

Policy for Awarding Private Sector Housing Grants/Loans and other Financial Assistance

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Purpose of the Report

1. For members to consider and adopt the Policy for Awarding Private Sector Housing Grants/Loans and other Financial Assistance in Appendix 1 of this report. This is a revised version of the previously agreed policy and whilst much of it remains the same there are significant changes to the sections on Disabled Facilities Grants. These changes have been proposed following the transfer of funding for Disabled Facilities Grants from SSDC to the Better Care Fund held by Somerset County Council. The new policy is produced in appendix 1 and all changes are highlighted in yellow for ease of reference. The adoption of this policy does not commit nor imply that any funds will be available to be spent on the grants, loans or other financial assistance outlined but rather sets out the criteria which will be applied when providing such financial assistance if and when funds are available.

Recommendations

2. That the District Executive:
 - a. adopt the Policy for Awarding Private Sector Housing Grants/Loans and other Financial Assistance in Appendix 1 concerning the provision of financial assistance for private sector housing and associated matters, including disabled facilities grants as the future policy of the Council.
 - b. confirm that the allocation and method of funding for the various elements agreed with the Joint Commissioning Board of the Somerset Clinical Commissioning Group outlined in sections 2.1.1 to 2.1.6 is agreed subject to available funding.

Public Interest

3. With increased housing pressures the Government sees working with the private sector as being increasingly important in order for local authorities to meet their statutory responsibilities to deal with empty properties, disrepair, homelessness, overcrowding and other related housing matters. The provision of financial assistance is considered an integral part of any strategy to improve housing conditions. Likewise there is a clear link between poor housing and ill health and the Government is keen to see action taken to prevent poor housing and ill health. In addition there is a need to save money to the NHS/Social services by helping disabled people to continue safely living in their homes, preventing hospital admissions and by accelerating hospital discharge.

Background

4. The last Policy for Awarding Private Sector Housing Grants/Loans and other Financial Assistance was adopted in February 2015. This followed the adoption by the Council of the Housing Strategy Implementation Plan in November 2014. In

order for elements of that plan to be delivered it is necessary to have a policy in place for the awarding of financial assistance to deal with issues concerning private sector housing and associated matters. In addition, since that last policy was agreed there have been significant changes concerning the funding for Disabled Facilities Grants which makes up the majority of spending in this area. Funding for DFGs has now been incorporated by DCLG into the Better Care Fund held by SCC and the amount of funding provided for this purpose by the Department of Health has increased significantly (from £598K in 2015/16 to £984K in 2016/17). This funding has been ring fenced to SSDC (who have the legal responsibility to provide DFGs) for the last two years however we have had no formal notification of what will happen next.

5. It has been made clear however by DCLG and the Joint Commissioning Board (JCB) of the Somerset Clinical Commissioning Group (who control the Better Care Fund) that future DFG funding should be used to reduce costs to the NHS/Social Services by accelerating hospital discharge and by reducing the need for more expensive care packages. The Care Act 2014 has placed a responsibility on local authorities to provide services which prevent or delay the need for care and support which explains this approach. With this in mind a number of changes have been suggested to the way the DFG budget is allocated which has been agreed with the JCB and representatives from the other district councils in Somerset. These changes have been incorporated into the revised policy at Appendix 1 (most occur in Grant policy 2.1: Other use of DFG funding agreed with the Joint Commissioning Board (JCB)) and are underlined. The rest of the policy remains largely unchanged from previous versions.
6. Alasdair Bell, the Environmental Health Manager, has delegated authority to approve all grants, loans and payments under this policy.

Financial Implications

7. All capital spending associated with this updated policy are subject to the usual capital bidding process. No new money is being asked for at this time.

