

# REPORT TO EXECUTIVE

## PORTFOLIO AREA: HEALTH & WELLBEING

Date of Meeting:	28 October 2002		
Public			
Key Decision:	No	Recorded in Forward Plan:	Yes
Inside Policy Framework			

**Title:** HOUSING RENEWAL - REGULATORY REFORM (HOUSING ASSISTANCE) ORDER 2002

**Report of:** DIRECTOR OF ENVIRONMENT & DEVELOPMENT

**Report reference:** EN 119/02

### Summary:

This Order gives Local Authorities discretionary powers to deal with Housing Renewal, provided they produce and publish a policy, on how they will deal with this subject.

### Recommendations:

It is recommended that officers be given approval to work with the relevant Portfolio Holder to produce a comprehensive policy for Housing Renewal.

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## 1. BACKGROUND INFORMATION AND OPTIONS

## 2. CONSULTATION

1. Consultation to Date. NIL

1. Consultation proposed. Widespread consultation with Private and Social Landlords and other agencies with housing responsibilities and interest.

### **3. STAFFING/RESOURCES COMMENTS**

Within existing.

### **4. CITY TREASURER'S COMMENTS**

N/A

### **5. LEGAL COMMENTS**

N/A

### **6. CORPORATE COMMENTS**

N/A

### **7. RISK MANAGEMENT ASSESSMENT**

N/A

### **8. EQUALITY ISSUES**

N/A

## **9. ENVIRONMENTAL IMPLICATIONS**

N/A

## **10. CRIME AND DISORDER IMPLICATIONS**

N/A

## **11. RECOMMENDATIONS**

As per frontsheet

## **12. REASONS FOR RECOMMENDATIONS**

To allow officers to investigate options and develop a draft policy for Housing Renewal.

## 1. Introduction

1. This Order came into force on 18 July 2002, but accompanying guidance has not yet been finalised. However, Local Authorities must have adopted and published a revised Housing Renewal policy by 18 July 2003, otherwise they will have no powers to provide grant assistance.
2. Poor quality housing is known to have an adverse impact on the health and well being of the occupants. The Government's view is that the primary responsibility to maintain a property must lie with the owner. However, Central Government is committed to improving housing quality across all tenures, including the owner-occupied sector, and fully accepts that certain homeowners, particularly the elderly and the vulnerable, do not have the necessary resources to maintain their homes in good repair.  
To this effect, the Council already has a statutory duty to review the condition of the housing stock in the area, and consider how best to use our existing powers to remedy deficiencies. A prime example of this Council's approach to poor housing, was the carrying out of the Local House Condition Survey in 2001/02.
3. The Council has extensive powers to intervene where it is considered that housing conditions are unacceptable, even if it does not go on to offer financial assistance. The Government however, proposes to replace the existing Fitness Standard with the Housing Health and Safety Rating System, based on risk assessment, which will enable Councils to address, more effectively, the hazards found in dwellings. The Rating System has, however, not yet been finalised and the Fitness Standard remains the criteria to be utilised when dealing with hazards in the housing stock.
4. This new Order provides the Council with a much greater degree of flexibility in devising a strategy to deal with mainly private sector housing which is in poor condition, both in terms of the policy tools available, and in terms of our ability to work in partnership with others. It therefore provides us with a major opportunity to contribute further towards the Government's overall strategies towards tackling

poverty, social exclusion, health inequalities and neighbourhood decline.

