

EXETER CITY COUNCIL  
PRIVATE SECTOR HOUSING RENEWAL  
POLICY 2009 - 2010

## 1 - INTRODUCTION

Exeter is the County Town of Devon lying at the junction of the M5, A30 and A38. It has a population of 122 400, and covers 18 square miles.

There are around 39,600 houses in the private sector which is made up as follows

Tenure	Total number of dwellings
Owner occupier	31100
Private rental	8500

Exeter is a centre of commerce and service industries, is the location for the headquarters of a number of national companies and call centres, and is the home to The University of Exeter. In all there are in excess of 12,000 students attending the University, only half of whom are housed in halls of residence.

The large number of students living in privately rented accommodation result in an unusually high number of Houses in Multiple Occupation in the city, estimated at around 2760, between 700 and 800 of which are licensable.

Research has shown that the economic power of students, particularly the fact that they tend to rent houses and share the rent, inflates rent levels in the district.

House prices in the City remain high. In July 2008 the average price of a typical terraced house in the City was £211,000 [an increase of £71, 000 since the 2004-5 policy was published] , well beyond the means of many local people, being over ten times the average salary. It is yet to be seen how the present recession will affect house prices in the City in the long term but it has resulted in a sharp increase in the number of properties being offered for rent.

Whilst Exeter generally offers a high quality of life, there are still a number of underlying problems that are the cause of significant deprivation in many areas for many residents across the City. By gathering ward and sub ward information, together with the use of the indices of multiple deprivation 2007 the following can be found:

- 18,000 to 19,000 people, spread over the 6 wards of Newtown, Priory, St David's, Mincinglake, Whipton and Cowick, experience some form of deprivation.
- among these, an estimated 4,900 individuals are mostly at risk, living within the most deprived 10% areas nationally. These individuals are to be found within the vicinity of Sidwell Street and Clifton Road area in Newtown in the city centre and parts of Priory.
- nearly 10% of households in the City live with an income below £10,000 and 21% with an income below £15,000.
- the outlying areas of Priory, Whipton Barton, Mincinglake and to a lesser extent Cowick and Exwick are ranked most highly for children living in income deprived households.

One of the Council's priority objectives is to safeguard and improve the private sector housing stock in Exeter. The City Council has a vital role to play in influencing private sector

house conditions both directly, through policies such as those on houses in multiple occupation, and indirectly through policies relating to the availability of grants or loans to assist homeowners maintain their homes or to bring vacant dwellings back into use.

The Council acknowledges the importance of this work and will use its statutory powers fully but sensitively to maintain and improve the housing stock both for the current residents and for future generations.

This document sets out the Council's strategy for dealing with houses in the private sector and follows the guidelines from the Office of the Deputy Prime Minister in the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002, .

This strategy is available in paper form or electronically, on the Council's web site at [www.exeter.gov.uk](http://www.exeter.gov.uk).

If you would find it easier to access this strategy in a different format, e.g. large print, please contact Keith Williams on Exeter 265777 or [keith.Williams@exeter.gov.uk](mailto:keith.Williams@exeter.gov.uk), who will see what can be done to accommodate your requirements

## 2 - THE REQUIREMENT TO PRODUCE A PRIVATE SECTOR RENEWAL POLICY

The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 [the RRO] came into force on the 18th July 2003 and effectively gives local authorities complete discretion to tailor the financial assistance that they make available to householders to suit local needs.

The RRO also encouraged local authorities to move away from awarding grants as their only means of assisting with the maintenance of the private sector stock by becoming involved with either awarding loans directly or enabling home owners to take up loans through a third party to finance the maintenance of their houses.

Exeter City Council has been awarded £187 500 from the Single Housing Pot for 2009/10 to develop a loan scheme in conjunction with Wessex Reinvestment Trust.

This Policy sets out the circumstances in which grants will continue to be awarded and the procedures to be followed when loans are to be offered.

The Housing Act 2004 places a duty on the City Council to “consider the housing conditions in their district with a view to determining what action to take under their powers to deal with hazards identified under the Housing Health and Safety Rating System [HHSRS] or provide financial assistance for home repair and improvement”.

The Housing Act 2004 also places a duty upon the Council to deal with ‘Category 1’ hazards, identified by the HHSRS, by the most appropriate means, and a power to deal with ‘Category 2’ hazards. The enforcement options available are –

- To serve an improvement notice
- Make a prohibition order
- Serve a hazard awareness notice
- Take emergency remedial action
- Make a demolition order
- Declare a clearance area

The Council continues to have a Mandatory duty to award Disabled Facilities Grants although the Disabled Facilities Grants regime is currently subject to a ‘root and branch’ review nationally.

The policy has been based upon current information in respect of

- Housing stock condition and void rates, available from the results of the rolling private sector house condition survey results published in 2007 [the 3<sup>rd</sup> annual report]
- House prices and market conditions data, available from Exeter’s economic trends report
- Tenure patterns, occupants’ circumstances, and the economic and social characteristics of the City, available from the most recent census, House condition survey and Housing Needs Survey.
- Demand for housing within areas from common housing registers.
- The housing needs of students and key workers.