Carbon Emissions and Climate Change Implications

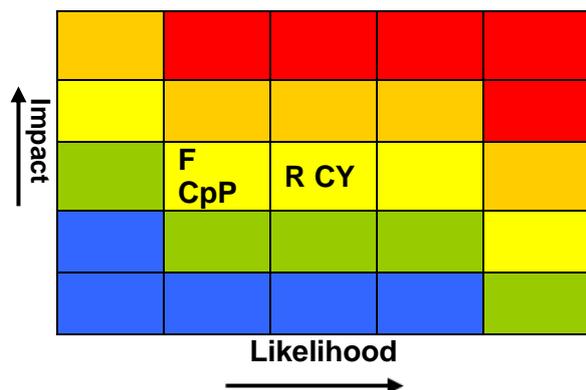
8. The adoption of this policy will have clear implications for the climate change agenda. All grant aided works will meet the latest building Regulation requirements to reduce carbon emissions.

Equality and Diversity Implications

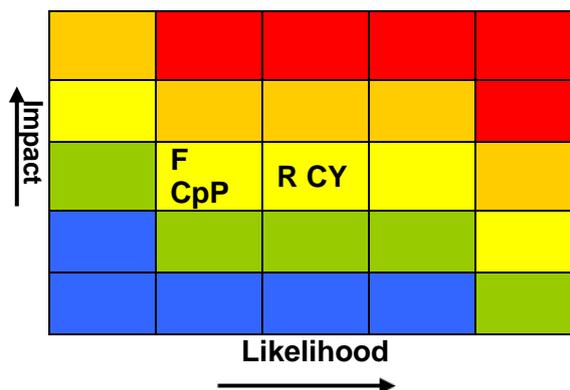
9. A stage 1 Equality Analysis (EqA) has been completed and a full EqA was previously completed on the Loans Policy for Gypsy and Travellers. Both of these analyses have been reviewed and taken into account in updating this policy and full consideration has been given to all of the Protected Characteristics. This has included Religion or Belief, where for instance specific policies have been drawn up to provide capital appreciation loans that are Sharia compliant. In the case of Race/Disability - Disabled Facilities Grant are made available to the occupants of mobile homes, thereby ensuring that Gypsy and Traveller residents can apply.

Risk Matrix

Risk Profile before officer recommendations



Risk Profile after officer recommendations



Key

| Categories | Colours (for further detail please refer to Risk management strategy) |
|---------------------------------|---|
| R = Reputation | Red = High impact and high probability |
| CpP = Corporate Plan Priorities | Orange = Major impact and major probability |
| CP = Community Priorities | Yellow = Moderate impact and moderate probability |
| CY = Capacity | Green = Minor impact and minor probability |
| F = Financial | Blue = Insignificant impact and insignificant probability |

Implications for Corporate Priorities

This revised policy clearly supports the Council Plan priority on Homes that is to;

- To work with partners to enable the provision of housing that meets the future and existing needs of residents and employers we will:
- Minimise homelessness and rough sleeping.
- Work with the private rented sector to improve the standard and availability of rented accommodation.
- Tackle fuel poverty.
- Enable people to live independently for as long as they are able.

Background Papers

- Private Sector Housing Strategy 2015-19
- Empty Homes Strategy
- Housing Strategy Implementation Plan (November 2014)
- Minutes of JCB board October 2017
- HMO Policy 2015-20

Policy for Awarding Private Sector Housing Grants/Loans and other Financial Assistance

Introduction

This policy document describes the purpose for which grants, loans and other financial assistance will be provided by South Somerset District Council for private sector housing. This is to meet both targets set down in the corporate plan, the Housing Strategy Implementation Plan, legal requirements as well as the wishes of the Joint Commissioning Board (JCB) of the Somerset Clinical Commissioning Group. Such grants, loans and other financial assistance are awarded under the provision of the Regulatory Reform Order 2002 and in accordance with other relevant legislation. Grant aid will be available for the provision of Prevention Grants, Disabled Facilities Grants (DFGs), Empty Property Grants and HMO Grants. Loans will also be available for similar purposes. Wherever possible, loans will be used in preference to grants as it is clearly more cost effective to do so. All grants awarded are discretionary, with the exception of DFGs, and will only be awarded subject to the funds available within the capital programme.

