



Leicester  
City Council

**WARDS AFFECTED – ALL  
FORWARD TIMETABLE OF CONSULTATION AND MEETINGS**

**Housing Scrutiny  
CABINET**

**13 February 2003  
10 MARCH 2003**

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**PRIVATE HOUSING RENEWAL STRATEGY – REFORMS**

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**REPORT OF THE CORPORATE DIRECTOR (HOUSING)**

**1 PURPOSE OF REPORT**

The Government is giving local authorities considerable new freedoms to develop their own local approaches to renovation grants, home repair grants, renewal areas and any other form of assistance to owners of private housing which will improve, repair or adapt their homes.

The new powers can be used once a formal policy has been agreed and published.

**2 SUMMARY**

This report provides details about the new powers and makes proposals for future policies, subject to further consultation with a view to implementation by 1<sup>st</sup> July 2003.

**3 RECOMMENDATIONS**

It is recommended that:

1. The broad strategy for improving defective private housing on an area basis continues and unless otherwise specified the general rules governing the current grant provision and general policies adopted should continue.
2. The policy changes outlined in appendix 1 are agreed subject to consultation. In summary, the main recommendations include:
  - Renovation Grants to be replaced with Home Improvement Grants.
  - The means test for Home Improvement Grants to be changed so as to make it payable to more low-income households.
  - Grant to be repayable on a sliding scale if the house is sold within 10 years.
  - The citywide Home Maintenance Service to complete the current two-year programme.
  - In agreeing the capital programme each year, consideration is given to making provision for conversions, extensions and landlord grants.
  - Introduce a discretionary Adapted Alternative Home Grant, payable where moving to a new home would be more cost effective than paying a Disabled Facilities Grant.

- Explore new loan products with financial institutions.
3. Whilst the policies outlined guide the provision of the described discretionary services in general, all valid applications be considered on their individual circumstance and merit. In exceptional cases the Corporate Director (Housing) to have delegated authority to approve applications outside of the general policy.
  4. Consultation commences with those parties listed in appendix 2 with a view to implementation on 1<sup>st</sup> July 2003.
  5. Once the policy has been agreed any future major changes would be brought to Cabinet for decision but minor changes to be delegated to the Corporate Director (Housing).
  6. An annual monitoring report is presented to the Housing Scrutiny Committee.
  7. A common point of access and marketing strategy is developed for assistance to homeowners with repairs, home energy, security and safety work.

#### **4 HEADLINE FINANCIAL AND LEGAL IMPLICATIONS**

##### **Financial Implications**

The capital programme for 2003-04 was approved by Cabinet on 27<sup>th</sup> January 2003. The proposals made in this report can be funded through the budget agreed.

##### **Legal Implications**

The new powers under the Regulatory Reform (Housing Assistance) (England & Wales) Order 2002 replace the Council's existing powers and duties under the Housing Grants, Construction and Regeneration Act 1996. The new powers cannot be exercised until the council has published its policy, and its existing powers under the 1996 Act will end in July 2003. It is therefore essential that a policy is drafted, agreed and published by July 2003. Legal Services have been consulted and will continue to be consulted as necessary regarding drafting of the new policy.

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##### **DECISION STATUS**

<b>Key Decision</b>	<b>Yes</b>
<b>Reason</b>	<b>Citywide impact on communities</b>
<b>Appeared in Forward Plan</b>	<b>Yes</b>
<b>Executive or Council Decision</b>	<b>Executive (Cabinet)</b>



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**REPORT OF THE CORPORATE DIRECTOR (HOUSING)**

**SUPPORTING INFORMATION AND APPENDICES**

**1. BACKGROUND**

The Government has been consulting about various changes in the grants system since publishing a Green Paper in April 2000. The resulting Regulatory Reform (Housing Assistance) Order came into force on 18<sup>th</sup> July 2002. Our existing powers to give grants will end in July 2003. This is a loss of powers first gained in 1949.

The Reform Order gives local authorities more general powers to intervene through a variety of means, which will enable authorities to devise strategies that suit their particular local situation. The new powers cannot be used until a formal policy has been agreed and published. Guidance about the new powers has now been published by the Office of the Deputy Prime Minister (OPDM).

