

DEPARTMENT FOR SOCIAL DEVELOPMENT

HOUSING DIVISION

EQUALITY IMPACT ASSESSMENT

PRIVATE SECTOR GRANTS SCHEME

1. Introduction

1.1 The Department for Social Development's Equality Scheme requires an Equality Impact Assessment of the Private Sector Grants scheme. Under the Housing (NI) Order 1992, this scheme provides for a range of grants to be made available to owners of private sector housing. The various grant types can be regarded as schemes within a scheme. Legislative provisions reflect the 'targets' of the scheme: these are (i) unfitness and disrepair in the sector (ii) properties requiring adaptations to meet the needs of the disabled and (iii) those owners who cannot finance the cost of remedial and adaptation work without financial assistance. The scheme employs 'means testing' in order to ensure that resources are targeted at those most in need, which is a fundamental principle of present housing policy. In addition, the legislation prescribes a fitness standard against which to make a technical assessment on properties being considered for grant aid (see Annex A).

1.2 The **current** component grants of the scheme and their uses are:

(i) Renovation Grant – designed to bring unfit properties up to the statutory fitness standard;

(ii) Replacement Grant – specifically to replace unfit, isolated properties in rural areas, when renovation is not technically possible, or where replacement offers best value for money;

(iii) Disabled Facilities Grant – to adapt properties to meet the needs of the disabled;

(iv) Houses in Multiple Occupation (HMO) Grant – renovation grant specific to an HMO (ie. a house which is occupied by people who do not form a single household);

(v) Common Parts Grant – specific to the 'common' parts (eg. stairways) of buildings comprising separate accommodation;

(vi) Minor Works Grant – designed to deal with relatively minor disrepair,

rather than unfitness, and available to the elderly on income related benefits;

(vii) Group Repair – which allows the Housing Executive to grant aid improvements on an ‘area’ rather than individual property basis;

(viii) Repairs Grant – to meet the costs of work specified in statutory Certificates of Disrepair and Public Health Notices.

2. Responsibility Context

2.1 The Department for Social Development determines strategic housing policies, including the Private Sector Grants scheme, and arranges for associated legislation to be designed. The Northern Ireland Housing Executive administers the scheme.

3. Nature of the current scheme

3.1 The current scheme is broadly mandatory in nature, that is to say, for those properties which fail to meet the fitness standard, and which comply with certain other criteria prescribed in legislation, the Housing Executive has a duty to provide grant aid. The amount of grant aid is determined from the approved cost of remedial work, less an applicant’s contribution, assessed through a ‘means test’. Depending on the cost of work, and an applicant’s resources, it may be that the applicant is deemed to be able to finance all the work and no grant is payable, or that the cost is financed through a combination of grant aid and an applicant’s contribution, or that the grant scheme finances the full cost of work.

3.2 Outside of works associated with its statutory duty, the Housing Executive has discretion to provide disabled facilities grant, in order to assist with the accommodation, welfare or employment needs of a disabled occupant.

3.3 It is important to stress that access to, and benefits from the scheme, are dependent on factors such as house condition, ownership and resources, rather than Section 75¹ categorisation.

4. Proposals

4.1 Proposed changes to the Private Sector Grants Scheme, and which are to be provided for in a Housing Bill currently being prepared, are set out in the following paragraphs. The changes emanate from a comprehensive review of housing policies carried out in 1996 and set out in the consultation document 'Building on Success'*. Following consultation, confirmation that proposals would be taken forward was contained in the Action Plan to the document 'Building on Success-the Way Ahead' published in July 1996**. Successive Ministers have approved the proposed changes.