Home Loans

The Council has been running the Home Loan Scheme in partnership with Wessex Resolutions (now operating as Wessex Home Loans) since 2006. A variety of loan products are available at a 4% fixed interest rate. Under the contractual arrangements, Wessex Home Loans will only provide loans to clients referred by SSDC. Under the scheme Wessex Home Loans provide low cost loans using capital provided by SSDC. The Government is very keen to promote loan schemes and in effect replace grants with loans where possible so as to recycle available funding. It is recognised however that grant aid in some form or other will always be needed as a safety net for vulnerable people where loans are not an appropriate option and as an incentive for various types of work. In certain cases a combination of grants and loans may be awarded. The following forms of loans will be available:

Loan Policy 1: Loans for homeowners

Loans will be available to homeowners for at least one of the following purposes:

- 1) To bring privately owned properties up to the Decent Homes standard (see definition at end of report) or to work towards the Decent Homes standard ensuring all Category 1 Hazards are dealt with under the Housing Health & Safety Rating System (HHSRS).
- 2) To improve energy efficiency measures and assist in carbon reduction measures within the home environment, including the provision of energy efficient heating measures and renewable energy products.
- 3) To top up Disabled Facilities Grants (DFGs) where the cost of works exceed the combined maximum and discretionary grant limit (currently £40,000), to fund discretionary DFG work or to help pay for the clients contribution towards the overall cost of the works.
- 4) To improve the condition of mobile/park homes on permanent licensed residential sites including energy efficiency measures.

- 5) To assist in the purchase of mobile homes for local residents on permanent residential sites.

Where loans are provided in conjunction with other SSDC grants, they shall be provided to meet the purposes of the grant in question.

Loans will be available where the following criteria are met:

- 1) The applicants must own and occupy the property/land as their sole residence and as their only or principal home and at least one must be over 18 years of age.
- 2) The applicants must have sufficient disposable income to cover the loan repayments and must have sufficient equity in their property to secure the loan.
- 3) Where individuals or couples are applying they must have an individual or joint disposable income less than £125 per week.
- 4) The applicants must be living in non-decent accommodation or in the case of mobile homes must be in similar substandard accommodation.
The criteria defining decency require of a home that:
 - a) It meets the current statutory minimum standard for housing (HHSRS);
 - b) It is in a reasonable state of repair;
 - c) It has reasonably modern facilities and services; and
 - d) It provides a reasonable degree of thermal comfort.
- 5) In the case of 2 above, provided the applicants are vulnerable they need not have an equity stake in the property. In such cases the Council may underwrite the loan. If the criteria in 2 above cannot be met zero percent loans may be available. In all other cases a 4% interest loan product will be offered.
- 6) Loans will only be offered in cases where the applicant have no known serious disputes or outstanding debt owing to the Council.

The maximum loan available will be £15,000 the minimum loan will be £1,000.

Loan Policy 2: Loans for landlords

Loans will be available to landlords for at least one of the following purposes:

- 1) To bring privately rented accommodation up to the Decent Homes standard.
- 2) To enlarge property to create extra living space where there is overcrowding.
- 3) To improve conditions in houses in multiple occupation (HMO's) to meet statutory requirements and SSDC standards regarding amenities and minimising or eliminating Category One hazards.
- 4) To improve the energy efficiency of the property.
- 5) To bring empty property back into use or to convert under-utilised property into units of accommodation.

Loans will only be available where the landlord:

- a) Is an accredited landlord under SSDC's Landlord Accreditation Scheme
- b) Has sufficient disposable income to cover loan repayments and has sufficient equity in the property to secure the loan.
- c) Will or intends to charge rent at no more than the Local Housing Allowance (LHA) rate.

- d) Will be expected to provide nomination rights in most cases(as per Grant Policy 3, Empty Property Grants, item 4)

The maximum loan available will be £15,000 and the minimum loan £1,000.