The Reform Order has repealed much of the existing legislation and replaces it with a new wide-ranging power to provide assistance for housing renewal. The reforms therefore affect all three strands of the private housing Renewal Strategy; declared renewal areas, citywide Home Maintenance Service and Disabled Facilities Grants (DFG). Considerable flexibility is available although authorities will have to ensure that they are targeting their assistance effectively, unlike the current prescriptive systems. Mandatory DFGs are retained largely unchanged.

The Government's clear policy is that everyone who buys a home has an obligation to keep the property in good repair. Homeowners should knowingly take responsibility for that from the time of purchase and not expect assistance. Intervention should only be needed to assist owners who have unexpectedly encountered problems or to deal with local needs on a strategic level.

Government will be looking for owners of houses in need of improvement to be given the 'opportunity' of improving them. The decent house standard, which was

previously only used in connection with public sector housing, is now to be applied to private housing.

By 2010 the Government wants to increase the proportion of private housing in decent condition occupied by vulnerable groups. The term vulnerable has not yet been defined but is likely to include older people, disabled people, families and people receiving the main means tested benefits.

The policy proposals made in this report target vulnerable people and are designed to increase the amount of decent housing in the City.

Poor quality housing can have an adverse impact on the health and well being of the occupants in an area. Some homeowners, particularly the most vulnerable, do not have the necessary resources to keep their homes in good repair. Leicester's renewal strategy was agreed in 1976 in response to a major change in legislation that encouraged both home improvement and area improvement. The legislation has been altered over time and is generally very prescriptive. The new powers provide a much greater degree of flexibility in devising a strategy to deal with poor condition private sector housing, both in terms of the policy tools available to them, and in terms of their ability to work in partnership with others. It is a major opportunity for local authorities to contribute further towards the Government's overall strategies towards tackling poverty and social exclusion, health inequalities and neighbourhood decline.

## **2. WHAT THE ORDER DOES**

The Reform 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 remain largely unchanged.

Assistance may be given directly, or through a third party such as a home improvement agency, specialist financial intermediary or other special purpose vehicle.

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.

Local authorities must have a new policy on housing renewal adopted and published by July 2003 if they wish to continue to give housing renewal assistance because most of the existing powers in relation to renovation grants will be repealed then.

**A. The Order requires the Council to adopt and publish a housing renewal policy by July 2003 and encourages us to look at different policy options, which can be Client, Area, Property, Sector or Theme based**

Leicester has been publishing its private sector housing renewal policy annually since 1976 and welcomes the opportunity to continue to do this. After July 2003 the Council will have no powers to give Renovation Grants or Home Repairs Assistance without adopting and publishing a policy. This report sets out a draft policy for consultation before a recommendation to Cabinet for its adoption.

In Leicester the Community Plan is the starting point already for the development of the renewal strategy. The business plan links the work of the Renewal and Grants Service closely to the corporate priorities contained in the community plan – namely a “decent home within the reach of every citizen”. Service developments more recently have linked with the Crime and Disorder Strategy, Better Care Higher Standards initiative and Supporting People.

The needs of Leicester’s citizens have already been identified through past work such as Leicester’s 3<sup>rd</sup> Housing Needs Survey, the Housing Investment Programme (2002 update), the BME Housing Strategy, the city Stock Condition Survey of 1992 and subsequent update of the more deprived zones in 2000.

It is proposed that Leicester’s broad strategy should continue, that is:

- i. A programme of renewal area declarations. Within renewal areas the Council will pay means tested Home Improvement Grants towards comprehensive renovation of individual houses and will organise group repair schemes and environmental schemes in consultation with local residents.
- ii. A citywide Home Maintenance Service covering the city in a two year rolling programme. The programme will promote home maintenance, energy efficiency, burglary reduction and other home safety and repair programmes. It will relate to other area-based initiatives like SRB and NRF schemes. A low level of grant will be paid.
- iii. Disabled Facilities Grants. Mandatory DFGs remain and will be supported through a discretionary Adapted Home Replacement Grant.

