

BROMSGROVE DISTRICT COUNCIL

CABINET

6TH APRIL 2011

UPDATE OF THE 2009 – 2014 PRIVATE SECTOR HOUSING STRATEGY AND CESSATION OF FUNDING TO THE KICK START EQUITY RELEASE SCHEME

Relevant Portfolio Holder	Councillor Peter Whittaker
Relevant Head of Service	Head of Community Services
Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 The report brings forward for Member approval an updated version of the Council's Private Sector Housing Strategy (2009 – 2014) to reflect additional and improved housing data that has become available since it was approved in April 2009, the current level of funding available and a more up to date action plan.
- 1.2 The report also brings forward within the Strategy document for Member approval a revised version of the Council's Private Sector Housing Assistance Policy to reflect the minor changes necessary to achieve uniformity of policy for the processing of Disabled Facility Grants and Home Repair Assistance across the six Worcestershire districts whose customers are served by the Worcestershire Care and Repair Service (Home Improvement Agency).
- 1.3 The final element of this report relates to the West Midlands 'Kick Start' Equity Release Scheme to which the six Worcestershire districts became partners from April 2010. The scheme is now likely to close on the 31st March 2011 as a result of Regional top sliced funding to support the scheme being withdrawn.

2. RECOMMENDATIONS

- 2.1 That the updated version of the Council's Private Sector Housing Strategy (Appendix 1 to this report) be approved including the revised Private Sector Housing Assistance Policy (*appendix 1 of the Strategy*) and the action plan (*appendix 2 of the strategy*).
- 2.2 Members note the withdrawal of Regional top sliced funding to the Kick Start Scheme.

3. BACKGROUND

- 3.1 When the Strategic Housing Service was re inspected by the Audit Commission in February 2008 they recommended that in addition to the Council's General Housing Strategy, a separate Private Sector Housing Strategy be developed by April 2009 to guide all activities in the private sector.
- 3.2 Accordingly, a separate Private Sector Housing Strategy covering the period 2009 – 2014 was developed and approved by the Executive Cabinet by the April 2009 deadline.
- 3.3 At the time of approval, it was recognised that an update of survey data relating to private sector housing conditions in Worcestershire was underway and that the strategy would need to be revised when the new survey data had been analysed.
- 3.4 An updated version of the Private Sector Housing Strategy 2009 – 2014 that incorporates the new data therefore comes forward for Member approval and is attached at Appendix 1 of this report.
- 3.5 Within the Private Sector Housing Strategy (2010 – 2015) there are two appendices:
- Appendix 1 – **The Private Sector Housing Assistance Policy**, which sets out the detail and eligibility for Disabled Facilities Grants and private sector housing assistance schemes offered by the Council. This policy has been updated to achieve maximum uniformity with neighbouring authorities across Worcestershire following extensive officer working group consideration in partnership with the new Worcestershire Care and Repair service who project manage DFG , Home Repair assistance grant and equity release loan funded improvements for the customers of all six councils.
 - Appendix 2 – **Private Sector Housing Strategy Action Plan**, which now sets out an updated range of actions to address the aims and objectives over the remaining life of the strategy.
- 3.6 A summary of the key indicators relating to housing condition that informed the revised strategy are set out at Section 5 below.

4.0 THE UPDATED PRIVATE SECTOR HOUSING STRATEGY 2010 - 2015

- 4.1 The updated strategy document (Appendix 1) sets out the role, aspirations and priorities that the Council has for improving the quality, accessibility and availability of private sector housing in the Bromsgrove District over the period 2009 - 2014.
- 4.2 The document was developed in close relationship with partner agencies, and now takes into account the recent Building Research Establishment (BRE) Condition Survey, Thermal Imaging Survey and demographic data. Priorities and objectives were originally reviewed with stakeholders at two Strategic Housing Consultation Events and also based upon ongoing feedback from landlords and through the Landlords' Forum.

5. THE PRIVATE SECTOR HOUSING STRATEGY DOCUMENT (APPENDIX 1)

- 5.1 Improving the standard of private sector housing and increasing the availability and accessibility of privately owned and rented housing, especially to the vulnerable and those on lower incomes, together with the important role of administering Disabled Facilities and Home Improvement grants is identified as the Council's second housing priority within its wider housing strategy.
- 5.2 **Section 1** of the document details the local context of the District with its' increasingly ageing population and identifies the needs of the District and the role of the local authority when dealing with private sector housing with particular regard to advice, assistance and enforcement.

Section 2- identifies how the Strategy takes into consideration the National, Regional and Local priorities, and how this has helped shape our vision for Housing in the District.