Landlord loans will only be available at a 4% fixed interest rate.

Loan Policy 3: Loans for Gypsies and Travellers

1) Loans will be made available to Gypsies or Travellers to either provide services to their land (e.g. mains water, electricity or sewage connections), to assist in the purchase of land with planning permission or to purchase mobile homes.

2) Loans will only be offered in cases where the Gypsies or Travellers have no known serious disputes or outstanding debt owing to the Council.

3) Loans of up to £15,000 may be offered to Gypsies or Travellers in cases where the loan can be secured against their land.

4) Loans of up to £5000 only will be offered in situations where the loan cannot be secured against land. This situation will normally apply where SSDC owns the site and will usually only be for the purchase of mobile homes. The loan offered to assist with the purchase of a mobile home will be secured, in principle, against the value of the mobile home in question.

5) It is agreed that SSDC will underwrite all such loans and will meet any outstanding payments should the Gypsies or Travellers default on their loans (otherwise Wessex Home Improvement Loans (WHIL) will not be prepared to offer loans). Recovery of these amounts will be treated as a civil debt. In all cases the provision of unsecured loans will be at the discretion of the appropriate Director and Portfolio Holder.

6) In order to restrict potential losses to SSDC, in the event of default on loans by Gypsies or Travellers, no more than £45,000 worth of unsecured loans in total is to be agreed by SSDC.

Grant Policy 1: Prevention Grants - Dealing With Essential Repairs

Prevention Grants, previously known as Home Repair Assistance Grants will be available to prevent poor housing conditions having an adverse effect on people's health. They will be provided to enable vulnerable people keep their homes weatherproof, minimise or eliminate Category One hazards and meet the "Decent Homes" standard. These grants will be funded as part of our DFG allocation from the Better Care Fund.

To be eligible for this type of assistance an applicant must:

- 1) Be an owner or legal tenant of a dwelling who lives in the dwelling as his/her only or main residence.
- 2) Be aged 18 or over on the date of application
- 3) Have an owner's interest in the dwelling, alone or jointly with others, or be occupying the dwelling under a right of exclusive occupation granted for life with at least five years to run.
- 4) Have a legal duty or power to carry out the works in question
- 5) Be in receipt of one of the following income related benefits; income support, income based Job Seekers Allowance, Working Tax Credits with a total annual income of less than £16,040 (this figure subject to periodic review) or equivalent,

housing benefit, Council Tax Reduction or Disabled Persons Tax Credits. There could be changes to this criteria once Universal credit is fully introduced.

- 6) As an alternative to 3) above, an applicant may be an occupier of a mobile/park home who is presently living on a permanent licensed residential site and is liable to pay Council tax.

The purposes for which Prevention Grants can be used are outlined below. All applications would be prioritised with those with the most pressing needs being dealt with first.

- a) General Repairs - for urgent and essential repairs to make sure properties are weatherproof and prevent them being a danger to the occupant. To deal with other repairs and improvements concerning matters that could adversely affect the safety and health of the occupant such as Category One and high Category Two hazards e.g. inadequate heating, penetrating dampness, dangerous electrics and gas fittings or missing standard amenities.
- b) Radon Remediation-for works to reduce radon levels in domestic property where it exceeds the radon action level (200 Bqm³).
- c) Energy Efficiency - to contribute towards the making of properties more energy efficient where cost effective in situations where full funding from other sources is not available. This form of grant aid would allow people to apply for the cost of gas condensing and other energy efficient boilers, cavity fill, double glazing as well as more usual things, such as loft insulation, lagging of cylinder tanks, thermostatic radiator controls and energy saving light bulbs, etc.
- d) Home Security -to pay for works to improve the security of homes not covered by other Home Security Schemes. This could include items such as deadlocks to front and rear doors, patio door locks, window locks, security spy holes, the toughening up of substandard doors and the installation of smoke alarms.