**B. The Order contains more flexible power to give assistance and enables the Council to engage with new and varied partners.**

Leicester’s Private Sector Housing Renewal Strategy has significant links with partners in developing our approach. In existence already is partnership working with Care and Repair Home Improvement Agency, private contractors carrying out renovation work, the community safety team in implementing burglary reduction programmes around the city, work with the voluntary sector in addressing housing conditions and need, financial institutions, community groups, and more recently with the PCT East to develop projects linking home safety to accident prevention and health with the condition of housing.

Further consultation with both our existing partners and potential future partners will be undertaken to ensure the service provided is addressing the needs within the private sector.

***C. The Order provides for local authorities to have much greater discretion on how to provide assistance for housing renewal.***

***The Order repeals detailed legislative provisions with respect to Renovation Grants, Home Repair Assistance and other such grants.***

### **Home Improvement**

Leicester's Renewal Strategy has largely followed an area-based programme offering substantial incentives to carry out comprehensive home improvements in Renewal Area. It is recommended that this approach continues by offering a new named Home Improvement Grant which will be subject to qualifying criteria, a less prescriptive means test but with the need for a contribution from homeowners, and conditions that will reflect the need to encourage stable communities.

Currently grant aid can be paid up to 100% of the eligible cost of the work, but the means test quickly excludes households on low incomes who do not receive income support. This has reduced the impact in some renewal areas. A new means test which includes more low-income households is being developed.

Recommendations are made to extend the period of the grant conditions from five years to ten years. This will increase the number of people who have to repay the grant but will link repayment to increases in house price.

The present grant system does not allow grant aid to be paid towards extending a house to create more living space. However there is a shortage of large family houses in some areas of the City and consideration could be given to providing some grant aid assistance to enable owners to extend their homes. Loft conversions may be one way of achieving this. Such work could be costly and would need to be closely controlled. It is not proposed that such assistance should be introduced now.

Group Repair Schemes have been used in renewal areas to achieve a major impact in strategic positions, benefiting both house condition and overall street scene. In appropriate situations these schemes are extremely effective and should continue to be available, subject to provision being made in the capital programme.

Complimentary to house improvement is our environmental improvement programme. This seeks to tackle environmental eyesores, home security and other works not currently funded through individual grants. These schemes should continue to be available.

Where renovation is not the most satisfactory course of action, clearance may be the appropriate solution. The new powers allow help to be given with purchase and relocation to a more suitable property. The Council has no current proposals for clearance of homes. Recommendations will be made about the possible introduction of an 'Alternative Home Grant' if properties are identified for clearance.

In the declared Renewal Areas the current 'Means Test' is discouraging many homeowners from taking up grants, as their contribution remains high despite receiving low incomes. This is due to the fact that current contribution assessments do not take full account of fixed housing costs such as mortgage repayments and

Council Tax. The effect of this has had a direct impact on the level of home improvement activity in the declared areas. Research will need to look at the effect of taking into account mortgage costs in assessing a person's ability to contribute to the cost of works.

### **Home Maintenance**

Home Repair Assistance grants are currently available through the citywide home maintenance service. In March 2002 Cabinet agreed a two-year programme of visits to complete in March 2004. This service offers advice and assistance to vulnerable homeowners on maintaining their property and securing home ownership.

It is proposed to continue with the current policy on Home Repair Assistance until the current programme is completed. A further major report will be taken to Cabinet in December 2003 when a review of the citywide home maintenance service will be undertaken. The current scheme is already successful in attracting contributions from homeowners and it is therefore very likely that future recommendations will be made to continue with modest grant aid whilst seeking to maximise contributions from the homeowner.

### **Assistance to Landlords**

Currently we make no provision for assistance to landlords. This is done on the basis that they are running a business and enforcement action is taken as needed. Enforcement action through the Private Sector Housing Group has been the main tool for tackling poor properties in the privately rented stock. It is proposed to continue with this approach.

However in order to help increase the supply of decent housing available to private tenants, that is above enforceable standards, then some encouragement could be given. However, it is not proposed to induce such a proposal at this stage.

### **The Conversion of Non-Residential properties into Dwellings.**

Current legislation does not allow assistance to be given towards the conversion of non-residential properties into residential dwellings. Given that the Leicester Housing Needs survey shows a shortfall of some 635no dwellings of all sizes per year, it is important to investigate the possibility of encouraging housing provision through this means. However, it is likely to be an expensive option that would require separate provision in the capital programme. It is recommended that a 50% grant could be offered, subject to nomination rights for a given time period.

