

London Borough of Southwark

Private Housing Renewal Policy

PART A

1. Introduction

The Regulatory Reform (Housing Assistance) Order 2002 (RRO), which came into force on 18th July 2002, introduces a new general power enabling local housing authorities to provide assistance to residents and landlords in order to repair, improve or adapt living accommodation. This Policy, which has been developed in response to the Order, sets out how Southwark Council will use the new powers to prioritise need and target financial aid and other forms of assistance to private sector housing.

2. Background

The Housing Grants, Construction and Regeneration Act 1996 provided a framework in which local authorities were able to offer grants to those living in the private sector for the repair, improvement and adaptation of their homes. The grants, which could be offered at the discretion of Councils in accordance with their individually adopted policies, included Home Repairs Assistance, Renovation Grants, HMO Grant and Common Parts Grant: Disabled Facilities Grants being the only mandatory grant up to £25,000 with a discretionary element above this level.

Southwark's grant policy under the Act of 1996 evolved from its knowledge of local private housing conditions and the problems faced by residents. The policy was tailored to deal with these problems within budgetary constraints. The table at Appendix 1 sets out an overview of Southwark's use of its discretion to deliver grant aid. In brief, the objectives were to assist clients of the Home Improvement Agency (over 60s and those with disabilities) to remain living in their own homes; to repair and improve dwellings in specified areas of disrepair; and to bring empty homes back into use.

This approach has been successful in the past, with approximately £15m being spent over the last three years. Southwark's overall approach has been positively received by the Government Office for London and our performance has placed us in the top quartile of authorities in respect of Best Value Performance Indicators (BVPI). With the new regime introduced by the RRO we are able to review our current policies and adopt a more flexible approach to housing renewal using a wider range of policy tools.

The 96 Act ensured that, local discretion apart, the same types of grants were available throughout England and Wales. However, the changes introduced by the RRO mark a radical departure from this approach by giving councils the discretion to devise their own forms of assistance which could take the form of grants, loans, advice or a combination of these. This is likely to result in authorities developing different responses to address local conditions and problems.

The new regime is based on the belief that it is primarily the responsibility of home owners to maintain their own property with the acceptance that more vulnerable residents may need help either through financial assistance, loans, practical assistance or advice. Southwark Council is taking this opportunity to develop a housing renewal policy using a raft of tools tailored to the needs of specific areas, specific groups of people and specific issues.

The RRO makes the following changes:

- Introduces wide-ranging powers to provide assistance for housing renewal.

- Repeals the prescriptive legislation contained in the Housing Grants, Construction and Regeneration Act 1996 on 18th July 2003, with the exception of mandatory Disabled Facilities Grants.
- Streamlines the provisions governing the declaration and operation of renewal areas.

The Council's vision for the future is to move the emphasis from remedial work to prevention through property maintenance. This is to be achieved by enabling younger, more able households and by direct service provision for the elderly and more vulnerable. Alongside this, will be action on run down areas with financial aid for repairs and adaptations for the most vulnerable on a borough-wide basis.

3. Housing Renewal Policy in Context

It is important to ensure that the Housing Renewal Policy adopted by Southwark Council will fit into the wider national perspective and support the priorities of relevant Southwark strategies and plans; with particular reference to the Community Plan, Neighbourhood Renewal Strategy and the Housing Strategy.

The information below sets out how Southwark's Renewal Policy will link with other related policies.

- National Policy – One of the government's objectives is 'to offer everyone the opportunity of a decent home'. The proposed housing renewal policy will work towards this goal and will have regard to the new Public Service Agreement (PSA) target of increasing the proportion of private housing in decent condition occupied by vulnerable groups by 2010.

The new Policy will continue to work toward achieving the two national Best Value indicators, BVPI 62 and 64, related to private sector housing. These relate to the number of unfit houses made fit or demolished, and the number of empty properties brought back into use or demolished.

- Regional Policy – The London Housing Statement 2002 entitled Delivering Solutions suggests a number of objectives that relate to housing renewal. Through our Empty Homes Initiative we will work to increase the supply of affordable housing by reducing the number of empty homes and by securing nomination rights through Housing Association schemes. Our work with landlords to increase private sector leasing; provide good quality private sector accommodation for asylum seekers; rent deposit scheme; fast track housing benefit as well as self certification on HMOs will increase the professionalism of landlords and improve the condition of the private rented sector.

- Southwark Policies

Community Strategy 2003-2006

The vision of the Community Strategy is to make Southwark a better place to live, to learn, to work and to have fun. Partners working together with the community to achieve actions and targets that support priorities will achieve the vision. There are five priorities:

- Tackling Poverty
- Making Southwark Cleaner and Greener
- Cutting Crime and Fear of Crime
- Raising Standards in our Schools
- Improving the Health of the Borough

Access to decent homes is essential to achieving all five of the above priorities. Poor housing and health are often symptomatic of poverty. Empty and unfit dwellings can

give the impression of a poor environment, which in turn can make a place feel unsafe. A poor living environment can have an adverse impact on a child's learning and development, as there is limited comfortable space in which to study outside the classroom.

The Housing Renewal Policy in Southwark marks a shift towards support for preventative, targeted action through property maintenance rather than purely supporting remedial action (see section 8). This approach directly aids the achievement of the Community Strategy which is about taking long-term solutions to realise the vision.

Key priorities of the Housing Renewal Policy (see section 6) include providing decent homes for all and delivering renewal which achieves sustainable communities. Achievement of these priorities in particular will help realise that part of the community strategy vision of providing better homes for all people in Southwark, particularly targeting the most vulnerable, and in turn helping to improve health and well-being in the Borough.

Some of the more specific examples of how Housing Renewal supports the achievement of the five community strategy priorities are given in Appendix 2.

Neighbourhood Renewal Strategy 2002-2004

The Neighbourhood Renewal Strategy (NRS) focuses on deprivation whilst seeking to build on the diversity and creativity already found in the Borough. The targets for neighbourhood renewal are:

- To achieve better material prosperity and an improved quality of life for those in the borough who live on less than two-thirds average earnings.
- To close the quality of life gap between those living in the most deprived neighbourhoods and the average for Southwark and the country as a whole.
- For Southwark to be a place where people want to live, where they feel safe and where they value and nurture good neighbourliness and cultural diversity.
- For Southwark to be a place where local people are satisfied with the services they receive and where those services actively contribute to improving their lives.

The objectives of the Private Housing Renewal Policy closely align with these targets seeking to ensure that vulnerable residents living in the private sector have the opportunity to live in a decent home. Housing renewal programmes also aim to address issues of poverty.

Private housing area renewal programmes have been, and will be in the future, selected on the basis of information obtained from the stock condition survey and be within the priority neighbourhoods identified in this Strategy.

The NRS also addresses the issue of finding the right mix of entitlements, enforcement and self-help. It states that addressing deprivation and improving people's quality of life raises fundamental issues about the kind of society that people want to live in and the role of public agencies in securing this. It suggests that to be successful a strategy needs to be a combination of all three. This is the approach adopted in the Private Housing Renewal Policy trying to achieve the correct balance between financial assistance, help with preventative maintenance and where necessary enforcement.

Housing Strategy 1998-2005 Year 5 (2002/03) update and supplementary information

The Housing Strategy sets out four priorities for action:

Priority 1 - Make best use of existing stock and establish standards for new housing.

The policy will offer limited financial assistance to owners to bring empty private sector homes back into use as well as brokering financial packages with Housing Associations (for details see Part B 1d). Grants will be offered to adapt the homes of disabled

people to meet their needs. A home maintenance service will be developed for owners (including leaseholders), private tenants and landlords to encourage and support them in undertaking works to prevent their properties from falling into disrepair.

Priority 2 – Regenerate and improve the condition of housing across all tenures. Financial aid and assistance in obtaining loans will be offered to residents in areas identified by the House Condition Survey as having a high proportion of dwellings non decent, unfit or in a poor condition. Financial aid and council loans will be offered to vulnerable homeowners to improve their homes and increase energy efficiency. Advice, encouragement and enforcement will be used to improve the condition of privately rented accommodation. Social housing within the Renewal Area will be included in schemes through co-ordination with landlords.

Priority 3 - Meet housing needs and promote affordable choices in the borough. The continuation of the Empty Homes Initiative and other initiatives with landlords, such as administering a Rent Deposit Scheme, will work towards this target.