The amount of Grant awarded will be as follows:

The maximum amount of Prevention Grant awarded will be of £5,000 in any three-year period. This grant will be entered as a charge on the Land Charge Register. The grant shall be repaid in full if the house/mobile home is sold within ten years. These grants are subject to means testing and are only available to people on income related benefit and the Council Tax Reduction scheme. When offering grant aid an initial grant offer of only £2,000 will be made. The client will be offered a loan to pay for any outstanding work costing more than this. In emergency situations however a full £5,000 grant may be offered.

Non-means tested grants of £2,000 will be available to deal with 'Hard to Treat' properties. The council currently operates a 'Hard to Treat Scheme' to insulate hard-to-treat properties with a combination of grants and loans. Typically these are older properties with solid walls and inaccessible roofs that are difficult and expensive to insulate and hence the higher rate of grant. Also included here would be repairs/improvements to mobile homes.

Where energy efficiency grants are given through third parties such as the Centre for Sustainable Energy (CSE) in Bristol that operates the Warm Streets Scheme, the eligibility criteria shall be that which pertains to their scheme at the time. Payment into such schemes will usually be made from funds taken from the Prevention Grant budget.

Grant Policy 2: Disabled Facilities Grants – Helping Disabled People In Need

Disabled Facilities Grants (DFGs) are awarded to disabled applicants to provide specialist facilities to enable them to remain in their homes. Typically these include stair lifts, handrails, bathroom/kitchen adaptations and heating as well as larger scale extensions for more complex needs.

In recent years demand for these grants has become greater due to the ever increasing elderly population and from higher expectations from the public. 62% of hospital patients in Somerset are now over 65, and this growth in demand is driving a £212m increase in annual costs in the Somerset health and care system. A recent National Audit Office report refers to adaptations as part of the 'home with support' discharge pathway.

Much higher funding for Disabled Facilities Grants (DFGs) is available thanks to extra investment from the Department of Health. DFGs are the main source of funding for home adaptations and increasingly are being used more flexibly to meet local needs; for instance, fast-tracking adaptations to make a house safer to return to. The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002, sets out how a local housing authority may provide assistance for the purpose of meeting local needs. Those powers are pretty flexible provided the local housing authority has adopted and published a policy for the provision of assistance as in the case here.

The Care Act 2014 recognises the interdependence between health, housing and care/support needs describing Housing as “a crucial health related service which is to be integrated with care, support and health services to promote the wellbeing of adults and carers in order to improve the quality of services offered” The accessibility of the home is recognised as important for successful hospital discharge, to enable care to take place at home, and to allow people to live independent lives.

Many grants tend to be awarded to elderly people who, due to general infirmity associated with old age can no longer use their baths or climb stairs and consequently have a need for replacement showers or stair-lifts. In all cases we act upon the recommendations of Occupational Therapists from Somerset Social Services. It is recognised that by providing such facilities the need for re-housing is reduced, as is the need for lengthy hospital stays or more complex care packages.

We enjoy a good working relationship with the Occupational Therapist Service of Somerset Social Services who provides the statutory referrals for all DFG work. DFGs continue to be mandatory for approved works and mean testing procedures continue to apply. Currently the limit for mandatory DFGs is £30,000.

Whilst most of the conditions that apply to DFGs are statutory, the following additional policy will apply:

- 1) Mandatory DFGs of up to £30,000 will be awarded with the discretion to pay grant aid up to £40,000 on six separate occasions. Any requests for funding other than this will be referred to the Exceptions and Appeals Panel (see Grant Policy 5) but it has to be recognised that construction costs have increased since the original upper limit was originally set.
- 2) DFGs will be available to the occupants of mobile homes as well as traditional houses.
- 3) DFGs will be available to adapt a dwelling to enable a disabled person who lives or proposes to live in the dwelling as his or her only or main residence to be

cared for (this allows for a situation where someone wishes to bring an elderly disabled relative to come and live with them).