Section 3- identifies the housing profile of the Bromsgrove District by providing an overview of the last Stock Condition Survey and its key findings

Section 4- identifies current issues influencing Private Sector Housing in the District and explores the emerging and potential impact of the current economic downturn upon the local housing market.

Section 5- identifies the Council's priorities for private sector housing that were identified during the recent consultation event with partners and stakeholders.

Section 6- details how the Local Authority currently meets these priorities and sets out further future initiatives.

Section 7- provides information on resources and funding streams available in provide a range of grant assistance.

Section 8 – sets out the Key Outcomes and key performance targets relating to:

- Sustained long term 'Decent' housing conditions, improved quality of privately rented accommodation (including HMOs), higher standards for healthier and safer homes.
- Improved energy efficiency of homes.
- Better support and assistance to older and vulnerable people in making home improvements and adaptations, healthier and safer homes.
- Increased access to private rented accommodation for the homeless, increased choice and increased support and assistance to landlords.

5.3 **The Private Sector Assistance Policy** is included within Appendix 1 of the Strategy document. Whilst the policy was reviewed in 2010 in readiness for the commencement of the Worcestershire Care and Repair service in June last year it has been further reviewed to gain maximum consistency with neighbouring authorities across the County in order to enhance the customer experience when accessing services through the Countywide Home Improvement Agency.

5.4 The policy remains unchanged from when it was approved by the Executive Cabinet on the 7th April 2010 with the exception of the following alterations:

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Overview	Previously	Now
Reduction in the forms of discretionary Grant/ loan products available.	Home Repair Assistance Grant (up to £5,000 and Renovation Grants (up to £10,000) were available.	One Discretionary Grant known as the Home Repair Assistance Loan .
Deletion of Kick Start Equity Release Scheme from policy.	Previously included the availability of the Kick Start Scheme for equity holding home owners to access equity release loan for home improvement.	Now removed due to closure of the scheme from 31 st March 2011.
The repayment terms of the loans have been altered.	Home Repair Assistance & Renovation Grant was only repayable if the property was sold within 10years. The repayment amount was based upon the percentage increase or decrease as determined by the land and property index	Home Repair Assistance Loan is repayable in full (no increase or decrease) when the property is sold or at change of ownership with no time limit.
Age restrictions and values of grants have been aligned	Home Repairs Assistance Grant was only made available to those over the age of 60 and up to a maximum of £5,000. The Renovation Grant was available for those under the age of 60 up to the value of £10,000	The Home Repair Assistance Loan is available irrespective of age provided that the works are deemed a Category 1 Hazard under the Housing Health & Safety Rating System and the vulnerable person is resident in the property.
The length of time to which a qualifying applicant has to have owned the property has been reduced.	For both previous grants the applicants must have owned their property for 3years.	The applicants are required to have owned their property for a period of 12 months.
The eligibility criteria has been altered.	Previously there was no restriction on the applicant's level of savings unless in receipt of Disability Living Allowance (as it was not a means tested benefit).	All applicants must not have more than £16,000 savings available.
The previous inclusion of the Renewable Energy Grant has been withdrawn	Renewable Energy Grant to for the installation of Renewable Energy technology within a residential or non profitable organisation property was available.	Renewable Energy Grant withdrawn due to low take up and insufficient funding to continue.

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- 5.5 **An Updated Action Plan** setting out actions that are proposed relating to each of the Key Outcomes is set out in Appendix 2 of the Strategy document.

6. KICK START EQUITY RELEASE SCHEME

- 6.1 The West Midlands Kickstart Scheme is a regionally (top sliced) funded scheme that provides an additional form of assistance to help home owners improve and renovate their dwellings through subsidised equity release loan facilities.
- 6.2 Following a successful bid last year, the six Worcestershire authorities joined the Kickstart Partnership to enable Worcestershire customers to access up to £360,000 capital grant to fund subsidised loans for home improvement.
- 6.3 During the past nine months, Festival Housing, who manage the Worcestershire Care and Repair Service have processed applications by customers in need of home repair assistance through to the Kick Start Service with a value of works that fully reflects the programme approved for Worcestershire.
- 6.4 Unfortunately both Regional funding that was top sliced to the Kick Start Scheme and government funding to local authorities to support private sector housing renewal have both been withdrawn from April 2011. Accordingly the Kick Start Scheme in its current form will cease to operate from the 31st March 2011.
- 6.5 Whilst we are maintaining a dialogue with the Kick Start Partnership managers and Board, in the light of the funding streams being withdrawn, there is currently no viable proposal for a replacement service.

7. FINANCIAL IMPLICATIONS

- 7.1 There are no immediate financial implications associated with the approval of the Private Sector Housing Strategy as the implementation of the actions will be carried out within existing Strategic Housing staff resources.
- 7.2 In the event of any action indicating or recommending the implementation of a new service, then a bid would have to be submitted for consideration under the Council's corporate annual budget process.