Priority 4 – Drive for continuous improvement in the quality and value of housing services.

We have consulted with residents, landlords and other stakeholders to obtain their views on policy options. Consultation will be an integral part of the review process once the Policy has been implemented. Works to enhance community safety have been built into the Policy to give added value to work of improvement and repair.

Supporting People Shadow Strategy for Southwark 2002

One of the development priorities of the Supporting People Strategy for older people with support needs is the expansion of the role of the Home Improvement Agency (HIA) and the exploration of funding for a handy person service. The role of the HIA in assisting older people to remain living independently in their own homes has been recognised and its success is to be built upon using the tools outlined in this Policy.

Crime and Disorder Strategy 2002- 5

The objective of the strategy is to contribute towards Southwark's renewal as a safe place to live and work by reducing crime and disorder and increasing public reassurance across all sections of the community. The Strategy recognises that work needs to take place at the neighbourhood level to tackle the problems identified in specific areas and that there will be a need for different priorities in different neighbourhoods.

The Housing Renewal Policy aims to work towards this objective by making residents feel safer and more secure within their own homes and to reduce the opportunities for crime. Works to be undertaken in the Renewal Area and through other forms of financial aid will be to Secured by Design standards. Projects in the Renewal Area involving young people will attempt to increase awareness of citizenship, impact of crime and anti-social behaviour as well as channelling artistic enthusiasm away from graffiti. Work on empty property will help reduce crime and the fear of crime, as long-term empty properties are a recognised focus of crime and nuisance.

4. Demographic context

Private Sector Stock

- Of the 105,800 households in Southwark 15.1% (15,975) are in the private rented sector and 31.4% (33,221) are owner occupied this is a 3.7% and 4.2% increase respectively on 1991 Census figures¹.
- 58% of the private sector stock was built before 1919².

¹ Census 2001

- Of the stock 7% of dwellings were found to be unfit; this increased to 10.8% in the private rented sector².
- 72% of the unfit dwellings in the sector were unfit due to serious disrepair²
- A further 15% was found to be seriously defective and could potentially become unfit in near future²
- 2472 private sector dwellings were found to be empty³
- 6,900 properties were being used as HMOs of which 1,600 were bedsits with 65% of HMOs not meeting current safety standards and 58% of bedsit HMOs having no or inadequate fire precautions²

Residents in Southwark

- The population of Southwark has increased by 11.7% since the 1991 Census with 37% of households consisting of one person¹
- The 65 to 84 age group has decreased from 13% to 9.2% between 1991 and 2001¹
- There will be a significant increase (13%) in the number of people aged over 85 by 2014⁴
- 37.1% of the population fall within the black and minority ethnic communities¹
- There will be a major increase (87%) of the number of older people from BME communities. By 2011, it is estimated that one in six people in Southwark over the age of 65 will be from a minority community⁵.
- 15.6% of residents considered themselves disabled with a further 8.7% in poor health¹
- 9th most deprived borough in England, educational attainment low, life expectancy lower than nationally and the gap is widening⁵.
- Ethnic groups with highest proportion of homeownership are Indian 50% and Pakistani 40%⁶.

Access to affordable housing

- High rents and low security in the private sector places a burden on Housing Benefits and increases the likelihood of homelessness. From a search of local papers it has been found that 2 bedroomed properties command an average weekly rent of £375 in the north of the borough and £250 in one of the cheaper areas such as Peckham and Camberwell⁷.
- Entry level prices in Southwark for a one bedroomed home are estimated at £84,000 and for a home with two bedrooms the starting price is £118,500⁸.
- Of the households living in unsuitable housing 98% could not afford local market housing of a suitable size.⁸
- From our experience of the borough we have identified that maintenance is an issue for homeowners on low incomes. For those on higher incomes a lack of confidence in employing builders and a lack of knowledge of housing problems and their remedies make homeowners reluctant to carry out remedial and preventative work. We are currently undertaking research to build on this anecdotal evidence. Information is provided in Part B on the schemes proposed to deal with these issues.

5. Consultation

Housing Conference 2002

The Conference was attended by those who have an interest in housing in Southwark such as Registered Social Landlords, residents, developers and neighbouring authorities. A workshop entitled 'Sitting on a gold mine' set out issues facing Southwark's private residents many of whom are asset rich but cash poor and posed seven questions to the participants. A summary of the seminar, questions and responses are set out at Appendix

² Private Sector House Condition Survey 1998

³ Survey of empty homes 2001

⁴ Supporting People Shadow Strategy 2002

⁵ ODPM Index of Deprivation

⁶ Research into the Role of RSL Landlords in meeting Housing Requirements of Black and Minority Ethnic Communities in Southwark

⁷ Housing Strategy 1998-2005 Year 5 (2002/2003) Update

⁸ 2002 Housing Needs Survey – Interim Report

3. The participants marginally accepted that older residents should borrow against the value of their property to maintain it but there was overwhelming agreement for a variety of reasons that such loans should be offered by the Council. There was substantial support for the setting up of a maintenance initiative to offer good workmanship, reasonable prices and the offer of apprenticeships.

Home Improvement Agency Management Committee

Discussions with the above Management Committee, which includes voluntary organisations, have taken place to evaluate the impact of the various policy tools on the Agency's client group; the views expressed have helped to shape this Policy.

Housing Strategy Review Board

Private sector housing renewal is seen as a key objective of the Housing Strategy and is related to many of the priority areas; for this reason discussions have taken place with the Review Board, which includes council tenants and leaseholders, to take a view on the direction for the Policy.

Postal survey of owner occupiers and private tenants

A survey of 2000 residents in Southwark sought to identify their values and beliefs in respect of home ownership and what policy tools they considered should be used to support home owners and those responsible for repair to maintain their homes. Replies were received from 250 residents and the results have been analysed and have fed into the selection of policy tools – see results at Appendix 4.

Postal survey of landlords

A survey of approximately 300 landlords has been undertaken to ascertain their views about the role that private landlords should play in the renewal of housing in the Borough and find out how the Council can support them in this role. The results have been analysed and have fed into the selection of Policy tools – see results at Appendix 5.

Encouraging and enabling owner-occupiers to maintain their homes in the London Borough of Southwark – a qualitative study

The Centre for Health Research and Evaluation – School of Health and Social Care, University of Greenwich will be undertaking the above study by using focus groups, to include the BME community and older people, to identify the views of a range of Southwark's home owners in respect of their understanding and skills relating to maintenance; what barriers they face; and what would be of value in supporting them to prevent or remedy disrepair.

Best Value and Supporting People Consultation – Older People

It is intended to research the demand for outreach housing support services to enable older people to remain in their own homes and to minimise bed blocking by older people due to a lack of support services on discharge. The research intends to establish whether older people's preference is to receive housing support in their own homes or to move to specialist schemes and to establish a vision of what such outreach support services should consist of and whether this is different for different groups. This will be particularly relevant for older members of the BME communities due to the expected increase in their numbers. The results of this research will feed into reviews of this Policy and shape any alterations to the Policy which are considered appropriate.

6. Key Priorities of the Housing Renewal Policy

The strategic context, local conditions and consultation with stakeholders have influenced the Council's Private Housing Renewal Policy. The key priorities of the policy are to:

- a) Maximise investment and enable the improvement of housing conditions to work towards a decent home for all.
- b) Deliver sustainable area renewal and sustainable communities.
- c) Make best use of the existing housing stock by bringing privately owned empty properties back into use.

- d) Enable significant improvements in the energy efficiency of homes
- e) Enable timely housing maintenance in order to prevent properties sliding into major disrepair
- f) Promote independent living for vulnerable people
- g) Deliver anti-poverty measures wherever possible with particular attention to fuel poverty.
- h) Deliver customer focused services

7. Capital Resources and outputs

The new policy will be deliverable within the current level of general fund capital resources allocated to housing renewal of approximately £5m per annum.

Sources of funding will include:

- Basic Credit Approval from within the regional allocation made for Southwark
- Capital Receipts (some capital receipts funding already supports the bringing back into use of privately owned empty homes)
- Council allocations from within the Council's general fund capital resources
- Derogation of funds approved by Office of the Deputy Prime Minister
- Specified Capital Grant in respect of Disabled Facilities Grants which remain mandatory
- Private contributions – the new Policy will enable improved targeting and enable the Council to seek higher private contributions from owners according to their means.
- Housing Revenue Account capital is provided for specific energy work on council stock.