* Available on the Internet at <http://www.doeni.gov.uk/housing>

** Available from Housing Management Branch

Renovation, Replacement, HMO and Common Parts Grants

(i) It is proposed that, with the exception of Disabled Facilities Grant, the scheme will change from mandatory to discretionary in nature, although the purpose of the scheme, its design characteristics, the means test and the variety of grants available, will essentially remain as at present. The proposal means that the Housing Executive-would no longer have a duty to provide grant aid, except in Disabled Facilities Grant cases. A discretionary scheme is seen as providing greater flexibility to the Housing Executive, in the event that even more specific targeting is desired, beyond that provided for in the present mandatory scheme. The grants affected by the change in nature are Renovation, Replacement, HMO and Common Parts (see para 6.1 below)

¹ Between persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation. Between men and women generally, between persons with a disability and persons without and between persons with dependants and persons without.

Home Repair Assistance

- (ii) It is proposed to introduce a Home Repair Assistance grant to replace the present Minor Works Assistance (which targets the elderly who are in receipt of income related benefits/tax credits) and is designed to remedy relatively minor disrepair. Home Repair Assistance would cover a broader range of work than Minor Works Assistance, and would be available to all who are on a means tested benefit/tax credit. This means test etc. criterion would not apply to the elderly, disabled and infirm. The grant would cover 100% of the costs of work up to a financial limit higher than that which currently applies to Minor Works Assistance. Apart from the broadening of the range of work and the increased limit, the proposal recognises that under the present scheme, the non-elderly on limited income are excluded from access to grant aid, where the nature and range of disrepair does not fall within the scope of the main Renovation and Replacement Grants. (see para. 6.2 below)

Deferred Action Notices (DAN)

- (iii) It is proposed to introduce Deferred Action Notices (DAN) (see para 6.3 below) in order to give the Housing Executive greater flexibility to deal with unfit properties,

Group Repair

- (iv) Changes are proposed to the number and type of properties which can be included in a scheme. (see para 6.4 below) in order to provide additional flexibility to the Housing Executive in drawing up these schemes. The schemes provide grant aid to carry out improvements on an 'area' rather than individual property basis.

Repair grant

- (v) Currently, private home owners can access this grant, which was not the

intention when existing legislation was developed. In order to bring the policy and legislation into line with the original intention, it is proposed to limit access to this grant to landlords and tenants with repair obligations. (see para. 6.5 below)

5. Purpose of Impact Assessment

- 5.1 The primary aim of this assessment is to determine the extent of differential impact upon the relevant groups and in the light of this assessment to consider:
 - (i) measures which might be employed to mitigate adverse impact; and
 - (ii) alternative policies which might better achieve the promotion of equality of opportunity.

- 5.2 In assessing any policy initiative, it is necessary to take account of any likely differential impact of the policy on persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation, between men and women generally, between persons with a disability and persons without and between persons with dependants and persons without.

- 5.3 Differential impact on a group can arise from the provision of additional benefits as well as exposure to disadvantage. It may be a matter of direct targeting of one group rather than another, for example in the case of targeting social need, or it may be an indirect consequence of the use of some other mechanism for targeting delivery of the policy.

- 5.4 The purpose of this Equality Impact Assessment, therefore, is to determine if, and how, the strategic policy decision to change the nature of the scheme from mandatory to discretionary, and the other proposals, might affect equality of opportunity for the various Section 75 categories. The Housing Executive administers the scheme, and has a separate obligation to screen the operational implications of policies and, if appropriate, to carry out its own Equality Impact Assessment.

6. Assessment of Impacts

Historically, the Department has not required or collected data, which would show how the present scheme impacts on any of the Section 75 categories. Such data as the Housing Executive collects, based on information from grant applications, is insufficient to constitute hard evidence about Section 75 categories. It is clear, nevertheless, that those with disabilities benefit uniquely from the Disabled Facilities Grant and the elderly on certain benefits have unique access to Minor Works Assistance grant. As explained below, however, some broad generalisations may be made, from data which is in the public domain.

6.1 Proposal to change Renovation, Replacement, HMO and Common Parts Grants from mandatory to discretionary.

6.1.1 These particular grants are intended to assist owners of private sector dwellings to finance the cost of remedial works required to bring their properties up to the statutory fitness standard.