***D. The Order makes minor changes to the provisions in relation to Disabled Facilities Grant (DFG), but the system for providing mandatory DFG's remains largely unchanged.***

### **Home Adaptations**

Mandatory disabled facilities grants continue in their current form and will continue to be subject to a prescribed means test. Discretionary disabled facilities grants are ended but the new powers permit similar support to be provided. Our general policy since 1990 has been that discretionary DFGs have not been provided because of budgetary constraints. It is proposed that this continues to be the general approach but that consideration will be given to exceptional cases.

It is also recommended that discretionary grants continue to be available to fund smaller adaptation cases because of the administrative savings that these grants offer.

The new powers also allow assisting with the provision of suitable alternative accommodation where this represents a better benefit than adapting the existing property. This power will be of use in very particular exceptional cases where there are community care needs. A discretionary 'Alternative Adapted Home Grant' may be paid where moving to a new home would be more cost effective than paying a Disabled Facilities Grant. This action would be subject to recommendation by the Adaptations Panel (a joint panel of senior staff from Housing and from Social Care & Health), and subject to the final agreement of the Corporate Director of Housing.

***E. The Order gives a general power to offer financial assistance other than grants in a form, which may require the owner to make some financial contribution or repayment. 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.***

This will be a major policy development and might be a way of assisting more homeowners with a given amount of public resources. However, it will need very careful consideration and comprehensive legal and financial advice will be needed to develop any policy.

The Local Government Association has asked the Government to do more work centrally on how loan schemes might work. Options that could be investigated are:

- Imaginative and flexible ways to enable people to take out finance at a minimal cost to the Council
- Loan set up costs to be funded by the Council
- Interest bearing repayment loans.
- Interest-only loans.
- Zero-interest or equity release loans
- Providing this assistance by working through and with third parties such as lenders, special purpose vehicles or with housing associations.

The Council has offered loans in the past but it is not recommended that this should be restarted. Consultation will centre on maximising an owner-occupier's potential to contribute to the cost of works whilst at the same time achieving maximum take-up of assistance to ensure the current level of home improvement activity is maintained. Over the past two years the citywide Home Maintenance Service has demonstrated that it is possible to encourage homeowners to contribute to the cost of maintaining their homes. Future policy would want to encourage this still further.

The Home Improvement Trust has set up its 'Houseproud Partnership Scheme', which is based on a model developed in Birmingham that was supported by DETR. The Home Improvement Trust is a 'not for profit' organisation which organises independent financial advice and liaises with a loan provider to ensure only appropriate loans are given. The loan providers agree to make funds available at competitive rates and provide a guarantee of no re-possession whilst ever the original borrower remains in occupation.



Some 30 local authorities have already joined the partnership and a further 30 have indicated their interest in joining before April 2003. Clearly this scheme will be worth further investigation.

***F. The Order provides local authorities with much greater flexibility in providing financial assistance, such as supplying discounted material, labour provision, tool hire schemes, reduced cost surveys, accredited builders lists and providing temporary accommodation during works being undertaken.***

Through the Home Maintenance Strategy the Council has provided many different forms of assistance. These include the provision of labour through the Handyperson service, free advice and assistance on carrying out repairs and a home survey with an estimate of the cost of works being provided with a builders list of those willing to undertake the work. Through the in house Home Improvement Agency we offer a list of accredited builders and in future may encourage them to be part of the Government’s Quality Mark scheme.

This is a welcome opportunity to develop further ways of assisting homeowners to maintain their properties.

***G. The Order streamlines the provisions governing the operation of Renewal Areas***

The Council has more recently adopted non-statutory renewal areas that have give us more flexibility at declaration. It is recommended that this continues to be the approach adopted for area action.

**3 OTHER LOCAL AUTHORITIES’ POLICY DEVELOMENTS**

Leicester has been an active member of the Urban Renewal Officers Group (UROG). A recent meeting of the group discussed the implications of the Regulatory Reform Order and responses to it.