The new policy will therefore have the effect of leveraging in additional private finance that will enable the spread of available council resources resulting in a greater number of dwellings being improved. The level of private finance invested will be monitored and the development of targets will be considered.

As the new policy is a departure from that existing it is impossible to be precise about outputs. The commitment from the 1996 system, in terms of schemes already approved but not finalised, will be a factor throughout 2003/04 and 2004/05. These will continue to operate under the 1996 legislation and under the Council's previous policy so different maxima will apply. However, from 2005/06 the Council should be operating under the new policy alone with the cases carried forward from the old regime having been finalised.

On the assumption that approximately £5m per annum is made available, the following table gives an indication of the outputs in terms of completed schemes and numbers of dwellings improved that might be expected:

Number of dwellings to be improved/adapted

	2003/04	2004/05	2005/06
Improved by RG/SRL	90	100	125
DFGs	45	45	45
Improved by HRA/SSWG	25	35	55
Improved by Group Repair	25	25	-
Total	185	205	225

RG = Renovation Grant (1996 legislation)
 SRL = Southwark Repair Loan (new policy)
 DFG = Disabled Facilities Grant (remains mandatory)
 HRA = Home Repair Assistance (1996 legislation)
 SSWG = Southwark Small Works Grant (new policy)

These gradually improving outputs will keep the Council at or near the top quartile of performance on BVPI 62 (private sector dwellings made fit) and BVPI 64 (privately owned empty homes brought back into use). They should also help the Council make its contribution to the revised PSA target on Decent Homes.

Major improvements to the private housing stock will be delivered contributing to making Southwark a better and healthier place to live, and a range of assistance targeted on vulnerable households will support the Council's anti-poverty strategy.

8. Guiding principles using the proposed Policy Toolkit

The Council recognises that it cannot, and has no desire, to fund all the required repairs in the private housing sector. 91% of residents responding to the survey (Appendix 4) agreed that the main responsibility for keeping homes in good repair lies with the homeowner. The general approach to be taken seeks to remedy the most run down properties and areas. In this way the Council aims to build the confidence of residents by providing community leadership and fostering circumstances in which those residents who can, will be more likely to invest in their own properties. Maximising investment, both public and private is a key part of the new policy.

As well as tackling the properties and areas most in need of assistance the Council aims to assist vulnerable households wherever possible. Vulnerability within the context of this Policy is ordinarily defined as being over 60 years of age or disabled. The council will consider other cases on merit. This supports both the Supporting People Strategy and the overall programme of meeting the Public Service Agreement on decent homes which in turn helps to achieve the Community Strategy vision of making Southwark a better place to live.

The Council's overall approach has been area based (targeting assistance at the areas identified by the Stock Condition Survey as most in need) with a safety net of provision for the most vulnerable households regardless of location. 81% of owner occupiers responding to the Residents' Survey agreed with this approach – see Appendix 4. It is proposed to continue with a balance between area/property and client based policies. Financial assistance in the form of grants and loans from the Council will be targeted at vulnerable households and households living within areas that the Council has decided to prioritise, for example in support of the Neighbourhood Renewal Strategy. Non-vulnerable households will receive advice on accessing private finance and on house maintenance.

No financial assistance will be given to landlords of private rented accommodation towards the cost of achieving or maintaining standards, with the exception of bringing empty properties back into use, improving energy efficiency and in area regeneration. In the past, interest in grant aid to landlords where agreement was sought to accommodate tenants nominated by the Council at below market rents was low. This response was mirrored in the Landlords' Survey which indicated that whilst 37% of respondents would take Council nominated tenants none would also agree to below market rents in return for grant aid – see Appendix 5.

The Housing Renewal Guidance (Consultative Document) June 2002 states that 'the Government accepts that loans will not be suitable for all those in need of assistance and the Order is not intended to bring about wholesale replacement of grants with loans'. The Council agrees with the Government's view that there will always be a need for grant aid in certain circumstances, the survey of residents indicated that 91% of owner occupiers over 60 thought that grants in combination with other forms of assistance should be available to more vulnerable residents. This new policy creates a new Southwark specific, cash limited grant, a Southwark Loan and assistance to access private funds operating alongside the mandatory Disabled Facilities Grant.

The Council recognises that it needs to make use of the value that many residents have tied up in their homes. However our consultation has shown scepticism amongst the client group with regard to commercial equity release products and articles in the national press in recent months have added to this concern. This is consistent with the Government's 2002 guidance that says that 'equity release schemes already exist in the commercial market but because they usually involve an equity charge incorporating rolled over interest payments they are only suitable for a restricted group'. The guidance goes on to say that 'the new power allows authorities to develop other equity release schemes which will be attractive to a wider range of homeowners living in properties in need of renovation. At their simplest these could involve the authority making a loan for renovation with a requirement that this amount should be repaid on the resale of the house'. This simple loan is precisely what is now proposed.

Only 8% of respondents to the questionnaire thought that equity release on its own was an appropriate approach but this rose to 43% when used in combination with grant aid. It is important that a policy is developed that balances the need to ensure that vulnerable people live in good quality accommodation with value for money. The consultation indicated that older people were averse to taking out loans, the survey of residents over 60 indicated that 60% would not entertain taking out any form of loan, 24% would consider a loan from the Council whereas only 9% would be prepared to accept a loan from a bank or building society. The consultation at the Housing Conference also indicated that an overwhelming majority would be more likely to accept a loan from the Council. As a consequence of this a key part of the policy will be to offer a simple equity release loan from the Council. A strong business case exists for loans from the local authority, as they will offer a loan option for low-income families without the concern of homelessness; enable the homeowner to take responsibility for their home; give households a long-term stake in the area; and have low administrative costs.

The loans will be registered as local land charges and will be repaid in full on sale of the property or when the property is no longer the main home of the applicant. This mechanism will deliver value for money for the Council, as the repaid loans will be recycled, enabling the repair of further properties in the future. The council loans with their simple administration will enable homes to be improved without pushing already vulnerable households deeper into poverty and potential homelessness by burdening them with products and repayments that they cannot afford. It is also likely to be the only form of loan finance which vulnerable people will be prepared to access.

Where additional finance is needed above that provided through grant and council loan assistance the Home Improvement Agency will assist the homeowner to access finance through a commercial lender, the Home Improvement Trust or through a local Credit Union. Credit Unions have been found useful in the Renewal Area and this will be developed in the future as a useful source of private finance. However, it is estimated that these forms of assistance will be accessed infrequently and the set up costs in some cases are relatively high, including a property valuation etc, which adds to the financial burden of the applicant.

Alongside this financial assistance to vulnerable households the council will provide comprehensive advice on housing maintenance to all households including access to a range of maintenance initiatives as outlined in Part B. This service will be provided at a cost to non-vulnerable households.

Performance and take-up will be monitored on an ongoing basis and the information obtained fed into a policy review after twelve months. If take up of loans is low the Council may not be able to meet its BVPI and PSA targets and the policy may need substantial adjustment.

Details of the eligibility criteria for applicants, the qualifying works and the means test, where appropriate, are set out in Part B under each form of assistance that is to be made available.

It is important to note that provision of the assistance set out in Part B is subject to the availability of funds.

9. Approach

Taking account of the key priorities, resource allocation and option appraisal the Council has decided to take a multi-pronged approach which will over time move toward support for preventative action rather than supporting remedial action and will target assistance and support in the following way:

Client Based

Over 60s
Disabled
Low income

Area Based

Renewal area
Agreed areas of disrepair

Property Based

Unfitness
Substantial disrepair
Empty properties
Energy efficiency

Theme Based

Fuel poverty
Security and crime prevention
Maintenance

10. Equality issues

The development of this Policy has taken into account the requirements of the Race Relations Amendment Act 2000. Compliance with this legislation will be monitored through the Council's Race Equality Scheme and the Corporate Equality Action Plan which is currently being developed.

In 2001/02, 42% of the Home Improvement Agency's clients were from black and minority ethnic communities and bearing in mind the increasing numbers of older people within the BME communities the importance of setting up robust monitoring systems to identify any negative impact that may be attributed to the implementation of this Policy is considered essential. It is recognised that without a proper assessment of the needs of diverse communities the key priority of providing customer focussed services will be undermined and for this reason the Best Value consultation and the University of Greenwich study – see Section 5 will ensure that the views of this group can be fed into the review of the Policy.