5. The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 makes the following significant changes:
    - It introduces a new general power enabling local housing authorities to provide assistance for housing renewal. Assistance may be given for:
      - The repair, improvement, and adaptation of housing.
      - The demolition of a dwelling and to help with rebuilding costs.
      - The acquisition of replacement accommodation in any location. Such assistance can be made available in two specific circumstances, namely
        - Where the authority proposes to purchase (whether voluntarily or compulsorily) the existing accommodation; or
        - Where the provision of replacement accommodation represents a better benefit similar to repairing, improving or adapting the existing property.
    - It repeals the detailed legislative provisions with respect to Renovation Grants, Home Repair Assistance, and other such grants.
    - It streamlines the provisions governing the operation of Renewal Areas.
    - It makes minor changes to the provisions in relation to Disabled Facilities Grant (DFG), but the system for providing mandatory DFGs remains largely unchanged.
1. The new power enables authorities to give assistance to persons directly, or to provide assistance through a third party such as a home improvement agency, specialist financial intermediary or other special purpose vehicle.
  2. The power allows local authorities to provide assistance to any person. Clearly it is intended to be used primarily to assist with private sector housing conditions but in exceptional cases, for example, within area renewal projects it could be used to provide assistance for properties in the social rented sector.
  3. The new general power to give assistance will be available for use by authorities immediately, providing they have published a policy setting out how they intended to use the power.
  4. However, most of the existing powers in relation to renovation grants will be repealed in July 2003. Amendments to the DFG regime will also take effect from that date. This sets a clear deadline for the Council and we must have a new policy on housing renewal adopted

and published by then, should we wish to continue to give housing renewal assistance.

## **1. Strategic Context**

1. If the Council wishes to use our new general power to give assistance, we must first adopt and publish a policy, setting out how the new powers will be used. A review will require to take place to amend our existing housing renewal policies and strategy as part of this process. Some of the key considerations which should underpin such a review are:-

1. At a National level, renewal policies will be influenced by Best Value, the UK Fuel Poverty Strategy, Supporting People, Planning Policy Guidance for Housing and Housing Market Renewal.
2. At Regional level influences will include the regional housing statement, the strategic aims and objectives of the Regional Development Agency, Regional Planning Policy Guidance and any other relevant sub-regional or regional studies.
3. At local or corporate level, the Community plan should be the starting point for determining policy priorities. Important consideration should also be given to the extent to which housing can contribute towards fulfilling other corporate objectives.
4. The more flexible power to give assistance contained in the Order will enable Council to engage with new and varied partners, who will have an input into delivering key outcomes. These partners will be drawn from areas such as Health; Community; Education; Fuel Poverty; Finance etc.
5. In order to establish robust policies, we will require to identify local issues, needs and expectations, and it will be crucial that contemporary and accurate information is available to inform this process.
6. It will be essential to consider policy options, establish priorities for action, and subsequently review these matters on a regular basis, in order that the constantly changing needs of those in the housing market can be addressed.

## **2. Policy Tools**

1. The provisions contained within this Order gives the Council far greater discretion on how we provide assistance for housing renewal, and, we are also best placed to decide, at a local level, the most appropriate form of assistance which will address the policy priorities that we identify in our strategy.
2. The facility for providing grant assistance, especially to the elderly and the most vulnerable of our households, is still available, provided this represents the most appropriate form of assistance. This is most likely to be in cases where the work is of a minor nature, or where the applicant is not in the financial position to fund the works themselves.
3. The role of the private rented sector will require to be given careful consideration in relation to meeting housing needs and the ability of

this Sector to provide accommodation of a suitable standard. This will influence the Council's thinking on whether or not to provide financial assistance to Landlords to encourage housing renewal.

4. The general power provided to Local Authorities by this Order enables other financial assistance to be offered by way of loans and equity release loans. However we will require to seek proper, comprehensive legal and financial advice whilst developing our policy.

### **3. Recommendations**

1. As identified in the body of this report, much work will be required to produce, a comprehensive, workable policy with which to take forward Housing Renewal in the Council's area. It is therefore recommended that officers be requested to formulate a draft Housing Renewal Policy, in conjunction with the relevant Portfolio Holders, for a meeting of the Executive Committee in March 2003.
2. Once the policy has been approved, and is in place prior to the 18<sup>th</sup> July 2003, it will require to be published, and made available to members of the public for their information. It will also be necessary for the Council to consider carefully the expected life of the policy and plan for capital resource allocations accordingly.
3. Regular monitoring of progress against performance targets and broader aims and objectives, will be essential in determining whether policy implementation is satisfactory, and, just as important, will be monitoring through customer consultation work.