The policy has also been informed by the Council’s own strategies and those of our partners

### 3 - HOW THIS POLICY LINKS TO RELEVANT COUNCIL STRATEGIES AND CORPORATE OBJECTIVES

#### Exeter City Council Community Strategy

Exeter Vision - overall objective:

To be the regional capital of the South West

The Most Relevant Corporate Objectives that link to this strategy, together with the unit objectives of the Private Sector Housing and Grant Section of the Environmental Health Service Unit are -

Theme	Vision Objectives (long term up to 20 years)	Strategic Objectives (medium term up to 5 years)	Objectives of the Private Sector Housing and Grants Sections within the Environmental Health Services Unit
<b>3 Electronic city</b>	To encourage people, business and other organisations to fully embrace the latest technology and use it to improve the way we live and work	3a Improve service delivery through e-enabling Council services	Explore the possibility of receiving grant enquiries/applications through a secure area on the council's web site or making appointments electronically  Expand the information available on the web site, including the development of links to useful URLs

Theme	Vision Objectives (long term up to 20 years)	Strategic Objectives (medium term up to 5 years)	Objectives of the Private Sector Housing and Grants Sections within the Environmental Health Services Unit
			<p>Develop an electronic version of the landlords newsletter which promotes 'interactivity' with landlords</p> <p>Place useful information for tenants on the university intranet</p>
<b>6 City of strong communities</b>	To ensure Exeter is a city where every resident is able to play a full and active part in its social, economic, political and cultural life	6a Provide strong and effective community leadership communicating with, listening to and speaking up for the city and all communities within it. Leading by example on key priorities including sustainability, equality, openness and transparency, e-govt, and as a good model employer	Explore the possible uses of renewable energy within the council's housing stock to promote good practice the development of a loan scheme a li of approved builders and the distribution of the owner occupiers handbook

Theme	Vision Objectives (long term up to 20 years)	Strategic Objectives (medium term up to 5 years)	Objectives of the Private Sector Housing and Grants Sections within the Environmental Health Services Unit
<b>7 A city where everyone has a home</b>	To ensure that there are enough well designed and maintained homes, properly managed in an attractive and safe setting for the people of Exeter	7a Promote the provision of affordable homes including those for rent using every possible resource including the planning process	To implement the Private Sector Housing Policy to promote the maintenance of privately owned properties through grants and/or loans.  Promote the use of the Handy Person Scheme provided by the Home Improvement Agency
		7c Safeguard and improve the private sector housing stock in Exeter	Inspect 200 houses in multiple occupation and bring 95% up to standard within 1 year of inspection  Inspect each of the 4 mobile home sites  To pro and re-actively monitor the condition of private sector residential properties (including mobile homes and caravans)  To identify, with the assistance of other Council departments and external agencies, all the HMOs within the City

Theme	Vision Objectives (long term up to 20 years)	Strategic Objectives (medium term up to 5 years)	Objectives of the Private Sector Housing and Grants Sections within the Environmental Health Services Unit
			<p data-bbox="1328 437 1760 536">Develop and support at least two health promotion initiatives in respect of safe housing</p> <p data-bbox="1328 643 1787 1026">7d Promote energy efficiency to all homes and reduce greenhouse gas emissions and fuel poverty</p> <p data-bbox="1328 643 1787 1026">promote energy efficiency through the grant and/or loan regime and through partnership schemes such as Devon Warm Zones to develop and promote an affordable warmth strategy with the aim of alleviating fuel poverty by 2015</p>
<b>8 Healthy and active city</b>	To promote well-being and prevent ill-health for all, so that every citizen is able to live their life as fully, actively and independently as possible	8a Develop and support health promotion initiatives particularly in respect of physical activity, food hygiene, and housing conditions. Focus on children, elderly and	promote energy efficiency through the grant and/or loan regime and through partnership schemes To develop and promote an affordable warmth strategy with the

Theme	Vision Objectives (long term up to 20 years)	Strategic Objectives (medium term up to 5 years)	Objectives of the Private Sector Housing and Grants Sections within the Environmental Health Services Unit
		socially excluded groups.	aim of alleviating fuel poverty by 2015 Ensure take up of energy efficiency measures in at least 150 properties within the City and reduce greenhouse gas emissions by 2% and alleviate fuel poverty
<b>9 Environment cared for</b>	To protect and enhance Exeter's environment so that it makes a major contribution to quality of life, supports balanced economic growth, and makes a positive contribution to the global environment	9a Establish a sustainable development framework for Exeter through the adoption of an up to date Local Plan for Exeter  9d Promotion of sustainable lifestyles, especially in respect of	promote energy efficiency through the grant and/or loan regime and through partnership schemes Work in partnership to promote the use of renewable energy  promote energy efficiency through the grant and/or loan regime and



Theme	Vision Objectives (long term up to 20 years)	Strategic Objectives (medium term up to 5 years)	Objectives of the Private Sector Housing and Grants Sections within the Environmental Health Services Unit
		reducing waste and use of natural resources	through partnership schemes Work in partnership to promote the use of renewable energy
<b>10 Safe city</b>	To make Exeter the safest city in the south west and to maintain this position	10a Support community safety initiatives, especially in respect of addressing the causes of drug/alcohol misuse and anti-social behaviour in children and young people	Promote home security through the availability of grants and/or loans
<b>11 Excellence in public services</b>	-	Secure the provision, involving partners where appropriate, of high quality, cost effective, customer focused services and in particular:  11b Pursue best value and continuous improvement across key	To react to complaints, grant enquiries etc. within the specified times  To ensure that all legal notices, complaints etc. are followed up