Religion

6.1.2 The 2 main grants (in terms of resources and numbers of applications) aimed at remedying unfitness in dwellings, are Renovation Grant and Replacement Grant. Successive quinquennial House Condition Surveys confirm that unfitness predominates in rural areas. The 1991 Census shows that the Catholic community has greater representation than the Protestant community in the West of the Province and Derry, where the incidence of unfitness is greatest. It is possible, therefore, to draw an inference that numerically, Catholics may access these grants to a greater degree than Protestants. In addition, the 1998/99 NI Family Expenditure Survey confirms that income in rural areas and among the Catholic community is less than that of the Protestant community.

- 6.1.3 While there is no hard evidence, it may be that individually and collectively, the Catholic community attracts a greater part of the Renovation and Replacement grants budget than the Protestant community. Such an outcome would not, however, derive from any facet of the scheme, but rather from housing settlement, economic patterns and levels of unfitness in the properties.
- 6.1.4 It is not possible to draw any inference about the participation of other religious groupings, as no data is collected.
- 6.1.5 Applications for HMO Grant and Common Parts Grant are significantly less in number than for Renovation and Replacement grants. No data is collected on the religion background of those who access these grants (ie. private sector landlords) nor the beneficiaries of the work which the grants provide for, although it is known that the tenants of these properties are mainly young, single and without dependants.

Political Opinion

- 6.1.6 No data is collected about access or otherwise to these grants by this Section 75 category.

Gender

- 6.1.7 No data is collected about access or otherwise to these grants by this Section 75 category.

Race

- 6.1.8 No data is collected about access or otherwise to these grants by this Section 75 category.

Disability

6.1.9 No data is collected about access or otherwise to these grants by this Section 75 category. However, it should be noted that the Disabled Facilities Grant will remain mandatory as at present.

Age

6.1.10 No data is collected about access or otherwise to these grants by this Section 75 category, however, in the context of the main grants which remedy unfitness, the most recent House Condition Survey records that 51.5 % of owners of unfit properties are aged 60 or over.

Marital Status

6.1.11 Under the current scheme, the means test applies different income thresholds to applicants with and without partners. As a consequence, an applicant who is married or has a partner will make less of a contribution towards the cost of remedial work than a single applicant, even though income levels may be similar. The change from a mandatory to a largely discretionary grants regime will not affect this situation.

Dependants

6.1.12 Under the current scheme, the means test applies different income thresholds to applicants who have and have not dependants. As a consequence, an applicant with dependants will make less of a contribution towards the cost of remedial work than an applicant without dependants, even though income levels may be similar. The change from a mandatory to a largely discretionary grants regime will not affect this situation.

Sexual Orientation

6.1.13 No data is collected about access or otherwise to these grants by this Section 75 category.

Summary of Impact

6.1.14 It is not possible to say if, and how, the proposed change to discretionary Renovation, Replacement, HMO and Common Parts grants might impact on any of the Section 75 categories. One of the reasons why the Department is consulting on this policy proposal with groups representing the Section 75 categories is to ascertain their views on the proposals.

6.2 Proposal to introduce Home Repair Assistance grant

6.2.1 It is proposed to introduce a Home Repair Assistance grant to replace the present Minor Works Assistance (which targets the elderly who are in receipt of income related benefits/tax credits) and is designed to remedy relatively minor disrepair. Home Repair Assistance would cover a broader range of work than Minor Works Assistance, and would be available to all who are on a means tested benefit/tax credit, however, the means test etc. criterion would not apply to the elderly, disabled and infirm. The grant would cover 100% of the costs of work up to a financial limit higher than that which currently applies to Minor Works Assistance. Apart from the broadening of the range of work and the increased limit, the proposal recognises that under the present scheme, the non-elderly on limited income are excluded from access to grant aid, where the nature and range of disrepair does not fall within the scope of the main Renovation and Replacement Grants.

