satisfactory completion of all relevant works prior to release of funds, but we may rely upon a partner-organisation to inspect or confirm satisfactory completion on our behalf.

9. General Grant Conditions

The following conditions will apply in all cases:

- 9.1 Grant work must be completed within 6 months of the grant approval date (except in the case of Disabled Facilities Grants, which must be completed within 12 months) or such longer period as has been agreed in advance, and in writing, by the Council. Grants that remain incomplete may be cancelled. If this proves necessary the Council will confirm cancellation in writing.
- 9.2 All works must be completed in accordance with the agreed specification and to the standard of workmanship required by the Council. Payment will not be made until the work has been properly completed to the Council's satisfaction.
- 9.3 Works must be undertaken by the contractor(s) on whose estimate(s) the grant has been assessed and approved. In exceptional circumstances the Council may agree to a different contractor doing the work, but this must be agreed in advance of the work being done and will be confirmed by the Council in writing.
- 9.4 Payment of grant will only be made once the Council has received an appropriate, bona-fide invoice(s) from the approved contractor.
- 9.5 The Council may give a qualified approval in certain circumstances. (For example, approval may be given for a scheme of works with payment not being guaranteed until the following financial year.) This will allow some payments to be made for preliminary or ancillary fees. For example fees for drawings and legal costs.
- 9.6 All grants will be repayable in full in the event that a specified condition is breached.
- 9.7 All applicable grant conditions will be recorded in the Land Charges Register.

10. Complaints

- 10.1 Any complaint concerning a grant or loan should in most situations be referred, in the first instance, to the case-officer.
- 10.2 If the case officer cannot deal with the complaint it will be referred to their line-manager who will investigate and take appropriate action.

- 10.3 If the case officer does not deal with the matter to the applicant's satisfaction or if it is inappropriate for the case officer to deal with it, the complaint should be made to the relevant line-manager or to the Head of Regeneration and Housing.
- 10.4 Once a complaint has been reviewed we will confirm our conclusions in writing.
- 10.5 If there is a dispute between a contractor and the grant applicant we will provide mediation assistance where we can. However, unless the Council is acting as formal agent on behalf of the applicant, we will only be able to intervene informally. In such cases we will provide written advice to the applicant.

11. Definitions

Disability

- Means a disability recognised (for Disabled Facilities Grant purposes) by an Occupational Therapist employed by the Welfare Authority, a General Medical Practitioner (GP) or an appropriate authority or organisation.
- Disability may also mean receipt of (or entitlement to) such qualifying benefit as the Head of Regeneration and Housing may from time-to-time specifically determine in writing.

Financial Assistance

Means a grant, loan or other financial assistance provided by the Council under the terms of this policy.

Financial need

An occupant is in financial need if they or an adult member of their household:

- Are in receipt of a qualifying benefit (including any qualifying component of a benefit or of Universal Credit) that the Council may periodically determine. (Qualifying benefits will be determined by the Head of Regeneration & Housing.)
- Are eligible for a qualifying benefit (whether or not it is currently in payment)
- Have a zero financial contribution under a Test of Resources of a type approved and confirmed in writing by the Head of Regeneration and Housing
- Have a zero contribution under the Test of Resources prescribed for Disabled Facilities Grants (DFGs)

Owners

Are freehold owners or leasehold owners with an unexpired term of at least 5 years.

Qualifying Benefits

Those benefits (or specific components of a benefit or of Universal Credit) that the Council may periodically determine. (Qualifying benefits will be determined by the Head of Regeneration & Housing.)

Specified period

Means the length of time for which conditions will apply.

Tenants

Persons occupying the premises under the terms of a Protected Tenancy, an Assured Tenancy or an Assured Shorthold tenancy but who are not members of the owner's family.

Transfer of property

Means transfer to someone who is not the surviving spouse or partner of the applicant.

Vulnerable

An occupant is vulnerable if they, or a member of their household:

- Have a recognised disability (including for example: physical disability, infirmity, frailty, mental health problem and learning disability)
 - Are aged 60 or over
 - Are aged 16 or under
 - Have a need for immediate assistance to prevent injury or harm which outweighs their ineligibility for assistance on other grounds
 - Are an adult undergoing rehabilitation
-