

TONBRIDGE & MALLING BOROUGH COUNCIL

STRATEGIC HOUSING ADVISORY BOARD

7 November 2011

**Joint Report of the Director of Health and Housing and Cabinet Member for
Housing**

Part 1- Public

**Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken
by the Cabinet Member)**

1 AMENDMENT TO HOUSING ASSISTANCE POLICY

Summary

This report proposes a review of the existing Housing Assistance Policy, to reflect the slow progress with the development of the Decent Homes/Energy Efficiency Loan product and the development of an external wall insulation scheme with British Gas as a partner.

1.1 Background

- 1.1.1 At the February 2011 meeting of this Board Members will recall that changes to the Housing Assistance Policy were agreed to reflect the original housing assistance budget of £137,000 for 2011/12. The total housing assistance funding available in the Capital Plan in 2011/12 is however £381,000. This provision includes a carry over of unspent but committed funding of £112,000 from the 2010/11 Regional Housing Board allocation plus £132,000 uncommitted carry over from the same allocation.
- 1.1.2 As part of those changes we were looking to develop a Decent Homes/Energy Efficiency loan product for home improvements through South Coast Moneyline (SCML) with other authorities in Kent. SCML is a not-for-profit organisation that currently offers a secured loan called the Home Trust Loan across local authorities in Hampshire, Surrey and Sussex to help those who are finding it difficult to find the finance for home improvements elsewhere.
- 1.1.3 A provisional allocation of £65,000 was originally identified from our total Housing Assistance budget for developing the loan scheme with the proviso that the commitment to any such scheme is subject to further Management Team and Member approval.

1.2 Review of the Housing Assistance Policy

1.2.1 Unfortunately due to a lack of sufficient interest in the SCML loan product by other housing authorities in Kent, we have not been able to progress the Decent Homes/Energy Efficiency loan for our residents to date.

1.2.2 We are aware that British Gas has developed an external wall insulation grant scheme where they are looking for local authority and registered provider partners to administer and manage the grant funding on their behalf. The scheme provides funding to assist with the installation of external wall insulation to solid wall construction properties for households in receipt of certain income and disability related benefits.

1.2.3 The available funding from British Gas varies on property type/size and is also dependant on the current heating fuel type, for example:

- a three bedroom house with gas heating would receive £3,404; and
- a three bedroom house with electric heating would receive £6,991.

The householder does not have to be a British Gas customer to apply for the grant funding and the grant given is significantly higher for those residents in off gas rural properties.

1.2.4 The average cost to install external wall insulation is between approximately £10,500 and £14,500, using figures from the Energy Saving Trust website. Solid wall constructed properties can lose up to 45 percent of heat through the walls and by insulating those walls, householders can expect to reduce heating costs by 40 percent. Therefore by insulating the external walls homeowners can save on their heating bills (approximately £375 per year), reduce their energy consumption (1.9 tonnes of CO₂ per year), help reduce the condensation damp problems that often arise with the colder solid wall construction properties and ultimately improve their living conditions.

1.2.5 We are in discussions with British Gas to look at how the Council may access the available funding and develop a scheme that would benefit borough residents. The funding available from British Gas is a grant and would not be repayable upon future sale of the property. It would seem sensible that where we can facilitate households taking advantage of such funding, we should do so. The slight drawback is that British Gas requires the funding and payments to be administered through the Council. Hence this must be done properly with sound procedures in place and within the capacity of our (staffing) resources. We would anticipate an agreement being prepared to properly define both parties' responsibilities. We also feel that any adjustment to the Council's Housing Assistance policy should be made in the light of any scheme agreed with British Gas. For example, to top up the British Gas funding for those in receipt of income or disability related benefits to meet 100 percent of the external wall insulation costs. Consideration would also be given to whether the Council provides some

funding to homeowners not in receipt of benefits that live in a solid wall constructed property to assist with the installation of external wall insulation.

- 1.2.6 We also want to explore with our registered provider partners the relevance of the British Gas funding to assisting them with improving the thermal insulation of properties within their stock.
- 1.2.7 Any changes to the Housing Assistance policy would be subject to further Management Team and Member approval.

1.3 Legal Implications

- 1.3.1 If the Council is to provide financial assistance it is required to publish a policy on how it intends to use the powers under the Regulatory Reform (Housing Assistance)(England and Wales) Order 2002 to provide housing assistance.

1.4 Financial and Value for Money Considerations

- 1.4.1 Any external wall insulation grants funded by the Council will be repaid when the property is sold and is ring fenced to be recycled into the Housing Assistance budget for future years.

1.5 Risk Assessment

- 1.5.1 As a statutory Housing Authority the Council has a duty to review and report on the housing conditions in the area. It is important that where funding is offered to improve housing conditions it is spent wisely and to best effect to achieve the desired outcomes.
- 1.5.2 Failure to provide housing assistance to private sector homeowners may contribute to rising levels of poor quality private sector housing and result in households with limited incomes exposed to risks to their health.

1.6 Equality Impact Assessment

- 1.6.1 See 'Screening for equality impacts' table at end of report

1.7 Policy Considerations

- 1.7.1 The Housing Assistance Policy changes will make a positive contribution to targeting financial assistance to those most in need to improve their living conditions; thereby impacting the policy agenda in relation to housing, healthy lifestyles, safeguarding children and sustainability.

1.8 Recommendations

CABINET is RECOMMENDED to:

1.8.1 **AUTHORISE** the Director of Health and Housing, in consultation with the Chief Solicitor, to investigate the development of a scheme with British Gas to help householders fund the installation of external wall insulation works; and

1.8.2 **REQUEST** the Director of Health and Housing, in consultation with the Director of Finance, to investigate how the Housing Assistance Policy may be further developed in the light of the delay with the South Coast Moneyline loan scheme.

The Director of Health and Housing confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

contact: Hazel Skinner

Nil

John Batty
Director of Health and Housing

Councillor Jean Atkinson
Cabinet Member for Housing

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	The Housing Assistance policy is accessible by all different groups in the community subject to the eligibility criteria of each assistance, which is normally targeted at those most financially in need.
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	No	The decision taken in this paper is to review the Housing Assistance policy in light of the British Gas scheme and other possible utility schemes. A full equality impact assessment will be undertaken on any subsequent changes to the Housing Assistance policy.
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		Not applicable.

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.