

**PRIVATE SECTOR HOUSING –
IMPROVEMENT and GRANT ASSISTANCE
POLICY 2022- 2025**

**Development and Housing
Directorate**

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INTRODUCTION

Every local authority is required to have a policy which addresses how it will approach conditions arising from the private housing stock present in its area. Whilst the responsibility for the maintenance and upkeep of privately owned properties primarily lies with the owner of the property, the Housing Act 2004 places a responsibility on the Council to deal with serious hazards which have been identified under the Housing Health and Safety Rating System (HHSRS). In addition, where any financial assistance is provided by the Council to improve or adapt properties, it is a requirement that the Council has a published policy which sets out the terms applied to such assistance.

BACKGROUND INFORMATION

This policy reflects the conditions present in the City's housing stock. In 2018/19, the Council undertook a Housing Stock Condition modelling survey across a statistically representative sample of the City's private housing stock. This was done using data from a variety of sources which was extrapolated and verified on behalf of the Council by the Building Research Establishment. The full results of that survey are available on the Council's web site at

<https://www.preston.gov.uk/article/2205/Housing-Stock-Condition>

The previous stock condition survey was carried out in 2012 and it is possible to compare some aspects, indicating trends within the private sector stock over time.

The **headline information** that is relevant in the context of this policy is as follows:

- The survey has confirmed that Preston continues to face exceptional challenges in relation to the age and type of housing found in its private sector stock, and the population profile. The private sector has changed significantly in the last 20 years, with owner occupation gradually falling and the private rented sector showing a corresponding increase in size. There are 61,625 dwellings in Preston: 56% are owner occupied, 25% are privately rented and 19% rented from social landlords. These tenure splits have remained relatively unchanged since the previous survey was done in 2012.
- A comparison with the English House Condition Survey shows nationally that 65% of properties are owner occupied, 19% are privately rented and 17% are rented from social landlords. This is potentially of concern as property conditions, levels of income and fuel poverty are all relatively poorer in the private rented sector compared to the other two sectors, and which is much larger in Preston than the national average.
- Looking in more detail at certain aspects of the housing stock in Preston, 7,793 dwellings in the private sector have Category 1 Housing Health and Safety Rating System (HHSRS) hazards. 2,512 of these dwellings are in the private rented sector. The highest concentrations of all HHSRS hazards in the private sector are found in the wards of Preston Rural North, Deepdale and Fishwick & Frenchwood.
- Category 1 hazards are the most serious in nature and represent a serious risk to the health, safety and wellbeing of the occupants of those houses. This figure has also largely remained the same since the 2012 survey and is worrying as it shows a continued pattern of lack of investment in properties by both owner occupiers and landlords.

- The total cost of mitigating category 1 hazards in Preston's private sector stock is estimated to be £17.6 million – with £11.9 million in the owner-occupied sector, and £5.7 million in the private rented sector.
- With regards to energy efficiency, the average Standard Assessment Procedure, SAP, rating for the whole of the Preston housing profile is 61 (Energy Efficiency Rating Band D), which compares well with the national figure of 55 (Energy Efficiency Rating Band E) reported in the English Housing Survey 2010/2011 (a higher numerical score is better). However, 16% of households are still classed as being in fuel poverty. This means they lack both the funds to pay for adequate heating and the energy efficiency rating of their properties is poor. In addition the heat is lost from these homes far too easily so they will never be warm enough to be properly safe and healthy. The highest concentrations of fuel poverty in the private sector are found in the wards of Ribbleson, St Matthews, Preston Rural North and City Centre.
- Houses in Multiple Occupation, HMOs, are defined as properties which have been converted or purpose built entirely as bedsits or other non-self-contained accommodation. They must also be let to more than four unrelated occupiers who form two or more households i.e., not family groups and who share kitchen, bathroom or toilet facilities. Traditionally HMOs in Preston would have been created by converting or sub dividing larger properties in areas of traditional housing.
- By virtue of the fact that the occupiers of HMOs are unrelated households, often living separate lives from the other occupants, these properties present a potentially greater risk to the safety and wellbeing of the tenants. As a university City, Preston had a large HMO sector which was almost exclusively occupied by students. However, as the university has grown in recent years, a significant proportion of students now chose to live in new, purpose-built accommodation, close to campus. Consequently, the HMO sector has shifted, and partly as a result of changes in other parts of the housing market i.e., very little affordable accommodation for young single people, and changes in the benefit system, HMOs are now becoming the default option for people relying on benefits, often living chaotic lives, and with no realistic prospect of affording tenancies elsewhere.
- In recognition of the potential risks posed by HMO accommodation, certain types of HMOs are required by law to be licensed by the Council, namely those occupied by five or more individuals. Licensing of these properties has been a very positive mechanism, allowing the Council greater control over both the management and the physical safety and standards of the accommodation in question. There are an estimated 2,000 HMOs in Preston, of which approximately 200-300 come under the current mandatory licensing scheme.