**4 FINANCIAL, LEGAL AND OTHER IMPLICATIONS**

**4.1 Financial Implications**

The capital programme for 2003-04 has not yet been approved. The proposals will require similar capital resources to be made available as in 2002-03. ‘In principle’ agreement is only being sought at this stage. The capital programme will have been agreed by the time the report is brought back to Cabinet when the proposals can be modified if necessary.

**4.2 Legal Implications**

There are a considerable number of legal implications arising out of the recommendations made in this report. It is recommended that detailed work is started in sorting out the legal issues as part of the consultation process.

**4.3 Other Implications**

OTHER IMPLICATIONS	YES/NO	Paragraph References Within Supporting information
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Equal Opportunities	YES	
Policy	YES	Throughout
Sustainable and Environmental	YES	
Crime and Disorder	YES	
Human Rights Act	YES	Article 8. Throughout
Elderly/People on Low Income	YES	Throughout

## **5 BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972**

- Local Government & Housing Act 1989
- Department of the Environment Circular 12/90
- Housing Grants, Construction and Regeneration Act 1996.
- Department of the Environment Circular 17/96
- Housing Capital Programme 2001/2002 and 2002/2003. Report to Cabinet 28<sup>th</sup> January 2002.
- Future Programme of Area Renewal – Declaration of Non-Statutory Renewal Areas. Report to Cabinet 15<sup>th</sup> January 2001.
- 'Proposed Declaration of St Saviours Non-Statutory Renewal Area'. Report of the Director of Housing to Cabinet, 11 March 2002.
- 'Renewal Strategy – Progress Report'. Report of the Director of Housing to Housing Scrutiny Committee, 23 August 2001
- 'Annual Review of Leicester's Renewal Strategy Policies'. Report Of the Director of Housing to Housing Committee, 7 March 2000.
- 'Annual Review of Leicester's Renewal Strategy Policies'. Report Of the Director of Housing to Housing Committee, 6 January 1999.
- 'Review of Renewal Strategy Policies'. Report of the Director of Housing to Housing Committee, March 1997.
- 'Disabled Persons' Adaptations – Case Monitoring Information, Period October 2000 to December 2001, inclusive'. Joint Report of the Director of Housing and the Director of Social Services to Housing Scrutiny Committee on 9<sup>th</sup> April 2002 and to Social Services and Personal Health Scrutiny Committee on 1<sup>st</sup> May 2002.
- 'Annual Progress Report' - the Empty Homes Strategy (Private Sector). Report of the Director of Housing to Housing Scrutiny Committee, 23 May 2002.
- 'Leicester's Home Energy Strategy'. Report of the Director of Housing to Housing Scrutiny Committee, 18 October 2001.
- 'Annual Report - Private Sector Housing Group'. Report of the Director of Environment, Development and Commercial Services to Housing Scrutiny Committee, 18 October 2001.
- Background Files held by the Director of Housing.

## **6 CONSULTATIONS**

Officers in Environment, Regeneration & Development, Social Care and Health and Legal Services have been consulted in the drafting of this report. Further consultations will be held with individuals and organisations external to the Council as shown in appendix 1.

## **7 AIMS AND OBJECTIVES**

The Aim of the Housing Services is 'A decent home within the reach of every citizen of Leicester'.

This report contributes to that aim through objective numbers:

1. To improve the condition of Leicester's housing stock and resolve unfitness in all sectors.
3. To reduce the number of empty and under-occupied homes in Leicester.
4. To enable all the citizens of Leicester to find and retain a home which suits their needs.
5. To offer citizens housing choices and full mobility between tenures, locations and types of home.
6. To enable citizens of Leicester to stay in their homes as long as these homes continue to meet their needs.
7. To enable all citizens to have access to affordable warmth and a healthy living environment.
- 8.2 To support and develop residents groups in declared areas.

This will be done by encouraging and enabling homeowners, private landlords and private tenants to improve, maintain and adapt their properties.

#### **8 Officers to contact about this report -**

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Janice Pearson Renewal & Grants Service Manager	x5386 or 0116 299 5386. E-mail pearj003@leicester.gov.uk

**DISCRETIONARY RENOVATION GRANTS.**

**Purpose.** Major renovation of homes in poor condition.

**Current Policy**

**Availability.** In active renewal areas to owner-occupiers of unfit houses and alongside Disabled Facilities Grants where the house is unfit and owner-occupied.