Vulnerable households such as the frail elderly and the disabled of all ethnic backgrounds have been the traditional clients of the Private Housing Renewal Service and this Policy will continue this targeted approach.

PART B

1. Proposed financial assistance and other policy tools

The table below summarises the policy toolkit to encourage private housing renewal in Southwark:

Form of assistance	Eligibility Criteria	Amount of assistance	Eligible works
Southwark Small Works Grant	Owners and private occupiers who are liable for repairs who are: <ul style="list-style-type: none"> Over 60 and means tested or Disabled 5 years prior occupation required 	Maximum of £5,000	<ul style="list-style-type: none"> Minor works contributing to health of applicant Energy efficiency work Security measures Works to make the dwelling fit or decent or contribute to achieving these standards. Minor adaptations
Southwark Loan	Owners or occupiers who are liable for repairs who are : <ul style="list-style-type: none"> Over 60 and means tested or Disabled or Low income households, subject to means test, living in declared Renewal Areas. 	Maximum of £20,000	<ul style="list-style-type: none"> To bring a dwelling to the decent homes or fitness standards Required works for a disabled person over and above those funded by a Disabled Facilities Grant
Private landlords energy award scheme (PLEASE)	Landlords of privately rented accommodation	50% grant and 50% loan of cost of specified work	Improvements to energy efficiency
Empty Homes Grant	Freeholders and leaseholders of an empty property willing to lease to Housing Association or accept council nominations	Maximum loan of £20,000 or Grant calculated on the basis of £8,000 per unit provided up to a maximum of £40,000	<ul style="list-style-type: none"> Works to bring an empty property back into use Works to convert commercial accommodation to residential
Disabled Facilities Grant	Disabled person who is registered or registerable	£25,000 – grant means tested	<ul style="list-style-type: none"> Works recommended by an occupational therapist
Group Repair			Policy on Group Repair will be reviewed after completion of Neighbourhood Renewal Assessment
Maintenance assistance	To be targeted at vulnerable households and area initiative	Cost to client of £10 plus cost of materials	Small works – scheme under development.
Maintenance advice	Owner of residential accommodation	Currently nil	Advice on required works, surveys and advice on selection of contractors
Maintenance service	Owner of residential accommodation	Service under development	Advice and assistance on preventative maintenance
Assistance to access private finance	Owner of residential accommodation	Assistance to access finance to be provided by Private Housing Renewal staff	Works to bring a dwelling to the decent homes standard or to adapt a home to meet the needs of a disabled person
Regulation	Unfit dwellings and	Nil	Works to bring a property to

	HMOs lacking amenities and fire precautions		the legislative requirements
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This part of the policy sets out the detail of eligibility and scope of assistance to be provided, and is summarised below:

Property Standards to be achieved

The Public Service Agreement (PSA) on Decent Homes has now been applied across tenure with targets being developed for a reduction in the number of vulnerable households living in non-decent accommodation in the private sector. For a property to meet the decency standard it needs to be statutorily fit or to meet any other statutorily prescribed standard such as the Housing Health and Safety Rating System, be in reasonable repair, have modern amenities and provide a reasonable degree of thermal comfort.

The proposed framework should enable most properties to meet the decency standard on the completion of grant aided and loan-financed works and achieving this standard will be the preferred outcome in all cases of major work. However, there will be some properties where the proposed assistance from the Council will not achieve the decent standard due to the amount and costs of work required. In such cases a loan may still be approved if the property can be rendered fit for human habitation within the cost guidelines.

Not all work will directly address the decency standard. The new policy also makes assistance available to tackle minor repairs and improvements (such as security works for example) which will not directly address the decency standard.

Works of adaptation for disabled households have a different focus and will not directly address the standard.

However, the preferred outcome in all schemes of major repair will be the achievement of the full decency standard. Outcomes will be closely monitored and if the take up is low the policy will be reviewed.

The quality of all Council funded work will be monitored closely throughout the works and sub-standard work will not be paid for.

a) Southwark Small Works Grant - this is the form of assistance that closely mirrors Home Repairs Assistance which was available under the Housing Grants, Construction and Regeneration Act 1996. It is to be used to address works under £5000 or works above this where the client meets the additional cost.

Eligible applicants

- All applicants must fall into one of three groups set out below on the date of the application:
 - Home owners
 - Private tenant having a duty or power to undertake the works
- Be an owner, occupier or tenant of a dwelling where that dwelling is older than 10 years
- The applicant must live in the dwelling as their only or main residence and have done so for five years.
 - Be over 60 (subject to the statutory means test currently used in respect of Disabled Facilities Grants); or disabled.

Eligible Works

- Minor works that will contribute to the health improvement of the client such as general housing repairs (not including items of decoration) and the repair and replacement of general fixtures and fittings.
- Adaptations or improvements that may enable discharge from hospital
- Improvements to energy efficiency works and security.

- Works to make the dwelling fit or decent or contribute to achieving these standards
- Minor works of adaptation

Amount of assistance

- A maximum grant of £5000 toward eligible works. If costs substantially exceed this maximum due to unforeseen circumstances once works have commenced the grant may be increased to cover these costs at the discretion of the Private Housing Renewal Manager.
- Applications for successive grants will not generally be entertained.
- Reasonable professional fees and certificates including the Home Improvement Agency Fee will be included as part of assisted costs

Circumstances occasioning repayment of assistance

- The Southwark Small Works Grant is not repayable.

Outcome of assistance

- Reduced time for hospital discharge
- Ability to remain living in own home
- Improved health and safety of occupants
- Reduction in number of properties below the decent homes standard occupied by vulnerable resident
- Reduced fear of crime
- Contributes to target set by BVPI 62 and the PSA

b) Southwark Loan – This loan is to provide the finance above £5,000 to bring a dwelling to the Decent Homes or Fitness Standard or to bring an empty property back into use.

Eligible applicants

- All applicants must fall into one of the two groups set out below on the date of the application:
 - Home owners
 - Occupants with an exclusive right of occupancy for a minimum of 5 years
- Be an owner or occupier of a property where that property is older than 10 years.
- The applicant must live in the dwelling as their only or main residence and must have done so for a minimum of 5 years unless the dwelling is within a declared renewal area or an empty home.
- Be over 60 (subject to the statutory means test currently used in respect of Disabled Facilities Grants); or disabled; or low income households subject to the statutory means test living in a Renewal Area.
- Applicants must show that they have actively sought and been unable to obtain finance from other sources.
- Registered disabled clients – see Disabled Facilities Grant. In the case of disabled applicants the loan is only offered where a Disabled Facilities Grant has been approved and accepted.
- The owner of an empty property – see Empty Homes Grant
- A certificate of future occupation agreeing to the property being used for owner-occupation or private letting will be required.

Eligible works

- Works to bring a property up to the fitness standard and where possible the decent homes standard where the costs exceed the maximum grant given under the Southwark Small Works Grant.
- Associated works of energy efficiency and security over and above those funded by the Southwark Small Works Grant.
- Works to meet the needs of a disabled person as defined by an Occupational Therapist over and above those financed through a Disabled Facilities Grant.

Amount of assistance

- A maximum loan from the Council of £20,000 to be used as an add-on to the Soutwark Small Works Grant where additional funds are needed to carry out the eligible works.
- A maximum loan of £20,000 to be offered where a mandatory Disabled Facilities grant has been approved at the maximum level.
- In the case of an empty home £20,000 where the property is to be renovated and occupied by the owner.
- In all cases the loan will be the subject of a local land charge.
- Reasonable professional fees and certificates including the Home Improvement Agency Fee will be included as part of the assisted costs

Circumstances occasioning repayment of loan

- The loan will be repayable in full upon either of the following:
 - The death of the owner or in the case of joint owners upon the death of the last joint owner
 - The disposal of the whole or part of the property to which it relates
 - The person awarded financial assistance ceasing to use the property as their sole or main residence

Outcome of assistance

- Ability to remain in own home
- Improved health and safety of occupants
- Regeneration of housing stock
- Reduction in number of properties below the decent homes standard occupied by vulnerable resident
- Meeting housing need
- Reduced fear of crime
- Meets BVPI 62 target and the PSA

c) Private Landlord Energy Award Scheme - this is a partnership between the Council, the Energy Savings Trust and the Greater London Energy Efficiency Network (GLEEN) to provide financial assistance in the form of a grant and loan to improve the heating systems and insulation standards in privately rented property.