GRANT ASSISTANCE POLICY

Taking into account the funding currently available and the findings of the most recent housing stock condition assessment, any assistance or intervention from the Council must operate within the financial constraints placed upon it. The Council's policy is therefore to:

- Provide Disabled Facilities Grants (DFG), in consultation with the social care providers, utilizing Central Government grant funding. These grants are means tested using a national formula and eligibility criteria.
- In addition, and in recognition of the increased funding available for DFG's at the present time, but also the increasing demands placed up on the health and social care systems by an ageing population, the Council already has an agreed **Discretionary DFG policy**. This allows the first £6000 of any DFG to be excluded from the Test of Resources, thereby increasing the amount of support to applicants and reducing levels of contribution. This policy also allowed for the maximum national threshold of £30k for DFG's to be increased to £40k in Preston. This was recognition that this maximum has not been uplifted for many years and has not kept pace with the increasing costs of construction. Extensions and adaptations for children with disabilities often require this level of expenditure, so this element reduces contributions from such families.
- For the purposes of this current policy, the first £6000 of costs will continue to be excluded from the Test of Resources, and the discretionary maximum will be increased from £40k to £50K to keep pace with increased external costs. However, in exceptional circumstances, unforeseen and additional works may necessitate a variation to the approved grant which could exceed the 50k upper limit. Where this is the case, approval for the 50k maximum to be varied will be sought from the Director of Development and Housing.
- Occasionally, families will be referred to the service with more than one child with a disability. In such instances, each child will be considered as a separate applicant and their eligibility and need for adaptations treated on an individual basis. i.e., each child could receive a DFG in their own right.
- Consider any external funding which may be available to the Council or can be secured by the Council for local third parties, to improve any aspect of the City's private housing stock and enter into the necessary bidding process to secure that funding where appropriate. Securing funding to improve the energy efficiency of properties will be a priority in this regard.
- Encourage homeowners, in the absence of alternative funding, to invest in essential improvements and repairs to their dwelling and to undertake regular maintenance. For homeowners, equity release products may be suitable to assist with the cost of repairing or improving their home.
- Assess properties, where necessary and on a priority basis, using the principles of the Housing Health and Safety Rating System (HHSRS) and consider the range of measures available to the Council, including regulatory enforcement action, to ensure any identified hazards are appropriately dealt with.
- Have in place a strong commitment to bring empty homes back in to use, using a variety of methods, including advice on property refurbishment, the sale of properties either privately or

to third parties who are interested in purchasing previously empty homes. At the time of adoption of this policy, the Council also has a partnership agreement in place with Community Gateway Association, who buy or lease long term empty properties, the Council making a contribution to the renovation costs. (The Council's contributions are raised from off-site developer contributions in lieu of affordable housing targets).

REVISIONS TO THE POLICY

This is a three year policy document, but as Council regulations require capital spend to be approved on an annual basis, there is no provision within this policy to stipulate the amount of capital provision that will be committed to implementing it. In any event, capital resources change year on year. However, any resources that are available and allocated to the implementation of this policy will be approved in accordance with the Council's Financial Procedure Rules and available for public inspection. Any additional in-year funding will also be documented and approved in a similar way.

Once approved, this Policy will take immediate effect (subject to the provisions of the Council's Constitution and the potential for scrutiny review of the Policy) and will be in place for a period of three years, or until revised.

Changes to the Policy may be necessary during the life of the Policy due to legislative changes, financial resource availability, or other reasons, and without the need for a full review and issue of a new policy. Minor changes to the Policy wording may be made by the Director responsible for private sector housing in consultation with the relevant Cabinet Member. Significant changes to the Policy may be made by Cabinet.

The current version of the Policy will be published on the Council's website.

MEASURES OF SUCCESS OF THE POLICY

The Council will periodically carry out condition surveys of the private sector housing stock within the City using representative sampling and surveying techniques. The findings of these surveys will be used to measure changes in the condition of the stock and hence the impact upon the public health of the City's residents.