- 4) Relocation Grants - funding of up to £5,000 will be provided to assist with the cost of moving house if this is the most cost efficient option for the Council. This is in the case of properties that cannot easily be adapted for disabled people. This could also include the cost of providing temporary mobile home accommodation in situations where someone's house was beyond the cost of economic repair.

Note: Extra DFG funding is available for certain Ex Service personnel.

Grant policy 2.1: Other use of DFG funding agreed with the Joint Commissioning Board (JCB)

In addition to the purposes described above it has also been agreed with the JCB and the other district councils in Somerset that DFG funding can be used for the purposes outlined below. The DFG allocation for 2016/17 was £984K and assuming it remains at a similar level next year it is intended to use about £110K of this sum for these purposes. This will allow sufficient funding to pay for the rest of the mainstream DFGs. This policy is based on the assumption, as mentioned, that in addition to the amount of funding for DFGs remaining the same that demand for services will remain at a similar level for the next year or so. If there are changes then this policy will be reviewed.

Most of the policies below are aimed at speeding up hospital discharge and/or preventing hospital admission in the first place. In pursuing these policies it will have to be accepted that we will in some cases be departing from the council's established procurement rules. For instance our procurement rules stipulate that for all payments over £5,000 we should go out to tender and the tender process would normally take at least four weeks. What is intended is that in the cases outlined below that we dispense with these rules and in some case offer non-means tested assistance in order to facilitate rapid hospital discharge. This approach would appear to tie in with the transformation agenda of the council.

2.1.1 Minor adaptations – Up to £1,000 grant, non-means tested for health related aids and adaptations. This may be for a grab rail, specialist equipment or minor alterations to the framework of the building to enable wheel chair access. This funding could also be used for clearing cluttered rooms to allow access to facilitate rapid hospital discharge. The list is not exhaustive. This funding could be provided to the Joint Community Equipment Service managed by Somerset Social Services using Trusted Assessors who work with the Occupational Therapists or to an approved handyman. This could be done by giving a sum of say £15,000 to the Joint Community Equipment Service for them to spend on our behalf. This would reduce administration costs, avoid the need for tendering. Bulk buying of equipment could also reduce costs. 94% of DFG recipients are on Means Tested Benefits, so there would only be financial implications for a 6% increase in people helped through 'non-means tested' grant funding.

Disabled equipment

2.1.2 Ramps - Concrete ramps provide issues in the future letting of the property and are unsightly and expensive to construct. The cost of a concrete ramp ranges from £1,800 to £2,800. The average cost of a modular ramp is £1,000 and removal and reinstallation in another property which includes administration averages £100. A modular ramp can be fitted in 24 – 48 hours. A concrete ramp which includes both construction and the grant administration can take up to 6 weeks. The shelf life of a modular ramp has an infinite lifespan as none have been scrapped in the 20 years of

their construction. The proposal is to remove ramps and some lifts (see below) from the DFG process to achieve savings in time, admin and costs through offering them on a loan basis. The idea would be to give a sum of say £20,000 to an approved ramp supplier to provide and install ramps quickly on our behalf. All expenditure would be carefully monitored

2.1.3 Stairlifts – If an occupant requires a stairlift, they currently need to apply for a Disabled Facilities Grant. The typical cost for a straight run stairlift is approximately £1,500; a curved stairlift £4,000. A straight run stairlift can be manufactured and fitted within two weeks of ordering, a curved stairlift takes up to six weeks after the grant approval due to the specially manufactured rail that it needs to glide on. If however a stock of stairlifts is kept in hand by a contractor they can be installed much quicker providing the staircase is fairly standard. In urgent cases (hospital discharge etc)therefore it is proposed is to loan stairlifts on a non-means tested basis as opposed to providing them via a grant. Less urgent cases would be dealt with in the usual way. In urgent cases the OT would undertake an initial assessment to determine how the equipment would need to be tailored to the persons need. The lift could be fitted within a week or possibly quicker if it was extremely urgent. The lifts would be recycled. To facilitate this it would be necessary to pay up front to purchase and install a number of stairlifts. It is intended to allocate £25,000 for this purpose.