Eligible applicants

- Applicants must be the owner of accommodation which is in a fit condition and is being rented out to tenants other than members of his own family
- Be the owner of a dwelling older than 10 years.

Eligible Works

- Improvements to energy efficiency including cavity wall insulation loft insulation, draught proofing, central heating system, replacement boiler, heating controls and BAXI heat recovery ventilation.

Amount of assistance

- A maximum grant of 50% toward assisted works which will be the subject of a local land charge.
- An interest free loan of 50% of the assisted works provided by the Greater London Energy Efficiency Network (GLEEN) to be repaid over a two-year period.

Circumstances occasioning repayment of assistance

- The grant may be repayable in full if the person awarded financial assistance sells the property within 5 years from the date of the certificate of completion or if any unit is not let for a period of five years to someone other than a family member.
- The interest free loan is repayable to GLEEN in 10 monthly instalments

Outcome of assistance

- Improved health and safety of occupants

- Reduction in number of properties below the decent homes standard
- Reduction in fuel poverty
- Increased energy efficiency of dwellings

d) Empty Homes Grant – This grant is to encourage owners of properties that have been vacant for 2 years, or less if the property has become an eyesore, to bring the property back into use.

Eligible applicants and properties

- Freeholders or leaseholders with repairing obligations and at least 5 years left to run on the lease and
- The applicant must show that they have actively tried and been unable to finance the renovation without recourse to public funds and
- The property should be in need of major repairs, at least 10 years old and should have been empty for 2 years or a lesser period at the discretion of the council.
- Commercial premises suitable for conversion to residential units or a live work unit will be considered.
- A certificate of future occupation agreeing to the property being used for owner-occupation or private letting will be required.

Eligible works

- Works to bring a property up to the fitness standard and decent homes standard and to include associated works of energy efficiency and security.

Amount of financial assistance

- Where the property is to be used by the owner as a main residence after completion of works a Southwark Loan of up to £20,000 will be available.
- Where the property is to be subject to Council nominations or be managed by a Housing Association, the grant will be based on the number of units produced multiplied by £8,000 up to a maximum of £40,000.
- Grant may be approved at a higher level, subject to agreement of the Strategic Director of Housing, if this supports delivery of a key strategic objective.
- Reasonable professional fees and certificates will be included as part of the assisted costs.

Circumstances occasioning repayment of grant or loan

- For the loan see Southwark Loan above.
- The grant will be repayable as set out in Appendix 6 – see ‘where the property will be available for letting’.

Outcome of assistance

- Regeneration of housing stock
- Meeting housing need and promoting affordable choice within the borough.
- Reduces reliance on bed and breakfast.
- Improvement in environment
- Making the best use of housing stock
- Reduced fear of crime
- Meeting BVPI 62 and BVPI 64 targets
- Increases Council Tax revenue

e) Disabled Facilities Grant – This is the only grant to which eligible applicants have a mandatory right to a grant toward eligible works. The eligibility criteria and level of assistance are as set out in the Housing Grants, Construction and Regeneration Act 1996; the exception being where the Council can pay a Grant for relocating a registered disabled person where this would represent better value for money than adapting their existing home. Grants for relocation are not included in this Policy but will be considered when the Policy is reviewed.

Eligible applicants

- A registered disabled person or a person who is registerable. Either the owner or tenant of the dwelling may apply on behalf of the disabled person i.e. a parent may apply on behalf of their child or a landlord may apply on behalf of a disabled tenant.

Eligible works

- Works recommended by an Occupational Therapist (that are both reasonable and practical bearing in mind the condition of the property) to enable the disabled person better freedom of movement into and around the home and access to essential facilities within it.

Amount of financial assistance

- The amount of grant assistance will be dependent upon the outcome of the means test that is legislatively prescribed for Disabled Facilities Grants.
- Maximum mandatory grant of £25,000 and a loan of £20,000 in certain circumstances
- Reasonable professional fees and certificates including the Home Improvement Agency Fee will be included as part of the assisted costs.
- The loan element will be subject to a local land charge.

Circumstances occasioning repayment of grant

- The Disabled Facilities Grant is not repayable
- For the loan element see Southwark Loan above

Outcome of assistance

- Making the best use of existing stock
- Improvement in health and safety of applicant and carers
- Increased ability of disabled households to remain living in their own home

f) Group Repair - The aim of Group Repair is to improve a terrace or part of a terrace in order to bring it up to a standard of reasonable repair and assist area renewal. Group Repair has proved to be a useful tool in previous Area Renewal Schemes. The Council wishes to link private contributions to the ability to pay to ensure effective targeting on those households most in need.

Policy in this area will be reviewed after the completion of the Neighbourhood Renewal Assessment in May 2004.

g) Maintenance assistance - Area Maintenance Officer

Eligibility criteria

- Vulnerable households and property located within specified areas

Eligible works

- Small works such as refixing loose carpet, handrails, fixtures and fittings; installing locks; easing windows and doors; refixing fallen gutter and rainwater pipe etc.

Amount of financial assistance

Cost to client of £10 plus cost of materials – scheme under development

Fees and ancillary costs -

- None

Circumstances occasioning repayment

- No requirement for repayment

Outcome of assistance:

- Reduced time for hospital discharge
- Ability to remain living in own home
- Improved health and safety of occupants

- Reduced fear of crime

h) Maintenance advice - Maintenance Surveyor

Eligibility criteria

- Owner of private sector accommodation needing impartial advice on a home maintenance problem

Eligible works

- Inspection of private dwellings, advice given on remedial action required.
- Providing support in the selection of contractor
- Provision of home maintenance video
- Advice surgeries at community events
- Home maintenance log books for recipient of financial assistance

Amount of financial assistance

- A charging structure is being developed, but currently a free service

Fees and ancillary costs

- None

Circumstances occasioning repayment

- No requirement for repayment

Outcome of assistance:

- Protection of council's existing investment in private sector stock
- Reduced maintenance costs by early identification of problems
- Providing sustainable solution through reduced use of maintenance materials
- Increased levels of fitness and decent homes in the Borough
- Raised awareness, knowledge and skills of residents relating to home maintenance
- Reduced need for future investment in the private sector stock

i) Maintenance service

This service is currently in development. The form, availability and cost of the service is to be structured around a maintenance mapping exercise and the results of consultation undertaken by the University of Greenwich with owner occupiers in the Borough to ascertain what they consider to be barriers to undertaking works themselves and what services the council could offer that would remove these barriers. From consultation already undertaken with residents it has been identified that most sectors of the community have difficulty in identifying and remedying disrepair in their homes irrespective of their income. This is due to worries about 'cowboy' builders; lack of knowledge; lack of time; and house prices which do not reflect the condition of the property. Any service provided is likely to be free for those residents with low disposable income and marketed at a cost for other residents. The services which could be made available should a need be identified include: tool loan or discounted hire scheme; contractors list; surveyors list; Home Maintenance Manual; loans from Credit Union; discounts from DIY stores; training courses; home maintenance CD Roms; paint store (surplus paint offered to low income residents); volunteering scheme; poster campaign; joint work with Trading Standards and Environmental Health; maintenance road show; maintenance check list; maintenance insurance scheme; home repair and maintenance survey; and standard specification phrases. Consideration will be given to the identification of a Maintenance Action Zone to concentrate marketing of the scheme to a defined area and as such produce quick wins to create an impetus to carry the initiative forward.

j) Assistance to Access Private Finance

Eligibility criteria

- Owner of private sector accommodation or household falling within definition of vulnerability but requiring works that fall outside of grant or loan eligibility in respect of scope or cost.
- Where the means test has indicated that the applicant needs to contribute to the cost of works and the applicant does not have availability to such funds
- Where the applicant has been assessed as being able to repay any such mortgage, loan or equity release.

Assisted works

- Works to bring a dwelling up to the decent home standard in excess of those works funded by a Southwark Repairs Grant and Southwark Loan where available.
- Non grant aided works to adapt a dwelling for the needs of a disabled person where those works have been agreed by an Occupational Therapist.

