



CABINET – 19 APRIL 2023

SUBJECT: CONTINUED SUSPENSION OF NON-PRIORITY HOME REPAIR GRANTS

REPORT BY: CORPORATE DIRECTOR OF SOCIAL SERVICES AND HOUSING

1. PURPOSE OF REPORT

- 1.1 To advise Members of a formal review being undertaken of the Authority's Private Sector Housing Renewal Policy and to seek approval for a moratorium in respect of routine Home Repair Grants, that was initiated due to the impacts of the pandemic to be continued until such time as a revised Private Sector Housing Renewal Policy is formally adopted.

2. SUMMARY

- 2.1 This report outlines the current operation of the Council's Private Sector Housing Renewal Policy and, in light of a changing economic and social climate, asks Members to consider the reasons for a formal review being undertaken. The report highlights potential difficulties that may be encountered when introducing a revised Private Sector Housing Renewal Policy as a result of operational commitments and a backlog of applications for assistance under the current policy. Members are requested to consider continuing a moratorium currently in place in respect of non-priority Home Repair Grants, whilst a revised Private Sector Housing Renewal Policy is being prepared. This moratorium was initiated in October 2020 due to pressures associated with Covid restrictions, which continue to be largely relevant.

3. RECOMMENDATIONS

- 3.1 That Members of the Cabinet consider the contents of this report.
- 3.2 That Members of the Cabinet approve the continued moratorium in respect of non-priority Home Repair Grants in cases where there is no imminent threat to health and safety, pending the approval and implementation of a revised Private Sector Housing Renewal Policy.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 The current Private Sector Housing Renewal Policy was formulated at a time when capital and revenue budgets were under significantly less pressure than today. Corporate priorities and customer needs and expectations have changed over time, as have associated regulatory requirements and Welsh Government guidance, and awareness of the impacts of

climate change has increased. Costs associated with the delivery of construction works have significantly increased, compounded by a shortage of suitable and willing contractors to undertake such works. These factors have all contributed to rendering the assistance currently offered inadequate to meet current needs and expectations, with many schemes being considered for financial assistance under the Policy no longer financially viable. Officers no longer consider the existing Policy to be sufficiently relevant or deliverable.

5. THE REPORT

- 5.1 In July 2002, by way of a Regulatory Reform Order, the Government introduced significant changes in relation to Private Sector Housing Renewal by repealing much of the legislation that related to housing grants and replacing it with a wide-ranging power which allowed local authorities to provide assistance for Private Sector Renewal in any form. The Order placed a statutory obligation on Local Authorities to produce and implement a Private Sector Housing Renewal Strategy/Policy. It affords Local Authorities the power to provide assistance in any form, although Authorities must be satisfied that their published strategy is deliverable. This Authority duly produced and formally implemented its initial Strategy on 30th June 2003.
- 5.2 Since then the Private Sector Housing Renewal Strategy has had four formal reviews, in 2005, 2008, 2011 and 2014. Since the original Strategy was introduced, officers have continued to monitor progress and deliverability against targets and corporate priorities and scrutinised carefully the Strategy's ability to address the needs of those persons for whom it was originally developed to assist.
- 5.3 Generally the Strategy (now reclassified as a policy) has operated extremely successfully to date. However, to ensure the Authority's future ambitions remain deliverable, both in terms of affordability and targeting, officers feel that consideration must now be given to a complete review. The current policy was formulated at a time when capital budgets were under less pressure than today, construction costs were significantly lower and there was less demand on the construction industry, and little recognition was given to energy efficiency due to limited awareness of the impacts of climate change. Some forms of assistance currently on offer, and the way they are required to be administered, are becoming increasingly unviable to meet the needs of the vulnerable households for whom they are targeted.
- 5.4 The current Policy affords owners in the private sector a variety of grant assistance, to address disrepair, provide disabled adaptations, and convert redundant buildings for residential use. A number of loan products have also been developed, in partnership with WG, however it is recognised that a review of the current loans system could result in increased opportunities for owners and reduce pressure on capital budgets by the increased recycling of financial assistance.
- 5.5 Whilst it would be inappropriate to predict the outcome of any review, there will be certain products, such as Disabled Facilities Grants, which would inevitably remain as provision is mandatory, although Welsh Government guidance has recently been issued requiring Local Authorities to seek to consider alternative non means tested solutions. All forms of assistance would, however, be subject to scrutiny in line with the overall needs of potential recipients and the financial constraints within which any revised Policy would have to operate.
- 5.6 In order for a policy review to succeed it is crucial that the financial and operational commitment from the existing policy is kept as low as possible to ensure that any revised Policy would be affordable and deliverable at or near its point of introduction.
- 5.7 Whilst responsibility for the repair and maintenance of a private property lies with the owner of that property rather than the Council, the current policy includes Home Repair Grants to