- 7.3 The withdrawal of top sliced Regional Funding to the Kick Start Partnership for Equity Release Loans means that continuation of the service in its present form is no longer viable and will cease from the 31st March 2011.

8. LEGAL IMPLICATIONS

- 8.1 There are no legal implications associated with the introduction of the revised strategy and assistance policy.

9. POLICY IMPLICATIONS

- 9.1 Alterations to the Home Repair Assistance Policy have been introduced to gain uniformity across the six Worcestershire district authorities who refer DFG and Home Repair Assistance customers to the Worcestershire Care and Repair Service.

10. COUNCIL OBJECTIVES

- 10.1 The Housing priorities and actions within the document link with all four Corporate Objectives:

Council Objective One - Regeneration – CO1 Priority Housing and Town Centre.

Council Objective Two – Improvement.

Council Objective Three – Sense of Community and Wellbeing.

Council Objective Four – Environment – CO4 Priority Climate Change.

11. RISK MANAGEMENT INCLUDING HEALTH AND SAFETY CONSIDERATIONS

- 11.1 The main risks associated with the details included in this report are:

The ability to retain suitably qualified and experienced staff to implement the strategy and action plan.

The ability to maintain continued commitment and support from partners in addressing the actions identified.

11.2 These risks are being managed as follows:

Risk Register: Environment and Planning
Key Objective Ref No: 4 - Effective, efficient and legally compliant Housing Service
Key Objective: 4.1 - Monitor, manage and implement the recommendations from the Audit Commission Housing Inspection Report and Housing Strategy Action Plan.

12. CUSTOMER IMPLICATIONS

12.1 The actions set out within the document are designed to enhance the Council's response to the identified housing needs of the community and to improve the quality, standard and accessibility of housing services provided.

13. EQUALITIES AND DIVERSITY IMPLICATIONS

13.1 The review and consultation process has been carried out in accordance with corporate equality and diversity policy and where appropriate, housing services undergo impact assessment.

13.2 The strategy has been developed following the consultation events carried out with partners and stakeholders.

14. VALUE FOR MONEY IMPLICATIONS PROCUREMENT AND ASSET MANAGEMENT

14.1 The Housing Strategy is based upon bringing together partners and resources to maximise the benefit to the community. The vision that we have since developed; ***“Making best use of existing accommodation by improving the quality and accessibility and addressing the imbalance in the housing market through the provision of more affordable housing”***, has helped us to focus our efforts to achieve the greatest impact by making better use of existing stock across all tenures.

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15. CLIMATE CHANGE, CARBON IMPLICATIONS AND BIODIVERSITY

- 15.1 The strategy is a key player in addressing energy efficiency which is a major cause for homes failing the Decency Standard.
- 15.2 Whilst limited by budget available, the Home Repair Assistance policy helps address home energy efficiency.

16. HUMAN RESOURCES IMPLICATIONS

- 16.1 None.

17. GOVERNANCE/PERFORMANCE MANAGEMENT IMPLICATIONS

- 17.1 None identified.

18. COMMUNITY SAFETY IMPLICATIONS INCLUDING SECTION 17 OF CRIME AND DISORDER ACT 1998

- 18.1 None identified.

19. HEALTH INEQUALITIES IMPLICATIONS

- 19.1 The Decent Homes Standard and the Housing Health and Safety Rating System feature in the strategy as a measure of condition within the private sector housing stock and has a direct relationship to health.

20. LESSONS LEARNT

- 20.1 The strategy is updated in response to improved data now available relating to the condition of privately owned homes across the District.

21. COMMUNITY AND STAKEHOLDER ENGAGEMENT

- 22.1 The strategy was originally developed following a range of stakeholder events.

23. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	YES
Chief Executive	YES

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Executive Director (S151 Officer)	YES
Executive Director – Leisure, Cultural, Environmental and Community Services	YES
Executive Director – Planning & Regeneration, Regulatory and Housing Services	YES
Director of Policy, Performance and Partnerships	YES
Head of Service	YES
Head of Resources	YES
Head of Legal, Equalities & Democratic Services	YES
Corporate Procurement Team	NO

24. WARDS AFFECTED

All Wards

25. APPENDICES

Appendix 1 – Revised Private Sector Housing Strategy 2010 – 2015
(including Private Sector Housing Assistance Policy and Action Plan)

26. BACKGROUND PAPERS

Housing Strategy Document 2006 – 2011
Bromsgrove Housing Market Assessment 2008
BRE Condition Survey

AUTHOR OF REPORT

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