Amount of financial assistance

- Private Housing Renewal staff to provide advice and assistance to access finance
- Amount of assistance to be agreed by the commercial lending institution, or Houseproud and the applicant.
- Use of Credit Unions where appropriate

Fees and ancillary costs

- To be included in the amount borrowed

Outcome of assistance:

- Ability to remain in own home
- Improved health and safety of occupants
- Regeneration of housing stock
- Reduction in number of properties below the decent homes standard occupied by vulnerable resident
- Meeting housing need
- Reduced fear of crime
- Meets the PSA target

k) Regulation

Regulation of the housing stock in the private rented sector is delivered by Environmental Health and Trading Standards Service. Compliance with the statutory requirements is achieved through the provision of education and advice, targeted inspection programmes, registration schemes for houses in multiple occupation, self assessment schemes and, where necessary to protect the health, safety and welfare of tenants, enforcement of notices and the prosecution of offenders.

2.Applying for assistance

a) Initial Enquiry

The purpose of the initial enquiry is to minimise an abortive application and avoid disappointment to prospective applicants. In all cases an enquiry form will need to be completed giving address of property, tenure, works required and information relating to means of enquirer.

b) Making an application

Applications for assistance must be made on the form provided by the Private Housing Renewal Team within the Housing Department located at 21-23 Bournemouth Road SE15 4UJ, telephone number 0207 525 4225. Applications made in any other format will not be considered. Assistance can be provided to help with the completion of the form and a home visit can be made if necessary

c) Advice and assistance

Southwark's Home Improvement Agency, a service provided by the Council, can provide assistance for those clients over 60 or disabled with:

- Making a application
- Identifying works to be undertaken
- Producing a schedule of work
- Obtaining quotations from monitored list of builders
- Inspecting works to ensure a reasonable standard is achieved
- Dealing with builders to resolve any issues which arise
- Advice on alternative sources of funding can also be given

Applicants are not obliged to take advantage of this service, for which a fee is charged, and is funded through the grant, as are other required professional services such as architect, structural engineer and certification for works to gas and electric services.

All enquirers will be offered advice on appropriate energy efficiency measures including referral to any applicable schemes such as Warm Front, Energy Action Partnership Discount Scheme and the Private Landlords Energy Award Scheme.

d) Loan Conditions

These are set out in Appendix 6 to this Policy

e) Cases falling outside Policy

The Private Housing Renewal Manager will assess all cases falling outside the policy where there are exceptional circumstances. Whether assistance is given will depend upon the merits of the individual case. The Private Housing Renewal Manager also has the discretion to award additional assistance or not enforce conditions in appropriate cases. It is proposed that the Policy will be reviewed after 12 months. Part of this review will be a specific monitor on amounts, types and numbers of variations from the general Policy.

f) Promotion and publicity

Details of the service setting out opening times, access points and the range of assistance available will be promoted through corporate facilities, including web-site, information centres, as well as partner agencies and advice centres.

Summaries of the Policy can be obtained from Private Housing Renewal Bournemouth Road and viewed on the council's web site. The full Policy may also be viewed at this address during normal office hours.

Additional campaigns will be mounted from time to time targeting either specific initiatives or specific communities.

All promotions will be in accordance with the council's equality standards to ensure equality of access to services. Where appropriate out-reach work will be undertaken to local community groups to disseminate information to non-English speaking communities.

PART C

1. Monitoring

a) Key service standards

- Grant and loan approval will normally be given within 6 months of a full application being submitted.
- Monitoring systems will be implemented to demonstrate that the delivery of the service is not negatively impacting on any disadvantaged group.

b) Local performance targets and indicators

- Bring 190 private sector empty homes back into use in 2002-05 (Housing Strategy)
- Complete mid term review of Bellenden Renewal Area (Housing Strategy)

- Bring additional 250 additional private sector leasing units for letting to homeless households (Housing Strategy)

c) National performance indicators

There are two Best Value Performance Indicators relevant to this Policy:

- BV 62 – the proportion of unfit private sector dwellings made fit or demolished as a direct result of action by the local authority
- BV 64 – The number of private sector vacant dwellings that are returned into occupation or demolished during the year as a direct result of action by the local authority
- Public Service Agreement – increasing the proportion of private housing in decent condition occupied by vulnerable groups

d) Complaints

Any suggestions, complaints or compliments about this Policy or the manner in which an application has been handled should be addressed in the first instance to the Private Housing Renewal Manager at 21-23 Bournemouth Road. If the issue is not resolved to your satisfaction then the Council's Customer Feedback form can be obtained from this office and returned to the Customer Feedback Team at 19 Spa Road SE16 3QN. A full review of your complaint will generally be carried out within 15 working days.

2. Policy implementation plan and review

This Policy will be implemented from 18th July 2003. Once adopted the policy must be published and made available for inspection before it can be implemented. The Policy will continue for a period of 12 months, after which it will be reviewed, taking into account information obtained through the monitoring system and research projects to assess whether any changes are necessary. Part of this review will be a specific monitor on amounts, types and numbers of variations from the general Policy.

Should grant take up or budget allocation be significantly different to expectations then the policy may be reviewed prior to that date by the Director of Housing in consultation with the Cabinet Member for Housing and republished if necessary.

APPENDIX 1

**Southwark's Grant Policy under the Housing Grants, Construction and
Regeneration Act 1996**

Applicant	Grant	Works	Grant limit
Owner occupiers and tenants over 60 – no means test	Home Repairs Assistance	Works to assist disabled person Minor works where property fit Energy efficiency Security works.	£5,000 – only one grant per dwelling except in exceptional circumstances
Owner occupiers and tenants aged 18-60 living in specified area – means tested	Home Repairs Assistance	Specific works in Priority Regen Area	£5,000 – only one grant per dwelling except in exceptional circumstances
Owner occupiers, landlords or tenants living in specified areas – means tested	Renovation Grant	Make a dwelling fit Bring dwelling up to reasonable repair Energy efficiency Heating if part of scheme	£40,000 – may be increased in exceptional circumstances
Owners of empty properties – no statutory means test, local test applies.	Renovation Grant	Make a dwelling fit Bring dwelling up to reasonable repair Energy efficiency Heating if part of scheme Conversions	Conditional on number of units provided, nomination agreements and rent level
Owners and specific tenants either elderly or disabled - means tested	Renovation Grant	Make a dwelling fit Bring dwelling up to reasonable repair Energy efficiency Heating if part of scheme	£25,000 - may be increases in exceptional circumstances
Person registered or registerable as disabled – means tested	Disabled Facilities Grant	Works specified by Occupational Therapist to meet needs of disabled person	£25,000 - may be increases in exceptional circumstances
Occupying tenants of flats in purpose built block or conversion – means tested	Common Parts Grant	Improvement or repair of common part of building	Grant only offered in exceptional circumstances
Landlord of flats in purpose built block or conversion – contribution related to rental income	Common Parts Grant	Improvement or repair of common part of building	Grant only offered in exceptional circumstances
Landlord – contribution to cost related to rental income	HMO Grant	Make property fit To bring property up to a reasonable standard Provide required amenities and fire prevention works	Grant only offered in exceptional circumstances

Appendix 2: Examples of supporting Community Strategy priorities

1. Tackling poverty

- Targeting financial assistance to those in receipt of a means tested benefit or in line with the Government's prescribed means test. The aim of providing Council loans is to ensure that they will not contribute to the poverty of the recipient and will not result in homelessness but at the same time ensure that the home owner lives in a dwelling that will not prejudice their health or well-being. Any works undertaken will contribute to the reduction of fuel poverty, where possible, by making the dwelling more energy efficient and so increase comfort levels in the dwelling or reduce heating costs.

2. Making Southwark cleaner and greener

- Work being undertaken in the Renewal Area has improved the environment and in turn this is improving the local economy with many businesses opening along Bellenden Road and East Dulwich Road. The residents can see that the council has an interest in the area and so they are happier to commit themselves to improving their homes.
- A traffic management scheme will be implemented shortly which will improve the environment further.
- Energy efficiency works were included in over 240 grants during 2001/2 with promotion of the Private Landlords Energy Awards Scheme during 2002/3. In the renewal area a cross tenure initiative has been piloted, installing solar panels in more than 30 properties to provide up to 70% of the households requirements for hot water. Other innovative schemes are being piloted to provide electricity using photovoltaic cells and water for flushing WCs through rain harvesting.