enable works of repair of an essential nature, deemed necessary by the Council to be undertaken to enable eligible households to remain within their own homes in safety and comfort. These are small grants, to a maximum of £10,000, with eligibility determined by a means test. Current policy requires that as Home Repair grants are targeted at vulnerable households, applications are overseen by a recognised Home Improvement Agency, and in the absence of alternatives all applications are processed by the Council's in house agency service.

- 5.8 Priority is afforded in cases where: a property, on inspection, is found to be so far defective, that there is an imminent threat to the health and safety of residents or passers-by; the property is located within a formally designated Priority Neighbourhood; or a Disabled Facilities Grant cannot be properly undertaken without home improvement works being undertaken concurrently.
- 5.9 In October 2020, coinciding with the second national lockdown, the Council took the decision to suspend the acceptance of new applications for all non-priority Home Repair Grants and loans, whilst continuing to accept priority applications. This was due to the repercussions of pandemic restrictions that were significantly impacting our ability to process applications and the significant backlog of applications accruing as a result that needed to be addressed. The Council's website was updated to advise of the decision and all enquiries were assessed as to whether they met the agreed priority criteria. As such, all residents with active enquiries were sent a letter regarding the Council's position.
- 5.10 The situation has been kept under regular review, and in addition to continuing to progress priority applications the processing of the considerable backlog of non-priority applications that remained open but delayed by the pandemic have since resumed. These applications are currently being progressed, although it is likely that it will take several more months to clear this backlog so the Home Repair Grant system has remained closed to new non-priority applications. The loans system has since reopened to new applications and is not impacted by backlogs to the same extent. This is partly due to them not being processed through an agency and the applicant being responsible for obtaining contractors and arranging works.
- 5.11 It is proving difficult to progress applications due to the increasing costs of both labour and materials that are rendering an increasing number of schemes unviable. The few that are willing to consider such work have long waiting lists and are often unwilling to progress based on their original tender when they become available to commence a project due to cost increases in the interim period. We are frequently finding that schemes need to be tendered on multiple occasions to achieve a single tender and we are often still unable to appoint a contractor for a formal approval to be issued.
- 5.12 To avoid creating unrealistic expectations of grant assistance being awarded under the existing policy it is proposed that the Home Repair Grant system remains closed to new non-priority applications until such time as a revised Policy is introduced, proposed to be introduced by the end of 2023/24 financial year), with customers directed to alternative forms of assistance or partner providers where appropriate. This includes the offer of various interest free loan products. In the meantime, officers will endeavour to process all priority applications and the backlog of non-priority applications to approval and completion whilst also continuing to progress loans and other strategic projects, including the Bryn Carno EWI scheme, George Street replacement wall scheme, PAMS schemes for Public Sector Housing and the implementation of the new all Wales Empty Homes Grant.
- 5.13 The Private Sector Housing Renewal Policy is still in the early stages of review and, following a public consultation exercise, a revised draft policy will be subject to the usual governance arrangements, ensuring that Members have opportunity to give it full consideration prior to taking a decision as to approval.