These grants are also available in a very limited way to help support the Empty Homes Strategy (see Empty Homes Grant)

**Grant Amount.** Maximum of £20,000.

**Extent of Work.** Make house fit (although usually seek to achieve reasonable repair with external fabric of the property).

**Means Test.** Subject to a prescribed Test of Resources which results in a range of assistance, from nil to 100% of the reasonable costs.

**Conditions.** Repay full grant if sold or let within five years of completion of works. Repayment can only be waived or reduced in specified circumstances. Policy is to always demand repayment unless this caused severe financial hardship.

**Other Criteria.** Many criteria are prescribed. Some of the key criteria are:

- House must have been owned and occupied for the three years prior to application (waived in a renewal area)
- House must not be less than 10 years old.

**Exceptional Cases.** All applications are considered on their individual circumstance and merits and authority is delegated to the Corporate Director (Housing) to approve applications outside the general policy in exceptional cases.

**Future Policy****HOME IMPROVEMENT GRANT.**

**Availability.** As above.

**Grant Amount.** Maximum of £20,000.

**Extent of Work.** At least make the property fit with the option to achieve the decency standard regarding thermal comfort and external fabric of the property.

**Means Test.** Subject to a revised means test being developed that will make it payable to more low-income households and enable a bigger impact to be made in the area.

**Conditions.** Repay grant on a sliding scale if sold or let within ten years of completion of works. This condition is to be introduced to promote stable communities. The principle of always demanding repayment except in cases of severe financial hardship to be retained.

**Other Criteria.** Retain similar criteria to those prescribed. In relation to the key criteria mentioned:

- House must have been owned and occupied for the three years prior to application, including in renewal areas.
- House must not be less than 25 years old.

**Exceptional Cases.** As above.

**Transitional Arrangements**

All valid applications made within the existing general policy under the existing 1996 Act powers before 1<sup>st</sup> July 2003 to continue.

All other cases that have not reached application stage by then will be dealt with as Home Improvement Grants under the new policy.

**HOME REPAIR ASSISTANCE GRANT**

**Purpose.** To assist low income owner-occupiers maintain their homes.

**Current policy**

**Availability.** Qualifying owner-occupiers through the two-year citywide home maintenance service programme. Qualifying customers of Care & Repair. Qualifying owner-occupiers of homes that lack an inside WC.

**Grant Amount.** £2,000 per application. Possible to have two grants simultaneously.

**Extent of Work.** Works that assist in making the house wind and watertight.

**Means Test.** Applicants must be either elderly or in receipt of one of the main means tested benefits.

**Conditions.** None.

**Special cases.** Owner-occupiers of homes that have lacked an inside W.C. for three years are considered for Home Repair Assistance Grant assistance with a maximum grant amount of £5,000, subject to eligibility.

**Exceptional Cases.** All applications are considered on their individual circumstance and merits and authority is delegated to the Corporate Director (Housing) to approve applications outside the general policy in exceptional cases.

**Future Policy**

To continue with the current policy until the present two year citywide programme has been completed (March 2004).

The results of the programme will be reported to Cabinet and proposals may be made at that time to continue to provide assistance to low income homeowners.

**Transitional Arrangements**

None needed.

**HOME REPAIR ASSISTANCE GRANT (ADAPTATIONS)**

**Purpose.** To aid smaller adaptation works in place of Disabled Facilities Grants.

**Current policy**

**Availability.** Owner-occupiers who would otherwise qualify for a disabled facilities grant. There are administrative savings to be made by using this grant type.

**Grant Amount.** Maximum £5,000.

**Extent of Work.** As for mandatory disabled facilities grants.

**Means Test.** The prescribed means test for disabled facilities grants is used to determine the applicant's contribution.

**Conditions.** None.

**Exceptional Cases.** All applications are considered on their individual circumstance and merits and authority is delegated to the Corporate Director (Housing) to approve applications outside the general policy in exceptional cases.

**Future Policy**

To continue with the current policy until the general use of Home Repair Assistance Grants is reviewed in 2004. In the short term assistance to be renamed Minor Disabled Facilities Grant.

**Transitional Arrangements**

None needed.