Theme	Vision Objectives (long term up to 20 years)	Strategic Objectives (medium term up to 5 years)	Objectives of the Private Sector Housing and Grants Sections within the Environmental Health Services Unit
		services	<p data-bbox="1326 406 1778 467">promptly, fairly and with respect to both landlords and tenants</p> <p data-bbox="1326 507 1809 639">To increase public awareness of the work of the sections and publicise, where ever possible, the results achieved against targets</p> <p data-bbox="1326 679 1796 802">ensure that performance against national performance indicators can be measured and that top quartile results are achieved</p>

Corporate strategies which are assisting the Vision and Corporate Objectives to become reality include the –

- Housing Strategy
- Community Safety Strategy
- HECA Strategy
- Devon Affordable Warmth Strategy
- Economic Development Strategy
- Empty homes Strategy
- Social Inclusion Strategy
- Crime Reduction Strategy
- Environmental Strategy

All of these strategies have informed this policy.

Regard has also been had to relevant, wider, strategies and policies, including –

- Social care and health strategies
- Employment and broader economic regeneration strategies
- Strategies to tackle crime and anti-social behaviour.
- Planning and land use strategies.
- Partnerships and consultation with grant recipients, landlords, Social Services, the voluntary sector etc
- South West Regional Housing Strategy

#### 4 – EXETER’S PRIVATE SECTOR HOUSING STOCK -

Dwelling type	Number of dwellings
Detached	4276
Semi Detached	9068
Bungalow	4078
Terraced	16001
Purpose built flats	4395
Converted flat	1782

Tenure	Total number of dwellings
Owner occupier	31,100
Private rental	8,500

Source: Private Sector House Condition Survey 2007

An innovative Private Sector House Condition Survey began in 2005 involving a survey of 650 properties which has been followed up on an annual basis with a rolling inspection. This form of survey allows for very accurate data to be collected. The latest information comes from the 2007 survey results

##### **Dwelling types**

Exeter has a larger percentage of terraced dwellings (40.3%) than the national average (28.9%) and correspondingly fewer detached and semi-detached houses. Since terraces and converted buildings are predominantly pre-1919 this indicates a potential for problems with disrepair and inadequate amenities. The age of the properties is also likely to have a bearing upon the energy efficiency of the housing stock

##### **Tenure**

In terms of the different types of tenure Exeter reflects the national picture very closely. Data, derived from the Census, confirms subjective experience that privately rented housing is concentrated in the inner ward.

Houses in Multiple Occupation (HMOs) make up a significant proportion of the rented properties in the City. The Private Sector House Condition Survey estimated that there are 2790 HMOs.

The Council has been actively dealing with HMOs for over 25 years and has a good deal of data relating to that part of the stock. Around 200 HMOs are fully inspected each year and many more received other visits. Each property visited is risk assessed and prioritised for inspection. Standards are maintained through a rigorous enforcement regime which, in the past, has been linked to the availability of grant assistance

##### **Condition**

Property condition must be considered not only against the HHSRS but also against the Decent Homes Standard. Although that standard was originally developed for social housing it has recently been extended to cover private sector dwellings

The recent house condition survey estimates that, overall, 29.5% of private sector properties are non decent, as compared with 31.6% in the 2006 survey. This compares to the national average of 27.1%. It also estimates that the rates of non decency for owner occupied properties stands at 27.2% [above national average of 24.9%] as compared to 37.7% in the private rented sector which is below the national average of 40.6%

The highest levels of non decency are to be found in converted flats [63.3%] followed by terraced houses [29.4%], bungalows [31.4%], semi detached houses [27.6%] and detached houses [15%]

The primary cause for non decency is, by far and away, poor thermal comfort which accounts for 55.8% of properties failing the decent homes standard, a significant improvement over the 2006 estimate of 62.2%. This matches the national picture which identified that these two hazards were present in 11% of all private sector homes

The total cost necessary to bring the housing stock in Exeter up to the decent homes standard is £46.5M

Other significant findings of the Private Sector House Condition Survey are as follows

- 9.4% of dwellings in Exeter contain a category 1 hazard compared to the national average figure of 22%. This percentage represents 3840 houses and 800 flats
- The total repair cost to eliminate category 1 hazards is £36.2M, £23.1M of which relates to owner occupied properties
- 5,200 households contain at least one member with a disability. It is estimated that the cost of adapting these homes is around £10M

### **Energy Efficiency**

The average SAP (energy efficiency) rating for the private sector dwellings in Exeter is 62, higher than the average SAP rate in the UK, which is just over 51.

Although this is surprising given the number of older terraced properties in the city it reflects the success that the Council has had promoting energy efficiency through Devon Warm Zones and direct intervention through 'Warm up Exeter' and PLEA, [energy efficiency grants for private landlords] schemes and by including energy efficiency measures in all renovation and disabled facilities grants. Since Warm up Exeter grants started in July 2006 nearly 1500 households have received grants for loft and cavity wall insulation

Overall, since 1996, it is estimated that there has been a reduction of 28% in the amount of CO2 released into the atmosphere from homes as a direct result of activities promoted by the City Council as a result of the Council's actions in response to the Home Energy Conservation Act

## **Fuel Poverty**

The Centre for Sustainable Energy [CSE] has undertaken research into the levels of fuel poverty on behalf of the City Council.