Section 75 categories

6.2.2 No data is collected about access or otherwise to the predecessor to this grant by any Section 75 category.

Summary of Impact

6.2.3 Until such time as the Home Repair Assistance grant becomes operational, it is not possible to determine if access to, and benefits from the grant, by the elderly, would be any less than that enjoyed by the group through the present Minor Works Assistance. However, the wider range of work which can be grant aided, the increased financial limit and the removal of the elderly-only access for Home Repair Assistance will improve the access and benefits of the grant to a wider section of the community. The fact that the elderly and disabled will not have to meet the means test etc criterion is an advantage over other Section 75 groups.

6.3 Proposal to introduce Deferred Action Notices (DAN)

6.3.1 Under the present scheme, the Housing Executive can only deal with an unfit property in three ways, these are (a) grant aid (b) a Closing Order (which precludes the property from further habitation) or (c) a Demolition Order (which requires demolition of the property). Grant aid is, by far, the normal course of action. Where it considers that particular circumstances apply, a DAN will provide additional flexibility to the Housing Executive in determining the best course of action. As with Closing Orders and Demolition Orders, which will remain as available options, it is not envisaged that DANs will be used to any great extent.

Section 75 categories

6.3.2 As this is a new proposal there is no historic data relating to any of the Section 75 categories.

Summary of Impact

6.3.2 It is not possible to gauge the potential impact of their use on any Section 75 category, since there is no past data to consider, the incidence of use cannot be pre-determined and their pattern of use may not necessarily follow the Section 75 pattern of grant applicants.

6.4 Proposal to extend the Group Repair scheme

6.4.1 These schemes provide grant aid to carry out improvements on an 'area' rather than individual property basis. In order to provide additional flexibility to the Housing Executive in drawing up these schemes, the most important proposal is to increase the numbers of properties which can constitute a scheme. It is also proposed to allow flats and houses in multiple occupation (HMOs) to be included in a scheme.

Section 75 categories

6.4.2 No data is collected about access to the present scheme by any Section 75 category. In the event that any future scheme were to include flats or HMOs, it is known that the young, and single persons without dependants predominate this sector.

Summary of Impact

6.4.3 Until such time as the Housing Executive draws up a programme of schemes using the more flexible approach, it is not possible to determine if and how Section 75 categories may be affected by the proposals.

6.5 Proposal to limit access to Repair Grant to landlords and tenants with repair obligations.

6.5.1 This grant is intended to assist the private rented sector and is accessible on foot of statutory repair or public health notices. However, current legislation does not confine access to this sector, and private home owners have accessed

the grant. In order to bring legislation into line with the original policy intention, it is proposed to limit access to this grant to landlords and tenants with repair obligations who have been served with statutory notices. An increase in the grant limit is also proposed.

Section 75 categories

6.5.2 No data is collected about access to the present scheme by any Section 75 category.

Summary of Impact

6.5.3 It is not possible to gauge the potential impact of this proposal on any Section 75 category, since there is no past data to consider.

7. Alternatives and mitigation

7.1 **Change to a largely discretionary scheme:** In order to meet the objective of a more flexible grants scheme, there are no alternatives to the proposal to change the nature of the scheme from mandatory to largely discretionary.

7.2 With particular reference to religion, for which some inference may be drawn, any differential benefits from the grants scheme which may be enjoyed by one community over another, will be a reflection of the incidence of unfitness and the financial resources available to those communities, rather than a differential caused by the design of the scheme itself.

7.3 **Home Repair Assistance:** Under the proposal to replace Minor Works Assistance with Home Repair Assistance, the elderly would no longer enjoy unique access to grant aid for relatively minor works. However, the proposal widens the applicant pool, in that, the under 60s on low incomes will have an opportunity, not previously available, to access grant aid for relatively minor works. In addition, the wider range of work and increased financial limit for Home Repair Assistance is a benefit to all.

7.4 **Introduction of DANs:** The purpose of DANs is to give greater flexibility to the Housing Executive, when considering actions to deal with unfit properties. A DAN will provide a ‘breathing space’ within which the Housing Executive can give more consideration as to how best to meet the needs of individuals in unfit properties. This will overcome the constraints and problems currently associated with the immediacy of the requirement to serve Closing Orders or Demolition Orders, when grant aid is not deemed appropriate. In order to give the Housing Executive the authority to depart from current options, it is necessary to put that authority on a statutory basis, since current options are legislation based.