In addition, data on the number of DFG's completed, the number and type of enforcement actions taken (to deal with hazardous properties) and the number of empty homes interventions are also recorded and reported as necessary through the Council's ongoing performance monitoring mechanisms.

GRANT APPLICATION PROCEDURES

Applications for a grant, or preliminary enquiries about any of the grant procedures, can be made by contacting the Private Sector Housing Team within the Council's Development and Housing Department, or via the Council's website.

The Council does not operate a waiting list for grant applications. All applications are processed in date order as soon as possible after they are received, unless a referral from the Occupational Therapist indicates an urgency such as a terminal illness or the need to expedite a hospital discharge.

Details of how to contact the Council regarding private sector housing matters can be found on the Council's website:

[Housing - Preston City Council](#)

ADVICE ABOUT ASSISTANCE ON MATTERS NOT COVERED BY THE POLICY

Persons seeking advice on private sector housing matters not covered by this policy should contact the Private Sector Housing Team, [Contact us - Preston City Council](#) or [Housing - Preston City Council](#)

COMPLAINTS ABOUT THE POLICY

Complaints about the application of the Policy should be made in the first instance to the Private Sector Housing Team. If the matter cannot be resolved at this stage, then any complaints can be made via the Council's formal Complaints Procedure, details of which can be found on the Council's website:

[Compliments and complaints - Preston City Council](#)

CRITERIA FOR THE AWARD OF DFG GRANTS

The following pages contain details on the eligibility criteria for the financial assistance set out in this Policy.

<https://www.preston.gov.uk/article/932/Disabled-Facilities-Grant-DFGs->

The Council does not charge an application fee for the grants referred to in this policy.

SCOPE OF THE DFG WORK

The Housing Grants, Construction and Regeneration Act (1996) sets out the entitlement to apply for a Disabled Facilities Grant (DFG) to fund works of adaptation or provision of additional facilities. Applications can be made by homeowners and tenants. The grants are administered by Preston City Council.

However, the Social Care Authority, currently Lancashire County Council, must be consulted in determining whether the adaptation is "necessary and appropriate". An Occupational Therapist is involved in making this assessment. The Council is not obliged to comply with the recommendations of the Social Care Authority (though it is unusual not to do so).

In addition, the Council must be satisfied that the works are "reasonable and practicable". It must consider the age and condition of the building and its fitness for human habitation, but grants can still be approved if the building would remain unfit for habitation after the completion of the works. Further considerations are detailed in DOE Circular 17/96, Annex I.

Mandatory DFG

Provided that the recommendations have been agreed to be necessary and appropriate and reasonable and practicable, the Council must consider applications for mandatory grant. Section 23(1) of the Act states that a grant should be approved to facilitate, **for the disabled person:**

- access to the building.
- safety in the home for the disabled person and other people living in the building.
- access to the principal family room.
- access to a bedroom.
- access to a room with a toilet.
- access to a room with a bath and/or shower.
- access to a room with a wash hand basin.
- access to a room for cooking.
- the ability to control a usable heating system (or the provision of such if it does not exist).
- use of sockets, switches and other means of using power, light and heat.
- access and movement of the disabled person to care for someone else normally resident in the property who needs such care (i.e., a disabled parent caring for a child).
- access to the garden.

and for such other purposes as may be specified by order of the Secretary of State.

Detailed guidance on the above can be found in DOE Circular 17/96, Annex I.

Statutory Grant Limits

In law, DFGs currently have an upper cost limit of £30,000 and a lower limit of £1,000. Refer to Page 1 of this policy for the Council's Discretionary grants policy however.

Adaptations costing less than £1,000 are considered "Minor Adaptations" and are not eligible for DFG funding. Requests for any minor adaptations, other than stairlifts, for should be dealt with by Lancashire County Council by contacting [Adult social care - Lancashire County Council](#) .

Grant Conditions

A recoverable charge will be applied to the property where the grant exceeds £5,000. Disposal of the property within 10 years of grant completion will result in the repayment, not exceeding £10,000. The condition is registered as a Local Land Charge.

Test of Resources

Section 30 of the Act states that the amount of the Disabled Facilities Grant is subject to a means test, which is detailed in the Housing Renewal Grants (Prescribed Form and Particulars) Regulations (1996), with guidance in DOE Circular 17/96, Annex J2.

Agreement on the level of contribution made by Registered Providers (formerly Housing Associations) to provide their tenants with adaptations

The Council's contribution will be 50% of the cost, subject to regular review of the capacity in the DFG allocation to accommodate this contribution.