That research shows that fuel poverty is concentrated in Exeter's inner wards. The more 'fuel rich' wards are found on the outer edge. Fuel poverty in the 5 inner wards of the City are in the 'worst' quartile range, with between 31% to 38% households finding it a struggle to heat their homes.

## **5 - KEY PRIORITIES AND ACTIONS**

The key findings of the private sector house condition survey form the basis for the priorities to be addressed by this policy.

1. The council will continue to target financial assistance at vulnerable households in order to meet the Government's Decent Homes and Fuel Poverty Targets and to tackle properties with category 1 hazards. Targeting will be assisted by the indicative maps produced from the data from the house condition survey
2. The council will continue to encourage the owners of properties to install energy efficiency measures through Devon Warm Zones funding, in partnership with other agencies
3. The council will continue to work in close partnership with Devon Care and Repair home improvement agency to develop services to assist vulnerable and disabled people with the upkeep and adaptation of their homes
4. The funding of the provision of facilities for disabled people will be further investigated in view of the potential reduction in the amount of resource available for grants for this purpose in the future.
5. Links with private landlords will be further developed through the existing landlords forum, newsletters and through the development of a landlord accreditation scheme, in partnership with the University of Exeter.
6. The council will ensure that all licensed properties are inspected and brought up to standard
7. House conditions in Exeter will continue to be monitored by means of the on going, rolling, house condition survey

### **Mandatory Licensing of certain Houses in Multiple Occupation**

The mandatory licensing of certain HMOs became a requirement on the 6 April 2006, following which the managers of all HMOs with three or more storeys and occupied by five or more tenants had to apply for a licence. Since July 2006 it has been a criminal offence for a landlord to manage an unlicensed HMO, with a maximum fine upon conviction of £20,000.

Upon receipt of a fully completed application a licence will be granted as long as the Council is satisfied that the

- House is reasonably suitable for occupation as a HMO
- Management arrangements are satisfactory
- Licensee and/or manager are fit and proper persons and that the applicant is the most appropriate person to hold the licence.

In assessing whether the applicant and/or any manager are fit and proper people to own or manage an HMO the Council must be satisfied that they have:

No unspent convictions relating to:

- Offences involving fraud, dishonesty, violence or drugs, or sexual offences
- Unlawful discrimination on grounds of sex, race, or disability
- Housing or landlord and tenant law
- Not been refused a HMO licence, been convicted of breaching the conditions of a licence or have acted otherwise than in accordance with the approved code of practice under S197 of the Act within the last five years
- Not been in control of a property subject to an HMO Control Order, Interim Management Order (IMO) or Final Management Order (FMO) or work in default carried out by a local authority
- Not been subject to legal proceedings by a local authority for breaches of planning, compulsory purchase, environmental protection legislation or other relevant legislation

Licences will be issued for a maximum five year period and will specify the maximum number of occupiers or households. The occupancy number will depend on the number and size of rooms and the kitchen and bathroom facilities available.

In the initial stages of licensing it has not been practicable for properties to be inspected prior to a licence being issued but the application form requires the applicant to self certify certain key information and to provide documentary proof where appropriate. It is a criminal offence to provide false information.

Application are only deemed to be made on submission of a fully completed application form, copies of appropriate and necessary up to date certification and payment of the licence fee of £600

The licence stipulates condition that must be adhered to throughout the period of the licence.

The following, mandatory conditions, will be applied to every licence –

The requirement to:

- Produce gas safety certificates annually
- Keep electrical appliances and furniture safe and supply, on demand to the local authority, a declaration to that effect
- Ensure that smoke alarms are installed and kept in proper working order and supply, on demand to the local authority, a declaration as to the condition and positioning of such alarms
- Supply the occupier with a written statement of the terms on which they occupy the property

The following, discretionary conditions will also be applied to licences –

- Any additional washing or kitchen facilities needed to comply with the standard to be applied to Licensable HMOs must be installed within 3 years of



the licence being granted or within a time limit specified by the City Council, whichever is the sooner

- Any repairs, measures or improvement necessary to bring any individual HMO into compliance with the hazards identifies through the Housing Health and Safety Rating System, including fire precautions, or standards to be applied to Licensable HMOs must be undertaken within a time specified by the City Council
- The manager must have suitable management arrangements in place including

a system for tenants to report defects and emergencies and arrangements to respond to those reports

a process for dealing with anti-social behaviour occurring within the HMO by tenants or their visitors

arrangements for periodic inspections to identify where repair or maintenance is needed and arrangements to carry out essential repairs and maintenance.

- If the manager of the HMO is not the owner, the owner must sign a declaration stating that adequate funding is available to the manager for repairs.
- The manager must ensure compliance with the Management of HMOs (England) Regulations 2005

The Landlords of Licensable HMOs who fail to licence their properties will be given every opportunity to submit an application for a licence but where a landlord, without a reasonable excuse, fails to licence a HMO the council will, in all cases, pursue prosecution and apply to the Residential Property Tribunal (RPT), for a rent repayment order to require the landlord to repay any housing benefit payments made in respect of the property. Tenants will also be referred to the RPT for repayment of any rents they have paid.