3. Cutting crime and fear of crime

- Incorporating Secured by Design into works of repair and improvement. The continued improvement of street lighting in the renewal area has given the area a 'safer feel' after dark.
- Our target of reducing the number of empty properties will prevent their use by unauthorised persons, cases of arson and refuse dumping.
- Work will continue to be undertaken in the Renewal Area with young people to break down intergenerational barriers and so reduce fear of crime
- Continued liaison with Community Police Officers will be maintained as will the development of Neighbourhood Watch and regular newsletters.

4. Improving the health of the borough.

- Good condition and design of housing positively contributes to the health and safety of its occupants therefore each property made fit has a beneficial effect on the health and well-being of occupants as well as contributing to a reduction in the number of accidents in the home.
- The higher proportion of winter deaths amongst older people is partly explained by the exacerbation of existing conditions such as respiratory disease, heart disease or stroke by the cold. Whilst not all winter deaths can be explained by the cold, it is estimated that 5-10% of excess deaths might be prevented by a full implementation of home energy efficiency measures⁹. The Housing Renewal Policy targets financial assistance to older people on low income to improve the energy efficiency of their homes.

⁹ London School of Hygiene and Tropical Medicine, 1999

Responding To New Challenges

Report of the Southwark Housing Conference 20th March 2002

Workshop M3 – Sitting on a gold mine?

Pat O'Reilly, Private Housing Renewal Manager, began by giving the statistics about disrepair in the private sector and the fact that most of the houses in disrepair are inhabited by pensioners. Many of the pensioners in this group are 'asset rich but cash poor'. The Government is to end the current grant system except for disabled facilities grants. The grant system is to be replaced with general powers delegated to local authorities. These powers are to be wide ranging with little restrictions from the Government. Southwark could choose to provide loans, provide grants or provide help in obtaining a loan. Southwark must set its own strategy that must be published within 12 months of the General Power order being implemented.

Jan Ali, Southwark Financial Counsellor, outlined ways in which homeowners can raise finance towards the cost of repairing their properties. These include: unsecured personal loan, capital repayment mortgage, interest only loan, roll up loan, home reversion scheme, shared appreciation mortgage and Southwark grant (if it continues). Each of these ways of obtaining finance has its own drawbacks. The issue is getting the right advice so that whichever route a homeowner decides to follow is the most appropriate and beneficial to the person.

A discussion followed around the following questions and the group decided to vote by show of hands on the various options.

Question	Vote and Comments
1. Is it fair to ask pensioners to borrow money against the value of their homes?	Vote – marginally yes
2. Would pensioners be more likely to accept a loan from the Council rather than any other source?	Overwhelmingly yes. Perception that Council would be more moral and treat the borrower with greater fairness.
3. Are there any particular problems for ethnic minorities?	Yes. Certain religious groups will not take out loans as interest bearing loans are not acceptable to them.
4. If people don't want to take out loans, should the Council allow the properties to deteriorate or give grants?	The Council should give means-tested grants. If properties deteriorate there may be health implications for the residents resulting in them ultimately becoming the responsibility of the Council. A demolition project may arise with cost implications for the Council.
5. If the resident did not qualify for Private Finance then Council should make loans available.	Yes. People are happier with Council loans rather than Private Finance and feel that they are less likely to be "ripped off."
6. Most lenders are reluctant to make small loans. What should the Council do to remedy this?	The Council could provide the loans as stated earlier.
7. Would people like a small team of staff to carry out minor repairs at a fixed rate?	Yes, a repair team would remove the fear of being stung by unscrupulous tradesmen and provide controls and guarantees of sound workmanship. The Council could act as a facilitator in financial advice by the use of dedicated panels of professionals and tradesmen. This could fit in with a recognised apprenticeship scheme and encourage reasonable pricing for services.

Analysis of Results of Residents Questionnaire

A sample of 2000 addresses was obtained from Electoral Registration and questionnaires were sent to these addresses with a reply paid envelope and the incentive of being included in a prize draw.

Questionnaires were sent to occupants in all tenures, despite the questions relating only to owner-occupiers and private tenants, for two reasons. Firstly, within the time available a database was not obtainable that only provided the two tenures being targeted, secondly it was considered that as all residents contribute through their council tax to any financial assistance given to private sector residents they therefore should be given the opportunity of commenting.

As at 7th April, 250 forms had been returned which represents a 12.5% return.

The results are set out in tabular form and appended to this document. The results indicate a number of points that will be useful in the development of the Housing Renewal Policy, these are:

- 91% of residents responding agreed that the main responsibility for keeping homes in good repair lies with the homeowner, this view was most strongly held by owner-occupiers over 60.
- 97% of respondents were of the view that homes that fall into serious disrepair are a blight on the local community.
- 75% were of the view that the council should take action to prevent properties declining where a loan had been offered but the residents declined the offer.
- 81% of owner-occupiers responding agreed that the council should offer assistance to repair both individual properties and those in run down areas.
- There was agreement by 77% of respondents that a handy person to undertake small repairs for a fixed fee was a good idea. This view was held by 87% of owner-occupiers over 60.
- Of the owner occupiers responding 42% disagreed or strongly disagreed that landlords should be given grants to provide more homes, 20% had no opinion and 37% either agreed or strongly agreed that they should be offered grants.
- The form of Council assistance for all homeowners requiring essential works on their home most favoured by respondents was council grants with 48% of owner-occupiers over 60 favouring this approach. The second most popular option was maintenance advice with 18% favouring a combination of forms of assistance.
- Whilst 55% of owner occupiers over 60 thought that council grants should be available for vulnerable people and only 6% thought that equity release was the preferred solution; 36% thought a combination of these two mechanisms would be useful.
- 78% of respondents were of the view that council assistance should be targeted to a combination of individual properties and rundown areas
- Whilst 60% of owner occupiers over 60 stated that they would not be prepared to take on a loan another 24% were prepared to consider a Council loan with only 9% prepared to take on a loan from a bank or building society.
- 5% of all respondents stated that they would have a problem with obtaining finance through a loan for religious reasons.

Results of Questionnaire to Homeowners and Private Tenants

Results of all 250 respondents	Results of 157 owner occupiers	Results of 33 o/o > 60 yrs
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Question 1

The main responsibility for keeping homes in good repair lies with the homeowner

Strongly agree	48%	48%	60%
Agree	43%	46%	27%
No opinion	2%	.6%	0%
Disagree	5%	4%	9%
Strongly disagree	1%	0%	0%
No response	1%	1%	3%

Question 2

Homes that fall into serious disrepair are a blight on the local community

Strongly agree	66%	69%	73%
Agree	31%	29%	24%
No opinion	2%	1%	0%
Disagree	.4%	.6%	3%
Strongly disagree	.4%	0%	0%
No response	1%	0%	0%

Question 3

Where a loan has been offered by the Council to repair a resident's home but they have rejected it, the council should do nothing and let the property decline

Strongly agree	6%	5%	3%
Agree	9%	10%	18%
No opinion	9%	7%	6%
Disagree	43%	44%	36%
Strongly disagree	32%	32%	33%
No response	1%	1%	3%

Question 4

If the Council employed a handy person to undertake small repairs and maintenance for a fixed fee, I would find this service useful

Strongly agree	34%	39%	42%
Agree	43%	43%	45%
No opinion	9%	7%	9%
Disagree	8%	6%	3%
Strongly disagree	5%	4%	0%
No response	.4%	.6%	0%

Question 5

Landlords should be given grants to provide more homes for rent

Strongly agree	24%	12%	15%
Agree	24%	25%	21%
No opinion	18%	20%	15%
Disagree	17%	22%	21%
Strongly disagree	16%	20%	25%
No response	.4%	.6%	3%

	Results of all 250 respondents	Results of 157 owner occupiers	Results of 33 o/o > 60 yrs
Question 6			
What sort of assistance do you think should be offered by the Council to assist all homeowners with essential work?			
Council loans	17%	20%	12%
Private finance	5%	5%	3%
Council grants	32%	30%	48%
Maintenance advice	23%	21%	15%
Multiple answers	18%	18%	15%
None	4%	0%	0%
No answer	5%	6%	6%