**ENERGY EFFICIENCY GRANTS (a form of Renovation Grant)**

**Purpose.** To improve the energy efficiency of homes according to a set menu of actions.

**Current Policy**

**Availability.** To owner-occupiers in active renewal areas and alongside Disabled Facilities Grants.

**Grant Amount.** Maximum of £3,500.

**Extent of Work.** Energy efficiency works from a set menu, which ensures the most effective works are grant aided.

**Means Test.** Subject to a prescribed Test of Resources and applicants are required to make a contribution of at least 20%.

**Conditions.** As discretionary renovation grants.

**Other Criteria.** As discretionary renovation grants.

**Exceptional Cases.** All applications are considered on their individual circumstance and merits and authority is delegated to the Corporate Director (Housing) to approve applications outside the general policy in exceptional cases.

**Future Policy****ENERGY EFFICIENCY GRANT**

**Availability.** As above.

**Grant Amount.** As above.

**Extent of Work.** As above.

**Means Test.** As above.

**Conditions.** No conditions as to repayment.

**Exceptional Cases.** As above.

**Transitional Arrangements**

All valid applications made within the existing general policy under the existing 1996 Act powers before 1<sup>st</sup> July 2003 to continue.

All other cases that have not reached application stage by then will be dealt with under the new policy.

**GROUP REPAIR SCHEMES**

**Purpose.** Renovation of blocks of properties where a co-ordinated improvement scheme is important.

**Current Policy**

**Availability.** Group Repair Schemes are carried out in renewal areas on selected blocks of properties.

**Grant Amount.** No maximum.

**Extent of Work.** Usually external work only with the potential for a separate discretionary renovation grant to deal with necessary internal work.

**Means Test.** Subject to a prescribed Test of Resources. However, the minimum grant is 75% (50% in a non-statutory renewal area) with a maximum of 100%.

**Conditions.** Owner-occupiers repay the full grant if sold or let within five years of completion of works. Landlords repay the full grant if the property is not let or available for letting in the five years following completion of works

**Future Policy**

**Availability.** Blocks of properties in need of repair in renewal areas.

**Grant Amount.** Maximum £20,000.

**Extent of Work.** External work only.

**Means Test.** owner-occupiers to be subject to the Home Improvement Grant means test but with a minimum grant of 75% to encourage participation. Landlords 50%.

**Conditions.** Owner-occupiers to repay the full grant if sold or let within ten years of completion of works. Landlords to repay the full grant if the property is not let or available for letting in the ten years following completion of works.

**Transitional Arrangements**

None needed, as currently there are no Group Repair Schemes in the pipeline.

**ENVIRONMENTAL SCHEMES**

**Purpose.** Works to improve the appearance of an area which will generally benefit all residents rather than just individual homeowners.

**Current Policy**

**Availability.** Renewal areas only.

**Grant Amount.** Not given as a grant to individual owners.

**Extent of Work.** External work only such as rebuilding garden walls, improving shared entries and brick cleaning front elevations.

**Means Test.** None. Generally schemes are 'free' except contributions are required for low cost schemes.

**Conditions.** Benefiting property owners sign an agreement not to deface or otherwise 'undo' the work carried out for a period of ten years. This condition passes to new owners in case of sale.

**Future Policy**

No changes from above.

**Transitional Arrangements**

None needed.

**EMPTY HOMES GRANT**

**Purpose.** To increase the supply of housing in Leicester.

**Current Policy**

**Availability.** Discretionary Renovation Grant to deal with unfit problematic empty homes in areas of high demand that have been empty for at least five years. Only landlord applications are considered. Applicant must be willing to enter a nomination rights agreement.

Grant aid is only offered as a last resort after all other options have been explored.

**Grant Amount.** Maximum grant £10,000.

**Extent of Work.** Fully improve the property.

**Means Test.** Grant aid is paid at 50% of the eligible costs.

**Conditions.** House to be let, or available for letting, for five years following completion of works. Repay full grant on breach of conditions.

**Exceptional Cases.** All applications are considered on their individual circumstance and merits and authority is delegated to the Corporate Director (Housing) to approve applications outside the general policy in exceptional cases.

**Future Policy**

No changes from above.