Where there is no prospect of an HMO being licensed, because of its unsuitability of the property, the proposed licensee not being considered to be 'fit and proper' or the owner's refusal to carry out improvements, the Council will make use of Management Orders.

- Interim Management Orders which enable a Council to take over the management of an HMO, and collect the rent for up to a year.
- Final Management Order which can be applied to the premises for the full term of the licence.

Where an owner of a licensable HMO states in writing that he/she is taking steps to make an HMO non-licensable and states that the HMO will not be licensable within three months the Council will issue a Temporary Exemption Notice. The Council does not wish these notices to be used routinely; therefore, a second notice will only be acceptable in exceptional and unforeseen circumstances. A fee of £50 will be payable in respect of an application for a Temporary Exemption Notice

Licenses cannot be transferred with the result that upon change of ownership or management a full application must be submitted to the Council, together with the full £600 fee.

Licenses can be varied at the request of the licensee or other persons with an interest in the property. A fee of £100 will be payable in respect of an application to vary a licence.

The following standards that will be applied to Licensable HMOs

### Kitchen Facilities

Where practicable each letting in a house in multiple occupation should be provided with its own set of kitchen facilities.

In shared houses and in all other types of house in multiple occupation where it is not practicable to provide each letting with its own kitchen facilities a complete set of kitchen facilities shall be provided for each 5 (or part of 5) occupants (irrespective of age).

For the purposes of these standards a 'set of kitchen facilities' will consist of the following:

- 1) A four-ring cooker complete with oven and grill (a two-ring cooker complete with oven and grill will be acceptable for a single person letting)
- 2) A suitable and impervious sink and draining board complete with a constant supply of hot and cold water
- 3) A minimum of 1 metre of worktop (600mm deep)
- 4) 2 x double 13 amp electric sockets over the worktop
- 5) A refrigerator or refrigerators of adequate size for the number of occupants using the facilities
- 6) Suitable and sufficient food storage cupboards for the number of occupants using the facilities.
- 7) Kettle
- 8) Refuse disposal facilities

In shared houses only with 6 or 7 occupants the following (in addition to the first complete set of kitchen facilities) will be acceptable in lieu of the required second complete set of facilities:

- 1) A properly fitted and plumbed dishwasher (in lieu of the second sink)
- 2) A combination microwave oven or a 2 ring cooker oven and grill (in lieu of a second 4-ring cooker)
- 3) An additional 0.5 metres of worktop
- 4) An additional double 13 amp electric socket.

The minimum size for a room containing shared kitchen facilities is 5.5 sq. metres for one set of facilities and 11 sq. metres for 2 sets of facilities.

No more than 2 sets of kitchen facilities may be provided in any one kitchen.

Rooms containing kitchen facilities shall have adequate artificial lighting and ventilation, which may be natural or artificial, or a combination of both.

All kitchens must be provided with a fire blanket and fire resistant FD30(s) door

No kitchen facilities shall be located more than one floor distant from the room occupied by any person using that kitchen unless a dining room or area is provided on the same floor as the kitchen.

All floors walls and ceilings shall be capable of being effectively cleaned.

All worktops shall be provided with a minimum of two rows of ceramic tiles above the worktop as a splash back.

Note: The cooking facilities must be so located as to allow safe use of those facilities particularly with respect to the cooker that should not be located near door openings to minimize the risk of collision with people working at the cooker. The cooker should also be so located in relation to the sink to minimize the risk of collision and spillage when transferring hot materials between cooker and sink.

### Personal Washing and Toilet Facilities

For each 5 occupants there shall be provided:

- 1) A bath or shower with a constant supply of hot and cold water (a shower over a bath only counts as one bath or shower)
- 2) A wash hand basin provided with fixed taps and a constant supply of hot and cold water
- 3) A separate WC (external WCs are not counted)

Any separate WC compartments must contain a wash hand basin with a hot and cold water supply. Where this is not practical a wash hand basin must be provided in each bedroom.

Where there are more than 5 occupiers at least 50% of the WCs shall not be contained in a bathroom.

All bathrooms, shower rooms and WCs shall be provided with adequate lighting, heating and ventilation and must be 'fit for purpose'.

### Fire Precautions

THE TYPE AND EXTENT OF FIRE PRECAUTIONS REQUIRED IN HMOs WILL BE ASSESSED ON AN INDIVIDUAL BASIS FOLLOWING INSPECTION. IT WILL BE A REQUIREMENT, HOWEVER, AS A CONDITION OF LICENSING FOR THE HMO TO HAVE FIRE DETECTION EQUIPMENT IN ALL COMMUNAL AREAS, INCLUDING KITCHENS, LANDINGS, HALLWAYS AND LIVING ROOMS AS AN INTERIM MEASURE.