7.5 **Group Repair:** The proposal to increase the area which can encompass a Group Repair scheme, and to allow previously excluded property types to be included, reflects constraints that currently apply, and which have mitigated against more comprehensive schemes being developed. Since the aim is to remove these constraints, no alternative has been considered.

7.6 **Repair Grant :** The proposal is designed to align legislation with the long standing policy intention of assisting the private rented sector. In order to do so, there is no alternative to the proposal to limit access to that sector.

8. Equality Impact : Conclusion

8.1 The proposal to change the nature of the grants scheme from mandatory to discretionary is regarded as essential, in order that, for example, the Department and the Housing Executive can best meet their respective new Targeting Social Need responsibilities. The flexibility provided by a discretionary scheme would allow more precise targeting, in the event that the Housing Executive, in its role as assessor of housing need, deemed more precise targeting to be appropriate

8.2 Other proposals introduce more flexibility to the grants scheme, providing more options when dealing with specific cases or area based problems and

targeting specific sectors.

8.3 The Department's overall conclusion is, that the proposal to change the nature and, to a limited extent, the design of the scheme, does not, of itself, impact adversely on the equality of opportunity of Section 75 categories to access, or gain benefit from, the grants scheme, although the Department acknowledges that there is little data to support this conclusion.

8.4 Any potential for differential impact on one or more of the Section 75 groups, as a consequence of implementation of the policy proposals, can only be determined by the Housing Executive. Once operational, and when data is available, the Housing Executive will be responsible for screening the policies and, depending on the outcome of the screening exercise, carrying out an equality impact assessment.

9. Future Data Collection

9.1 The Department foresees that future data collection will occur at an operational level ie. within the Housing Executive, since that is where all material associated with applications for grant aid resides. In common with many other aspects of the Housing Executive's responsibilities and performance, the Department, in its sponsor/oversight role, will seek agreement as to inter alia (a) the extent of data collection required (b) a timetable for establishing a revised data collection system and (c) a reporting mechanism designed to inform the Department as to progress against the timetable.

THE FITNESS STANDARD

SOURCE: THE HOUSING (NI) ORDER 1992 (Extract from Schedule 5)

A house is fit for human habitation for the purposes of this Order unless, in the opinion of the Executive, it fails to meet one or more of the requirements in sub-paragraphs (a) to (i) and, by reason of that failure, is not reasonably suitable for occupation-

- (a) it is structurally stable;
- (b) it is free from serious disrepair;
- (c) it is free from dampness prejudicial to the health of the occupants (if any);
- (d) it has adequate provision for lighting, heating and ventilation;
- (e) it has an adequate piped supply of wholesome water;
- (f) there are satisfactory facilities in the house for the preparation and cooking of food, including a sink with a satisfactory supply of hot and cold water;;
- (g) it has a suitably located water-closet for the exclusive use of the occupants (if any);
- (h) it has, for the exclusive use of the occupants (if any), a suitably located fixed bath or shower and wash-hand basin each of which is provided with a satisfactory supply of hot and cold water; and
- (i) it has an effective system for the draining of foul, waste and surface water;

and any reference to a house being unfit for human habitation shall be construed accordingly.

(2) Whether or not a house which is a flat satisfies the requirements in paragraph (1), it is unfit for human habitation for the purposes of this Order if, in the opinion of the

Executive, the building or a part of the building outside the flat fails to meet one or more of the requirements in sub-paragraphs (a) to (e) and, by reason of that failure, the flat is not reasonably suitable for occupation-

- (a) the building or part is structurally stable;
- (b) it is free from serious disrepair;
- (c) it is free from dampness;
- (d) it has adequate provision for ventilation; and
- (e) it has an effective system for the draining of foul, waste and surface water.

The Department has the power to amend the above provisions in any appropriate manner.