

# AGENDA ITEM 13

## COMMUNITY & SOCIAL AFFAIRS COMMITTEE

18<sup>TH</sup> JUNE 2014

### REPORT OF HEAD OF REGULATORY SERVICES

#### PRIVATE SECTOR HOUSING GRANT REPAYMENTS

##### 1.0 PURPOSE OF REPORT

- 1.1 To seek members approval that where private sector housing grant are repaid, the value of the repayment is recycled to enable additional works to other relevant premises or vulnerable occupiers.

##### 2.0 RECOMMENDATIONS

- 2.1 **Members approve recycling of any private sector housing grant repayments to enable additional works in the sector and recommend to the Policy, Finance & Administration Committee to approve the use of the private sector housing grant repayments received**

##### 3.0 KEY ISSUES

##### 3.1 GRANTS

Government requires that each Local Authority allocate a budget to meet local needs for Private Sector Housing Renewal. Melton Borough Council provided Capital funding for grants for such eventualities in the last decade.

Over the years 2003-08 the level of grant funding provided by Melton Borough Council for repairs to properties (not disabled adaptations) was:

2003-04	£120k
2004-05	£130k
2005-06	£140k
2006-07	£131k
2007-08	<u>£100k</u>
	£621k over 5 years

The Housing Grants, Construction & Regeneration Act 1996 specified the procedure for Renovation Grants and Home Repair Assistance Grants. These were replaced by Major and Minor Grants which followed a similar procedure.

##### ADDITIONAL EXTERNAL GRANT FUNDING

To limit the amount of funding from capital resources, Environmental Health Officers have been successful in applying for funding from external sources as follows:

Year	Funding	Grant Type	Source
2006-07	£86,000	Decent Homes	GOEM
2007-08	£108,500	Decent Homes	GOEM
2008-09	£472,000 (inc.carry forward)	Decent Homes	GOEM
2009-10	£308,000 (inc carry forward)	Decent Homes	GOEM
2010-11	£186,000	Decent Homes	GOEM
2011-12	£195,000	Warm Homes	Dept of Health
2012-13	£65,000	DECC Warm Homes	Dept of Energy & Climate Change

- 3.2 For 2014-15, no external funding sources have been secured. However each grant is approved subject to a 5 year repayment clause if the property is subsequently sold as the works may have increased the value of the property and the relevant occupier will not be the one gaining the advantage of the works (usually heating and insulation) after the property is sold.

It is requested that any funds repaid within the five year repayment period are recycled to enable additional works in the sector as the funds were from external sources. This will reduce or negate altogether the need to allocate funding for the purposes of Private Sector housing in order to comply with the requirement that sufficient resources are allocated to meet local needs.

There is a small loan fund available for similar situations (£25,000) but Financial Services Authority rules mean that these are not straightforward to issue.

#### **4.0 POLICY AND CORPORATE IMPLICATIONS**

- 4.1 A priority of Melton Borough Council is to support vulnerable people in the Borough and to improve their wellbeing. This process will contribute to this priority.

#### **5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS**

- 5.1 In 2012-13 the value of grant repayment was only £5275. However as the housing market has picked up in 2013-14, the value of grant repayments was £64,092. None of this originated directly from MBC Capital funding, it was all from external sources. It is requested that £64,092 is recycled for this year and the process continues throughout the five year repayment period

#### **6.0 LEGAL IMPLICATIONS/POWERS**

- 6.1 Government requires that each Local Authority allocate a budget to meet local needs for Private Sector Housing Renewal. Since 2007-08 this has been funded from external funding rather than directly from Capital. Private Sector Housing Policies and The Housing Grants, Construction & Regeneration Act specifies the process to follow including repayment of grants..

#### **7.0 COMMUNITY SAFETY**

- 7.1 Cold homes have been shown to contribute to ill-health accidents and warm homes therefore prevent ill-health and accidents.

#### **8.0 EQUALITIES**

- 8.1 These grants and are means tested and are offered to eligible vulnerable applicants and premises occupied or likely to be occupied by them.

#### **9.0 RISKS**

9.1 **Probability**



Very High A				
High B				
Significant C				
Low D				
Very Low E		1		
Almost Impossible F				
	IV Neg- ligible	III Marg- inal	II Critical	I Catast- rophic

**Impact** →

Risk No.	Description
1	No funding is allocated by MBC to meet local needs

10.0 **CLIMATE CHANGE**

10.1 Warm homes grants are for energy efficient systems along with suitable insulation.

11.0 **WARDS AFFECTED**

11.1 Applications are welcome from eligible applicants in all wards of the Borough.

Contact Officer: Victoria Clarke  
Date: 04/06/14

Appendices: None

Background Papers: None

Reference: X drive\Cttes\CSA\2014.15\180614\JW- Private sector Housing Grants