Conclusion

- 5.13 To ensure the Council's future ambitions remain central to the Policy, both in terms of affordability and targeting, officers are in the process of undertaking a comprehensive review. A revised draft policy will be subject to consultation with stakeholders, and normal governance arrangements, ensuring that Members will have the opportunity to give it full consideration.
- 5.14 In October 2020 the Council suspended acceptance of new applications for all non-priority Home Repair Grants, whilst continuing to accept priority applications. The situation has been kept under regular review, and the processing of the backlog of non-priority applications continues. Due to the increasing unviability of the current product, it is likely that it will take several more months to clear this backlog whilst also progressing priority applications, so the Home Repair Grant system has remained closed to non-priority applications. Potential applicants are referred to alternative forms of financial assistance, comprising interest free loans, to enable necessary repair works to be undertaken to their homes, and/or alternative providers.
- 5.15 It is proposed that the Home Repair Grant system remains closed to new non- priority applications until such time as a revised Policy is introduced. This would prevent the creation of unrealistic expectations of assistance for customers and a backlog of applications and associated operational and financial commitment, that we may not be able to progress as the current product is no longer fit for purpose, which would then compromise the successful implementation of a revised policy.

6. ASSUMPTIONS

- 6.1 No assumptions are made in this report.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

- 7.1 The eligibility for Home Repair Grant assistance is determined by property conditions, structure and safety of the property rather than the person/household applying for assistance on property condition, therefore, the IIA concluded that there will be no negative impact on the protected characteristics.
- 7.2 Given the nature and duration of the proposal it is considered that its introduction will have a minimal negative impact. Where any negative impacts have been identified through the Integrated Impact Assessment process, mitigating actions have been identified. The impact of the proposal is time limited being linked to the timeframe for development and implementation of a revised Private Sector Housing Renewal Policy.
- 7.3 No adverse impact on the promotion of the Welsh language was identified.
- 7.4 The IIA can be found at: [Link to IIA](#)

8. FINANCIAL IMPLICATIONS

- 8.1 The continuation of a moratorium on non-priority Home Repair Grant applications will limit the level of capital commitment that could have a negative bearing on the implementation of a revised Private Sector Housing Renewal Policy.

9. PERSONNEL IMPLICATIONS

- 9.1 There are no personnel implications as the Private Sector Housing Service. Officers will continue to focus on processing all priority applications and the backlog of non-priority applications to approval and completion, whilst also continuing to progress loans and other strategic projects, including the Bryn Carno EWI scheme, George Street replacement wall scheme, PAMS schemes for Public Sector Housing, together with the implementation of the new all Wales Empty Homes Grant.

10. CONSULTATIONS

- 10.1 All comments received from the consultees listed below have been noted and, where appropriate, incorporated within the report.

11. STATUTORY POWER

- 11.1 The Housing Act 1985, the Local Government and Housing Act 1989, the Housing Grants, Construction and Regeneration etc. Act 1996. The Regulatory Reform (Housing Assistance) (England & Wales) Order 2002 places a statutory obligation on local authorities to produce and implement their own Private Sector Housing Renewal Policies.

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Consultees:

- Cllr Sean Morgan, Leader of Council
- Cllr Shayne Cook, Cabinet Member for Housing
- Cllr Andrew Whitcombe, Chair – Housing and Regeneration Scrutiny
- Cllr Patricia Cook, Vice Chair – Housing and Regeneration Scrutiny
- Christina Harray, Chief Executive
- Dave Street, Corporate Director for Social Services and Housing
- Rob Tranter, Head of Legal Services and Monitoring Officer
- Stephen Harris, Head of Financial Services and Section 151 Officer
- Lesley Allen, Principal Group Accountant (Housing)
- Claire Davies, Private Sector Housing Manager
- Kerry Denman, Housing Solutions Manager
- Jane Roberts-Waite, Strategic Co-Ordination Manager
- Neil Challenger, Principal Housing Officer
- Rhian Evans-McLean, Principal Housing Officer
- Carl Spearman, Principal Housing Officer
- Graham Heath, Principal Housing Officer
- Anwen Cullinane, Senior Policy Officer – Equalities and Welsh Language