### Housing Act 2004 enforcement

The following charges will be made in respect of the service of statutory notices:

Improvement Notices - £200

Prohibition Orders/Emergency Prohibition Orders - £155

Emergency Remedial Action Notices - £155

Hazard Awareness Notices - £200

Demolition Orders - £250

Reviewing suspended notices and orders - £75

This will apply in all cases where formal action is considered necessary and is not restricted to notices served in respect of licensable HMOs

These fees will be reimbursed under the following circumstances:

Improvement Notice – full compliance with Notice within the time scale specified in the notice

Prohibition Order - full compliance with Order within the time scale specified in the Order

Hazard Awareness Notice – Resolution of the hazard within 3 months of service of the Notice

## **THE FINANCIAL ASSISTANCE POLICY**

### **1 - Disabled Facilities Grants [DFGs]–**

#### **Mandatory DFGs**

Under this policy mandatory, means tested, DFGs up to a maximum of £30,000 will continue be made available to disabled applicants for the following

- Facilitating access
- Making a dwelling safe for the disabled occupier or persons residing with him/her
- Providing rooms useable for sleeping
- Providing bathrooms
- Facilitating the provision for cooking of food
- Providing heating, lighting and power
- Adaptations to enable a disabled occupier care for a dependant
- Adaptation of common parts
- To provide access to garden

A DFG will only be paid following recommendation by an occupational therapist, who must specify what adaptations they consider necessary and appropriate, followed by a judgement by a grants officer that the adaptations specified are practical and feasible.

All Mandatory DFGs that exceed £5000 will be subject to repayment conditions and a local land charge for the value of that part of the grant which exceeds £5000, up to a maximum value of £10,000 and the Council will require repayment if the grant recipient disposes (whether by sale, assignment, transfer or otherwise) of the

premises in respect of which the grant was given within 10 years of the certified date, having given consideration to:

- The extent to which the recipient of the grant would suffer financial hardship were he to be required to repay all or any of the grant;
- Whether the disposal of the premises is to enable the recipient of the grant to take up employment, or to change the location of his employment
- Whether the disposal is made for reasons connected with the physical or mental health or well being of the recipient of the grant or of a disabled occupant of the premises;
- whether the disposal is made to enable the recipient of the grant to live with, or near, any person who is disabled or infirm and in need of care, which the recipient of the grant is intending to provide, or who is intending to provide care of which the recipient of the grant is in need by reason of disability or infirmity,

### **Discretionary DFGs**

Under this policy discretionary DFG funding may be awarded to 'top up' mandatory DFGs above the grant maxima of £30,000, or to undertake works that are essential for an adaptation being funded by a mandatory grant to be 'fit for purpose' but only for essential works that directly benefit the disabled person. The discretionary portion will only be considered if the measures are supported by appropriate medical advice, and only in conjunction with a loan from Wessex Reinvestment Trust [see below]. If a loan is not available a Discretionary DFG will only be awarded at the discretion of the Head of Environmental Health Services, and to a maximum of £15,000.

Additional conditions, over and above the standard conditions attached to mandatory DFGs, will be applied to require repayment of the full cost of the discretionary element of any financial assistance for a period of 25 years.

- These conditions will be secured by way of a local land charge on the property for the full value of the discretionary grant
- These conditions will be specified on the information made available to the applicant at the time of the initial grant enquiry.

In addition to mandatory DFG 'top-up', there are also discretionary elements that will be considered for financial assistance in conjunction with a loan from Wessex Reinvestment Trust:

- the provision of safe play areas
- adapting or providing a room in order for the disabled occupier to work from home
- to assist the disabled person to move to a more suitable property, where this is considered more cost effective than adapting the current home
- the installation of domestic automatic sprinkler systems into the homes of the most vulnerable
- the installation of hard-wired interlinked smoke detectors in the hall and landing areas

## **Alternatives to adaptations funded by mandatory DFG**

In some cases the payment of a mandatory DFGs to undertake adaptations may not be considered the most appropriate course of action, usually because adaptation would not be cost effective due to the size or layout of the accommodation. In such cases grant assistance may be offered, at the discretion of the Head of Environmental Health Services, to assist disabled applicants to move to more suitable accommodation or accommodation which is adapted for the applicants needs rather than to adapt an unsuitable property. In such cases the level of assistance available will be assessed on the merits of each case up to a maximum £30,000, to cover the ancillary costs of moving home, and any adoptions revised to the new home.

In these cases, DFG will only be available if the applicant first offers their property, at market value or below, to a Registered Social Landlord [RSL]. As for any DFG application, any 'top-up' or funding of discretionary elements will be subject to the same criteria in conjunction with a lesser Wessex Retirement Trust loan.

## **2 – Financial Assistance to Make Homes Decent**

### **Home Loan Policy**

The Council has joined a consortium of Local Authorities in Devon to launch a new Home Loan Scheme in partnership with the Wessex Reinvestment Trust [WRT]. WRT will offer reduced interest loans to low-income households in order to undertake repairs or improvements to bring properties up to the Decent Homes Standard and to fund discretionary elements for DFGs.

The Council will, through WRT, be providing subsidised loans of 3% to people on low incomes who would not qualify for a normal high street loan. This loan is only available to upgrade non-decent homes to meet the statutory decent homes standard and to fund discretionary elements for DFGs. Under the contractual arrangements with WRT they will only accept clients referred from the Council. Upon referral WRT will undertake a thorough analysis of the household income and expenditure to determine what level of loan, up to a maximum £15,000, the household can afford to repay. The loan maxima for permanent residential mobile homes is limited to £3,500 and will be underwritten by the Council. Wessex Reinvestment Trust will only consider a Capital Repayment Loan in respect of such dwellings.