2.1.4 Discretionary funding to Wessex Resolutions

It is proposed to provide Wessex Resolutions with funding from the Better Care Fund to increase the ability for some applicants to be able to afford repayments on loan packages who otherwise would not be able. If for instance an applicant could only afford to service a loan for £5,000 and the works cost £6,000 then a top up grant of this amount could be given. It is intended to allocate £10,000 for this purpose.

2.1.5 Funding to pay for Housing Occupational Therapists (OTs)

One of the matters causing delays in hospital discharge has been the lack of OTs to organise and stipulate the care packages and equipment required. To address this problem it has been agreed to allocate £30,000 to assist the funding of a Housing OT to help assess applicants for DFGs and speed up the DFG process. This Housing OT would only be working in South Somerset to assist our local residents.

2.1.6 Funding to provide a subsidised handyman service

It is intended to allocate £10,000 from the DFG budget to help provide a subsidised handyman service to elderly and vulnerable people. The aim is to provide elderly/vulnerable people with an affordable service to deal with small maintenance items. Currently the Aster Housing Group provides a handyman service across the rest of the County for £10 for people on benefits or £15 without. The cost of the service in South Somerset is £30 per hour as it is not subsidised. The intention is to pay this money to the Aster Housing Group or some other suitable provider to provide a subsidised service to South Somerset residents.

Grant Policy 3: Empty Property Grants – Creating Affordable Accommodation

The Council has an established Empty Property Strategy aimed at bringing as many empty properties as possible back in to use. Several high profile schemes in town centre locations have recently enabled unoccupied accommodation to be brought back into use. This has both helped provide much needed accommodation to reduce council spending on alternative accommodation as well as assisting in town centre regeneration. All empty properties brought back into use currently attract New Homes Bonus of approximately

£8,000 per property. It is therefore recommended that the existing scheme be continued and that grant aid of up to £12,000 per unit be awarded to create flats or other accommodation in property that has been standing empty for at least six months where the scheme is managed by an accredited landlord or experienced developer. To be eligible for an empty property grant the landlord will be required to give the Council nomination rights for five years to re-house tenants from Home Finder Somerset. The property will also have to be let at no more than the LHA rent level.

The maximum figure of £12,000 will only be available for a full-sized two bedroom flat or similar and lower figures will be negotiated for smaller units of accommodation. This maximum grant figure will comprise of an £11,000 grant for repair and refurbishment and an extra £1,000 allocated for energy efficiency work. Higher rates of grant may be available in exceptional circumstances in exchange for longer nomination rights. Higher rates of grant may also be available in exceptional circumstances in exchange for lower outcome rents.

Empty Property Grants of up to £12,000 will therefore be offered to owners of empty properties for conversions and for flats over shops, subject to:

- 1) The amount of grant, being based on a percentage, of the actual cost of the works. A grant of 80% of the cost of the agreed works will be awarded until the maximum amount is reached.
- 2) Prior to the making of the grant application, it can be clearly demonstrated that the property has been stood empty for at least 6 months. Where property has been empty for less than 6 months applications can be referred to the Exceptions and Appeals Panel where they will be considered.
- 3) Agreement that rents charged during the five-year letting period would not exceed the prevailing Local Housing Allowance (LHA) rate.
- 4) That the property is let to tenant(s) nominated by the Council from Home Finder Somerset for five years from the certified completion date of the grant.
- 5) That all of the other regulations in the Department of the Environment circular 17/96, that apply to renovation grants hereby apply to Empty Property Grants.
- 6) That in addition to this grant being awarded in 1 above, up to an extra £1,000 can be awarded for energy efficiency measures.
- 7) Empty property grants will also be available where an empty property is demolished and replaced with a new building.

Grant Policy 4: HMO Grants – Improving Rented Accommodation

HMO Grants are grants designed to upgrade facilities, deal with disrepair and upgrade the means of escape in case of fire in houses in multiple occupation. HMOs are key providers of rented accommodation for single people, often housing the young and vulnerable.