**Transitional Arrangements**

All valid applications made under the existing 1996 Act powers before 1<sup>st</sup> July 2003 to continue.

**PRIVATE LANDLORD GRANT**

**Purpose.** To increase the supply of privately rented decent housing in Leicester.

**Current Policy**

**Availability.** Not currently available under the general discretionary grants policy.

**Future Policy**

**Availability.** No change in current general policy proposed.

**Transitional Arrangements**

None needed.

**CONVERSION GRANT**

**Purpose.** To convert redundant non-residential properties for residential use to increase the supply of housing in Leicester to meet identified need.

**Current Policy**

**Availability.** Not currently permitted under present legislation.

**Future Policy**

**Availability.** Grants could be made available to encourage the conversion of redundant non-residential properties into homes but no proposals are being made at this stage.

**Transitional Arrangements**

None needed.



**EXTENSION GRANT**

**Purpose.** To increase the supply of large family housing in Leicester.

**Current Policy**

**Availability.** Not currently permitted under present legislation.

**Future Policy**

**Availability.** No proposals to introduce such a grant at this stage.

**Transitional Arrangements**

None needed.

**RELOCATION GRANTS.**

**Purpose.** Assisting in the relocation of an owner-occupier to another property due to clearance.

**Current Policy**

**Availability.** These grants were introduced into the legislation in December 1997, following a pilot scheme in Birmingham. They are intended to assist owners of houses in a declared clearance area to resettle in the area, or a designated nearby area, when redeveloped. The grant helps owners bridge the 'affordability gap' between the value of the house to be cleared and a new house. One of the main purposes is to try to keep communities together.

It was intended that Relocation Grants would be part of the clearance area pre-declaration consultation. No firm policy was ever agreed, as they have not been needed.

**Eligibility.** When introduced Relocation Grants were:

- < Only available when a clearance area has been declared.
- < Only available to homeowners, or tenants with a lease having at least one year to run.
- < Only available once the council have bought, or agreed to buy the house to be cleared.
- < Subject to a 12-month pre-declaration ownership and occupation test.
- < Only payable on new dwellings within a designated area, which might include land outside of the clearance area.
- < Subject to conditions, mainly about future occupation.
- < Limited to a current maximum of £20,000.
- < Subject to a means test, which is a modified version of the renovation grant means test.

**Future Policy****ALTERNATIVE HOME GRANT**

**Availability.** The Council has no current proposals for a clearance area. Recommendations will be made about the possible introduction of an 'Alternative Home Grant' if properties are identified for clearance. The eligibility issues listed above would be explored more thoroughly when needed.

**Transitional Arrangements**

None needed.

**ADAPTED ALTERNATIVE HOME GRANT**

**Purpose.** Assisting with the provision of suitable alternative accommodation where this represents a better benefit than adapting the existing property.

**Current Policy**

**Availability.** Not currently permitted under present legislation.

**Future Policy****ADAPTED ALTERNATIVE HOME GRANT**

**Availability.** In cases where an application for a mandatory Disabled Facilities Grant would be approved but for the work not being 'reasonable and practicable'.

**Grant Amount.** Maximum of £25,000.

**Extent of Work.** This grant would be paid instead of work being carried out.

**Means Test.** As the prescribed means test for Disabled Facilities Grants.

**Conditions.** To be repaid in full if the alternative home is not then occupied by the intended disabled person for five years following completion of the purchase.

**Other Criteria.** This power will be of use in very particular exceptional cases where there are community care needs. The offer of an Adapted Alternative Home Grant would be subject to recommendation by the Adaptations Panel and final agreement by the Corporate Director of Housing.

**Exceptional Cases.** Only exceptional cases will be eligible for consideration.

**Transitional Arrangements**

None needed.

**CONSULTATION TO BE UNDERTAKEN WITH THE FOLLOWING:**

**Housing Partners**

Registered Social Landlords currently working in Leicester  
Housing Corporation  
Care and Repair Home Improvement Agency

**Other External Partners**

Leicester Strategic Partnership  
Financial Institutions  
Leicester East and City West PCTs  
Building Contractors undertaking renovation and maintenance work on behalf of the Council  
Service Users through a random sample taken from the past two years  
Residents Groups  
Adjoining local authorities