

CHESHIRE EAST COUNCIL

PLACES ADVISORY PANEL

Date of meeting: 27 January 2009
Report of: Housing
Title: Cheshire East Interim Private Sector Assistance Policy

1.0 Purpose of Report

- 1.1 This paper has been prepared to allow the Places Advisory Panel to consider and comment on the Cheshire East Interim Private Sector Assistance Policy. Cheshire East Cabinet approved the Policy in principle at their meeting on 6 January 2009, subject to there being no significant changes following circulation of the Policy for public response.

2.0 Decision Required

- 2.1 To support the Cheshire East Interim Private Sector Assistance Policy.

3.0 Financial Implications for Transition Costs

- 3.1 There are no financial implications for transitional costs.

4.0 Financial Implications 2009/10 and beyond

- 4.1 Financial implications required to deliver the financial assistance contained within the Policy are currently the subject of the capital bidding process for 2009/10 and beyond.

5.0 Legal Implications

- 5.1 Under the Housing Grants, Construction and Regeneration Act 1996 local housing authorities have a statutory duty to administer Disabled Facilities Grants. The local authority would be open to legal challenge if it did not make financial resources available for this purpose.
- 5.2 The Regulatory Reform (Housing Assistance) (England & Wales) Order 2002 states at Paragraph 4a that a local housing authority cannot administer financial assistance unless they have adopted a policy for the provision of assistance.

6.0 Risk Assessment

- 6.1 There are fundamental differences in the existing policies that are currently operated by the three district authorities. Continuation of these policies post-

vesting day could result in residents being financially disadvantaged by where they live in Cheshire East.

- 6.2 Government targets to increase the proportion of vulnerable households living in decent homes in the private sector will not be met without the Policy.
- 6.3 There is a risk of market failure in isolated parts of Cheshire East if properties are not maintained to a decent standard.
- 6.4 The Home Energy Conservation Act 1995 tasks local authorities with reducing domestic CO2 emissions by 30% by 2010. Key to this is encouraging householders to improve the energy efficiency of their properties. Without the financial assistance detailed in the Policy, carbon emissions will continue to increase.

7.0 Background

- 7.1 The Interim Private Sector Assistance Policy sets out the forms of assistance that will be made available from Cheshire East Council to assist vulnerable homeowners, owners of private rented property and disabled people to improve or adapt their properties (Appendix 1).
- 7.2 The Policy suggests that Cheshire East shares the Government's view that the prime responsibility for maintaining and improving housing rests with the owner, but acknowledging that there are vulnerable homeowners who cannot afford to repair or adapt their homes and who may not be able to obtain loans from commercial lenders, and that there are properties where significant investment is needed which may be beyond the economic resources of the owner.
- 7.3 The framework for assistance is based on a 'safety net' concept: offering assistance to residents on an interest-bearing repayable basis in the first instance, and recognising there are circumstances where people will not be able to afford this repayable assistance, so moving people to the next level where the assistance is repayable, but without interest. The third tier of assistance is non-repayable, which is reserved for the most vulnerable and at risk, disabled people, and for low values of assistance including energy efficiency.
- 7.4 The interest-bearing repayable assistance closely reflects the adopted scheme in Crewe & Nantwich. Attention has been paid to ensuring that there is a safety net to ensure in times of high increases in property values that the assistance remains attractive and does not deter vulnerable people from improving their living conditions, and to ensure that applicants do not repay a disproportionately excessive amount.
- 7.5 By offering repayable assistance, property owners will take financial responsibility for the maintenance of their properties, while receiving assistance at the time they need it most.
- 7.6 The Policy is structured around five main themes:

- 7.6.1 Helping vulnerable owner-occupiers to maintain, repair and renovate their homes
- 7.6.2 Supporting disabled people to live independently by adapting their homes
- 7.6.3 Improving housing conditions in privately-rented properties
- 7.6.4 Bringing empty homes back into use
- 7.6.5 Tackling climate change and fuel poverty.

8.0 Overview of Day One, Year One and Term One Issues

- 8.1 The Policy needs to be in place from Day One to ensure continuity of service delivery.
- 8.2 Reviews of the Policy and its effectiveness will be carried out in Term One.

9.0 Reasons for Recommendation

- 9.1 The Council is required to publish a policy to be able to administer financial assistance.

For further information:

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Background Documents:

- Appendix 1 – see below.
- Full policy document:



"INTERIM PSA
POLICY.doc"

Appendix 1

Initiative	Target Group / Theme	Maximum assistance	Type of assistance	Nature of works	Specific qualifying criteria
Additional Disabled Facilities	Disabled people	£10,000	Repayable: local land charge, no interest	Adaptations, e.g. extensions	Only available with Disabled Facilities Grant
Category 1 Hazards	Privately Rented	£1,000	Non repayable	Repairs to fabric of house	
Common Water Supply	Owner occupiers; Privately rented	£250	Non repayable	Replace common water supply pipes	
Decent Homes	Owner occupiers	£5,000	Repayable: local land charge, no interest	Repairs to fabric of house	Qualifying benefits or age 60+, subject to means test
Decent Homes Plus	Owner occupiers	£30,000	Repayable: equity share or compound interest	Repairs and Renovations	Qualifying benefits, subject to means test
Decent Homes Plus	Owner occupiers	50% up to £15,000	Repayable: equity share or compound interest	Repairs and Renovations	Property in Council Tax Band A or B; pre-1940
Disabled Facilities Grant	Disabled people	£30,000	Mandatory Grant	Adaptations, e.g. stairlifts, showers, extensions	Subject to means test and O.T. assessment
Disability Relocation	Disabled People	£5,000	Non repayable	Moving costs and fees	Assessed as eligible for DFG, property not suitable to adapt
Empty Homes	Intended owner occupiers	50% up to £10,000	Repayable: local land charge, no interest	Repairs and Renovations	Property empty at least 3 years
Energy Efficiency	Climate Change	£100 per measure	Non repayable	Loft and cavity wall insulation	
Fire Safety in HMOs	Privately Rented	50% up to £10,000	Repayable in kind: 5 years nominations for letting	Fire safety improvements	
Landlord Renovation	Privately Rented	50% up to £15,000	Repayable in kind: 5 years nominations for letting	Repairs and Renovations	
Renewable Energy	Climate Change	£300 per measure	Non repayable	Wind, solar, water, ground power	
Warm Front Contribution	Climate Change	£750	Non repayable	Insulation and Heating	Cost of works exceeds Warm Front grant
Urgent Works	Disabled people; Owner Occupiers; Privately Rented	£2,000	Non repayable	Repairs and small adaptations	Imminent risk to health and safety or other urgent needs