Question 7			
Should vulnerable residents in Southwark such as older people, disabled and people on low income, be assisted with essential works through:			
Council grants	46%	42%	55%
Equity release	8%	10%	6%
Combination	43%	45%	36%
No	1%	1%	3%
No answer	2%	1%	0%

Question 8			
Should the council offer assistance to:			
Individual props	6%	6%	15%
Run down areas	17%	15%	6%
Both	78%	81%	76%
None	1%	1%	3%
No answer	1%	2%	0%

Question 9			
If a grant to repair or improve your home was not available would you be more likely to accept a loan from:			
Bank	14%	15%	0%
Building Soc	16%	21%	9%
Council	25%	25%	24%
Other	6%	5%	3%
Wouldn't take loan	30%	23%	60%
Multiple answers	7%	9%	0%
No answer	2%	2%	3%

Question 10			
Do you have a problem with obtaining finance through a loan due to:			
Religion	5%	6%	0%
Other	20%	17%	36%
No problem	72%	80%	60%
No answer	2%	2%	3%

Age group			
18-25	4%	3%	0%
26-40	31%	32%	0%
41-60	40%	44%	0%
Over 60	21%	20%	100%
No answer	2%	1%	0%

	Results of all 250 respondents	Results of 157 owner occupiers	Results of 33 o/o > 60 yrs
Employment status			
Employed FT	54%	59%	9%
Employed PT	6%	4%	3%
Self employed	8%	10%	3%
Unemployed	3%	.6%	0%
In education	4%	2%	0%
Retired	21%	20%	85%
None of above	3%	2%	0%
No answer	2%	.6%	0%
Residential status			
Owner no mort	19%	31%	85%
Owner with mort	43%	69%	15%
Private tenant	18%	0%	0%
Other	15%	0%	0%
No answer	4%	0%	0%
Ethnicity			
White	73%	80%	79%
Mixed	5%	5%	0%
Asian or A British	2%	1%	3%
Black or B British	12%	9%	9%
Chinese or other ethnic	3%	3%	0%
No answer	4%	3%	9%

Analysis of Results of Landlords' Questionnaire

The Council communicates with private landlords through a newsletter and Landlords Forum, this database was used to obtain the views of landlords on their role and explored how they might work with the council to provide decent private accommodation to meet the needs of those on low incomes.

Questionnaires were sent to 300 landlords, 27 responses were received which represented a 9% return.

The results are set out in tabular form and appended to this document. The results provided a number of points that will be useful in the development of the Housing Renewal Policy, these are:

- The poor return rate gives an indication of the difficulty that the council has in working with landlords. This is exacerbated by the high demand for accommodation in the borough at high rents almost irrespective of condition.
- 97% of responses indicated that the responsibility for keeping homes in good repair lies with the owner.
- The provision of a maintenance support service for landlords was favoured by 59% of those responding
- 59% were of the view that even though the cost of property was high in the borough the rents obtainable made letting an attractive investment.
- None of the respondents would be prepared to accept council nominated tenants at below market rent in exchange for grant aid to repair their property. However, 37% would be prepared to accept council nominated tenants but were less keen on reduced rents.
- Tenants in receipt of Housing Benefit were not accepted by 63% of respondents with the main reasons being the delay in processing claims, the reclaiming from landlords of overpaid benefit and the poor attitude of benefit claimants to the property.
- Landlords considered the barriers to providing more units of accommodation were poor return on capital, high cost of maintenance, too much legislation and property prices too high.
- 44% of respondents were interested in obtaining information on grants or loans for works of energy efficiency and 15% in grants for bringing empty properties back into use.

Results of Questionnaire to Landlords

Results of all 27 respondents

Question 1

The main responsibility for keeping homes in good repair lies with the owner

Strongly agree	30%
Agree	67%
No opinion	4%
Disagree	0%
Strongly disagree	0%
No response	0%

Question 2

Homes that fall into serious disrepair are a blight on the local environment

Strongly agree	33%
Agree	55%
No opinion	4%
Disagree	7%
Strongly disagree	0%
No response	0%

Question 3

I would find it useful if the council provided a maintenance support service for landlords such as advice on repairs etc.

Strongly agree	11%
Agree	48%
No opinion	22%
Disagree	15%
Strongly disagree	4%
No response	0%

Question 4

I think that the current housing market in Southwark with high cost of property and high market rents make letting an attractive investment.

Strongly agree	4%
Agree	55%
No opinion	7%
Disagree	26%
Strongly disagree	4%
No response	4%

Question 5

What sort of assistance, if any, do you think should be offered by the council to assist landlords?

Council loans	4%
Council grants	52%
Maintenance advice	11%
Landlords should deal with their own repairs	22%
No response	11%

Question 6

If the council offered you grant aid to repair your property would you be prepared to:

Council nominates tenants	37%
Reduced Rent	15%
Neither of above	48%
Both of above	0%

Question 7**Do you accept tenants that are Housing Benefit Claimants?**

Yes	33%
No	63%
No response	4%

Question 8**Barriers that prevent you from renting out more units of accommodation:**

Poor return on capital

Low yield high cost of maintenance

Too much legislation too much hassle

Property prices too high

Housing benefit claims take too long to process and concern over reclaiming overpayment.

Question 9**Interested in grants and loans for works to improve energy efficiency:**

Yes	44%
No	48%
No response	4%

Question 10**Interested in info about grants to bring empty homes back into use?:**

Yes	15%
No	78%
No response	7%

How many properties do you rent out:

1-5	26%
6-10	15%
>10	44%

Regulatory Reform (Housing Assistance) Order 2002

Conditions of Financial Assistance

These conditions do not apply to the giving of maintenance advice or assistance

General

Carrying out and completion of works (applicable to all financial assistance including loans)

1. In approving an application for financial assistance the council may require as a condition of providing the assistance that the eligible works are carried out in accordance with an agreed specification.
2. It is a condition of financial assistance that eligible works are undertaken within 12 months from the date of the approval of the application otherwise the right to a grant cannot be guaranteed.
3. The payment of financial assistance is conditional on the eligible works being carried out to the satisfaction of the Council and the provision of an acceptable invoice, demand or receipt for the works and any preliminary or ancillary fees, services or charges. Such receipt is not acceptable if it is provided by the applicant or a member of the applicant's family.
4. Where an applicant has a relevant insurance or legal claim, the council may as a condition of assistance, require the applicant to take reasonable steps to pursue such claim and repay the financial assistance, so far as is practicable, out of the proceeds of the claim. A relevant claim is an insurance or legal claim of which the cost of works to the premises to which the application for assistance relates forms a part.
5. The works must be undertaken by the contractor whose estimate accompanied the application.
6. Where the applicant for financial assistance is not the owner of the living accommodation to which the application relates financial assistance is conditional upon the owner giving their consent to the carrying out of the works.

In cases where the property will be available for letting

In cases where a certificate of intended letting accompanies the application for financial assistance

1. It is a condition that for 5 years after the council has certified the assisted works to be completed that the dwelling will be let or available for letting as a residence on a Tenancy Agreement to a person other than a family member.
2. It is a condition that the council may by written notice require the owner to provide a statement showing how the property is occupied within a specified timescale.
3. Conditions 1 and 2 above remain in force for the five years and are binding on any person who is the owner of the property.
4. In the event of a breach of these conditions the council may demand the repayment of the financial assistance.

Southwark Loan

The loan will be repayable in full upon either of the following:

- The death of the owner or in the case of joint owners upon the death of the last joint owner
- The disposal of the whole or the part of the property to which it relates

- The person awarded financial assistance ceasing to use the property as their sole or main residence.

Additional Conditions (General)

1. The person awarded financial assistance or the owner of the property to which the financial assistance relates must notify the authority of their intention to make a disposal of the dwelling to which the works related and shall provide to the council any information required by them in connection with the disposal.
2. Where the person awarded financial assistance has an insurable interest in the property he or she shall arrange and maintain in effect adequate insurance of the property whilst the conditions to the assistance apply.
3. Where the person awarded financial assistance has a duty or power to carry out works of repair to the property which has received financial assistance he shall ensure that where the property was brought up to the fitness standard it shall remain fit for habitation whilst in their occupation.
4. In the event of a breach of any of the conditions set out above the council may demand repayment of the financial assistance.

The council will inform an applicant in writing of any additional conditions.

If you require further information or are in any doubt about the conditions applying to your grant or loan please contact the Council on 020 7525 4242