Three types of loan are available:

### **Capital Repayment Loans**

Minimum loan £1000, Maximum £15000

Fixed term up to 15 years

Fixed monthly repayment

Available to all ages

At the end of the term the loan will have been paid off in full

### **Interest Only**

Minimum loan £1000, Maximum £15000

Fixed monthly interest payments

The original loan capital will be repaid either when the house is sold (from the sale proceeds) or upon transfer of the property title

Open to clients aged 66 and over

The loan will continue as long as they remain living in the house

### **Interest Roll Up**

Minimum loan £1000, Maximum £15000

No monthly payments

Open to clients over 71

The loan will continue as long as the client remains in the house

Interest accumulates at 3% yearly compound interest is added to the initial loan capital

The loan and outstanding interest are paid upon sale or transfer of the property title  
It takes 22 ½ years for the value of the interest to match the value of the capital lent

Security for all 3 types of loans will normally be by way of W R T registering a Title Restriction against the title of the improved property, creating an enforceable equitable mortgage

### **THE APPLICATION PROCESS**

Anyone applying to the Council for financial assistance will, in the first instance, be visited by a Council Grants Officer who will assess the condition of the house and produce a schedule of repairs and improvements considered necessary to address category 1 hazards and to bring the property up to the Decent Homes Standard. The Householders finances will be provisionally assessed and households with an individual or joint income, after deducting essential living expenses such as mortgage and utility payments, of less than £125 per week will be referred directly to WRT.

WRT will visit the applicant in order to undertake a financial assessment in order to determine the level and type of loan that they are prepared to offer. This information will then be sent to both the client and the Council's Grant Section.

At this stage householders with an individual or joint income, after deducting essential living expenses such as mortgage and utility payments, of more than £125 per week will be advised that they are not eligible for financial assistance and will be advised to seek a loan from a high street lender. At the same time they will receive a copy of the schedule of repairs and improvements prepared by the Grant Officer, and appropriate enforcement action will be considered where there appears little prospect of the category 1 hazards being addressed.

### **Other Forms of Financial Assistance**

#### **Home Repair Assistance**

Expenditure on Home Repair Assistance grants		
	No of grants	Total expenditure
2007-2008	14	6700
2008 - 2009	12	6885

Discretionary HRA grants may be available to owner occupiers or tenants with a repairing obligation who are –

- Over the age of 60
- registered disabled

To address urgent category 1 hazards and the instillation of reconditioned stair lifts as an alternative to using DFG where following the normal DFG procedure would seriously disadvantage the applicant.

HRA grants will also be available to facilitate the installation of loft insulation either by providing a loft hatch or to pay for the labour associated with clearing the loft space

The maximum level for HRA assistance is £1200

No grant conditions will be attached to HRA grants and there is no minimum time between subsequent applications as long as the purpose for which the grant is being sought constitutes an emergency or could not have reasonably been foreseen.

## **Renovation Grants**

Discretionary renovation grants, up to a maximum **£15,000**, may be available to address Category 1 hazards and to achieve 'reasonable state of repair' as described in the Government's Decent Homes Standard. These grants will only be awarded if doing so is considered to be the most satisfactory course of action using government guidance as the basis of this decision and only in conjunction with a loan offered through WRT ie grants are only available to top up loans or in those cases where a loan is not offered following the financial assessment undertaken by WRT.

If the householder does not take up a loan offer made by WRT no other form of financial assistance will be considered. In such cases not only will financial assistance not be offered but where category 1 hazards are present enforcement powers will also be used to mitigate the hazard

Renovation grants will only be available to-

- Owner occupiers with at least 1 years residency
- First time buyers, who can demonstrate that the application relates to their first home
- Tenants with repairing obligations going back at least 3 years

The grants will only be available for the purposes described above and for the following –

- To top up loans offered by Wessex to facilitate the repair or improvement of the house to the make the house Decent
- To address any category 1 hazards identified
- Where repairs to the electrical wiring are needed the wiring may also be improved to the latest IEE Wiring Standards;



- providing a loft hatch or to pay for the labour associated with clearing the loft space prior to insulation being installed
- the provision of 5-lever mortice lock to main entrance doors, window locks to ground floor windows and vulnerable windows on other floors, door viewer and chain to the main entrance door
- the provision of hard wired interlinked smoke detectors in the hall and landing areas
- unreliable boilers which are uneconomical to repair
- to assist applicants to move to a more suitable property, where this is considered more cost effective than undertaking repairs or improvements. This 'removal grant' will fund the ancillary costs of moving including agent and solicitor fees, survey costs, removal costs and stamp duty. These grants will only be available if the applicant first offers their property, at market value or below, to an Registered Social Landlord [RSL]

In the event of a discretionary renovation grant being the only financial assistance available (i.e. WRT decline to offer a loan) the following will be subjected to the means test:

- All persons named on the deeds, who will be treated as 'a relevant person'
- All applicants, including those on Income Support and Income Based Job Seeker Allowance.

The same standard conditions prescribed by law for Mandatory DFGs will be applied for 25 years [**except in the case of 'removal grants'**].