With recent changes in housing benefit regulations they will continue to meet an essential and increasing need. HMOs are in fact the main type of accommodation used to deal with single person housing need, and the rent deposit scheme has been used to

help young people gain access to HMO accommodation. With the 'bedroom tax' and the single room allowance restricted to persons under 35 years of age, demand for HMOs has continued to increase.

Recent surveys of HMOs have shown that they tend to be the poorest form of any housing tenure. In recent months increased efforts have been made via enforcement work to upgrade substandard HMOs. The Council has a published HMO Policy that outlines the standards expected and the steps being taken to upgrade HMOs. The Housing Act 2004 also introduced the licensing of HMOs over three or more storeys with five or more residents. SSDC has also recently introduced new planning controls over HMOs in large parts of Yeovil.

Experience has shown that when trying to upgrade substandard HMOs, it is best to have a policy of coupling firm enforcement action with the provision of grant aid where appropriate. It is therefore proposed that our existing policy be continued whereby the Council gives HMO Grants as an incentive to assist good landlords to improve substandard HMOs.

HMO Grant levels

To enable the upgrading of HMOs the following grant policy will apply. The grant aid offered will enable the upgrading of existing HMOs but could also be used towards the creation of new HMOs. The policy will be that:

- 1) Grant aid will be available to fund up to 60% of the cost of providing fire precautions in HMOs. In the case of sprinkler systems extra funding may be available from the Somerset & Dorset Fire & Rescue Service.
- 2) Grant aid will be available to fund up to 40% of the cost of providing necessary amenities and eliminating or minimising Category One hazards in HMOs.
- 3) The limit for grant aid is set at £11,000 plus an energy efficiency contribution (see 4 below).
- 4) That up to £1,000 is awarded to pay for energy efficiency measures in addition to the £11,000 grant in 3 above.
- 5) Grant aid will only be available if the HMO is licensed, where required, has planning permission or building regulation approval, where appropriate.
- 6) Grant aid will only be available to accredited landlords under the SSDC Landlords Accreditation Scheme.
- 7) HMO landlords can also apply for loans on top of an HMO grant.

Grant Policy 5: Exceptions and Appeals Panel

In framing any grant policy there will inevitably be exceptions to the rules and it is likely that there will be appeals made against officer's decisions concerning grants. It is proposed that the Leader, Strategic (Strategic), the manager of the private sector housing services and two elected members make up the Exception and Appeals panel and be given delegated authority to deal with any exceptions to the agreed policy and deal with any appeals concerning grants made by the public. It is also recommended

that the Leader, Strategic (Strategy) be given delegated authority to select new members for the Exception and Appeals Panel as and when members retire from the panel.

Whilst the Council will have an agreed policy in place, it is suggested that the Exceptions and Appeals Panel be given the authority to consider any grant applications that falls broadly in line with the policy. This would allow financial and other assistance to be given in exceptional circumstances where it is clearly to the benefit of the Council and the applicant to do so.

Grant Policy 6: Repayment of Grant

The Council currently has a policy of demanding the repayment of grants where the future occupation and/or associated conditions of the grant are breached. It is intended that this policy should generally continue with any requests for the waiving of repayment conditions being referred to the Exceptions and Appeals Panel. The agreement to waive such conditions only being given in exceptional circumstances.

Grant Policy 7: Return of Equipment

Where grant aid is provided for specialist medical equipment (e.g. stairlifts etc) and it becomes surplus to the needs of the client during the clawback period the council will exercise its right to reclaim the equipment and allocate it for the use of another individual with similar needs.

Grant Policy 8: Fees

Fees-The council will pay fees of up to 12% for home improvement agency or other professional fees (architects, surveys etc) for the preparation of grant/loan applications.

Grant Policy 9: Grant processing

The processing of all grants should comply with the guidance in DoE Circular 17/96 where not covered elsewhere in this policy