In addition the following conditions will be applied for the same 25 year period -

- Grants will be paid subject to the condition that maintain buildings insurance
- Repayments of grant as a result of breaches of conditions will attract compound interest from the date of the breach at 3% above Bank of England rate.

The conditions will be secured by way of a local land charge registered against the property for the duration of the conditions

## **Grants to Landlords**

**Discretionary HMO Grants** may be made to landlords towards the cost of works necessary to comply with standards laid down for fire precautions and facilities in Houses in Multiple Occupation [HMOs] which are enforced by the City Council either by means of schedules of work issued with letters, or a statutory notices served under the Housing Acts. Grant aid will not be available to undertake repairs.

If repairs are being required to the property by means of either minded to letter or statutory notice it will be a condition of the grant that these repairs are undertaken before the grant will be paid.

HMO grants will be paid to landlords who have owned the property for which the application is being made for a period of at least 3 years, at the following rates:

- If the work to comply with a the 'minded to letter' or statutory notice is completed within the time limit set out in the letter or statutory notice - 40% of the cost of the eligible works;
- If the work is completed within one year of the date of the 'minded to letter' or statutory notice, which ever is the earlier - 20% of the cost of the eligible works;
- In all cases if the grant application is not duly made within 6 months of the date of the 'minded to letter' or of the statutory notice being served, or before the expiry date specified in the earliest document, no grant will be payable.
- In all such cases the maximum grant made will be £10,000.
- In all cases no grant will be paid unless both estimates and a grant commencement notice are received by the grants section before building works commence

Where a house or HMO which is available for letting is lacking either means of escape from fire and/or adequate amenities, and the property is not subject to enforcement action under the provision of the Housing Acts, grant will be paid to a landlord at a flat rate of 40% of the cost of eligible works up to a maximum of £10,000.

In all cases grant aid will only be made available if the landlord agrees to nomination rights to Exeter City Council at the local reference rent.

#### 'Sanctuary Grants'

Non -means tested grants will be available, on the recommendation of the MARAC Group to provide a secure sanctuary room within an applicants property where there is a demonstrable risk that the householder is at risk of violence from a partner/former partner and that providing a sanctuary room is the most satisfactory course of action.

Each grant will be assessed on its own merit and will fund the structural work to a property as recommended by the police

#### Private Sector Renewal Grants

Private Sector Renewal Grant		
Expenditure 2007 – 2008		£114,000

**Private Sector Renewal Grants** are available to assist private landlords who are either leasing their properties to the Council or are participating in the ExtraLet scheme and to assist charities offering social housing to ensure that their properties attains the Decent Homes Standard and are up to a 'lettable' standard.

Unlike other forms of grant assistance, a minimum 70% of the value of the grant will be 'clawed back' over the term of the lease. The term of the lease will be determined by the Empty Homes Team. The amount of the grant to be clawed back is as follows

Amount of expenditure [work costs plus eligible service costs/fees]	Grant Rate
First £1250	100% [=£1250]
£1001 – 5000	20%
£5001 - £10000	10%
£10000 >	5%

### **Estimates for works in respect of grants**

In respect of all the above grants works over £5,000 will require three estimates; work costing between £500-£5,000, will require two estimates; work costing less than £500 may be done on one estimate providing the estimate appears reasonable to Council's Grant Officers. All the costs quoted are inclusive of VAT. The Head of Environmental Health Services may agree exceptions to this.

### **Consideration of application for grants outside the policy**

The long standing delegated powers mechanism of consideration of applications outside the policy by the Head of Environmental Health Services and the portfolio holder will continue. This process is also the mechanism by which appeals are considered and consideration given to the waiving of conditions. This appeals mechanism is supplemented by the Council's well established corporate complaint procedure.

### **Fees and charges**

In addition to the actual costs of carrying out works of improvement or repair, other charges necessarily incurred in undertaking grant-aided works are also eligible for grant assistance.

These include

- Architects' fees
- Certain legal fees
- Surveyors' fees
- Charges for planning permission or building regulations approvals.
- Charges made by agency services for advising on or assisting with a client's applications
- Charges made to cover electrical, gas, asbestos etc safety checks

As with the works themselves, the payment of grant in respect of these fees is dependent on the provision of a satisfactory receipt or invoice and only reasonable and necessary fees and charges will be eligible for assistance

The maximum fee levels will be limited to 6% of the overall cost of the eligible works without supervision and 10% with supervision.

## Energy efficiency grants

The following Energy Efficiency Schemes have received funding of £181,000 from the Regional Single Pot for 2009/10, specifically to address poorly insulated homes and to support Devon Warm Zones. These grants are administered by West County Energy Action

### 'Warm-up Exeter' Grants

These grants, which are jointly funded by British Gas, provide subsidised loft and cavity insulation to the homes of the over 60s, who are not on benefits, and households with a household income of less than £16,000. They compliment the national Warm Front Grants, which are available to households on benefit.

### Private Landlord Energy Action [PLEA] Grants

PLEA grants are available to all private sector landlords with rented properties in Exeter that are residentially occupied, or available for residential occupation (excluding holiday).

Grants take the form of "cash back" to assist with the installation of the following measures up to a maximum of £500:

- new gas central heating systems
- new condensing boiler.
- loft and/or cavity wall insulation
- Hot water tank jacket
- Two low energy light bulbs