

Municipal Buildings, Greenock PA15 1LY

Ref: ND/JC

Date: 22 October 2009

I refer to the agenda for the meeting of the **Safe, Sustainable Communities Committee** to be held on **Tuesday 27 October 2009** and now attach report as undernoted which the Committee may wish to consider as an additional item.

ELAINE PATERSON
Head of Legal and Administration

Undernote

Additional item:

Private Sector Housing Grant: Adaptations, Revised Budget
Report by Corporate Director Environment & Community Protection

Enquiries to – Neil Duffy – Tel 01475 712147

Report To:	Safe, Sustainable Communities Committee	Date:
Report By:	Corporate Director, Environment and Community Protection	Report No: ECP/Plann/WR/09/
Contact Officer:	William Rice	Contact No: 01475 712070
Subject:	Private Sector Housing Grant : Adaptations, Revised Budget	

1.0 PURPOSE

- 1.1 To advise Committee of an unexpected increase in demand for adaptations grants and propose a revised Private Sector Housing Grant (PSHG) budget for 2009/10, with temporary changes to the adaptations policy to ensure that the Council continues to meet it's obligations to provide financial assistance for adaptations as per the Housing (Scotland) Act 2006.

2.0 SUMMARY

- 2.1 PSHG is received by the Council from the Scottish Government and is aimed at improving private sector housing in Inverclyde through the funding of a range of services and providing grant assistance to owners for a range of works which fit with the three-strand objectives approved by Committee in 2006, of tackling disrepair, assisting disadvantaged owners and supporting the private sector. [Min Ref 21/03/06 Para 254
- 2.2 The Housing (Scotland) Act 2006 places a duty on Local Authorities to provide assistance to make a house suitable for a disabled person. This assistance, as a minimum, is an 80% grant for adaptation work, or 100% grant where the applicant receives certain benefits.]
- 2.3 This report highlights the current position with regards to funding assistance for adaptations and proposes changes to the PSHG budget to allow the Council to be able to meet it's statutory obligations in terms of providing financial assistance for work to meet the needs of disabled people.

3.0 RECOMMENDATIONS

- 3.1 That Committee:
- a) note the current pressures on the adaptations budget; and
 - b) approve the revised 2009/10 budget.

Fraser K Williamson
Head of Planning and Housing

4.0 BACKGROUND

- 4.1 At its meeting of 5th May 2009 the Committee agreed to adopt a new adaptations policy in response to legislative changes brought in by the Housing (Scotland) Act 2006. [Min Ref: 05/05/09; Para 287]
- 4.2 At its September 2009 meeting, the Committee agreed to utilise PSHG for a number of services, grants and projects in the period 2009/10, including a budget of £555,000 for the provision of financial assistance for home owners requiring adaptations. [Min Ref: 01/09/09; Para 502]
- 4.3 Since 1st April 2009 demand on the adaptations budget has been 60% greater than anticipated and, as such, an increased adaptations budget is required to meet current demand and manage estimated demands.
- 4.4 Analysis of the previous 5 years adaptations figures is illustrated in table 4.4a below;

Year	Approvals at October	Average Award %	Average Award £
2005/06	86	88%	£2,953
2006/07	96	92%	£3,422
2007/08	112	90%	£3,200
2008/09	118	90%	£3,699
2009/10	183	92%	£4,098

(table 4.4a)

As can be seen, the average number of applications in the October of any year is 103, with a range of 86 to 118. To date we have received 183 applications, an increase of 55% on the 2008/09 position. Discussion with other Local Authorities and the National Care & Repair Forum indicate that the increase is in line with the national picture. Anecdotal evidence suggests that the increase in applications is as a result of increased awareness of the minimum 80% grant level due to publicity by a range of national and local specialist groups.

5.0 PROPOSALS

Services, Grants and Projects

5.1 The Property Inspection Service

The current Property Inspection Officer has advised of his intention to hand in his resignation during November 2009. Based on previous experience it is unlikely that a suitable candidate will be employed prior to March 2010. As such, an underspend on £7,000 is anticipated in 2009/10.

5.2 Private Sector Information and Advice

This budget is fully committed and expected to be spent in full.

5.3 Lead Pipe Replacement Grants

The lead pipe replacement budget is expected to be spent in full

5.4 Inverclyde Care & Repair

5.5 As previously noted, the adaptations budget has been subject to unprecedented demand, and as such, a budget revision is required to ensure that the Council

continues to meet its obligations.

5.6 Currently there are 45 high priority applications being held on a waiting list by Inverclyde Council and Care & Repair. The Centre for Independent Living advise that there are an additional 40 cases awaiting assessment and an unknown number of self-referrals likely to be received between November 2009 and March 2010. It is proposed that the current waiting list and unassessed cases be assessed and re-prioritised within their current high priority status to ensure that those most in need are identified and assisted at the earliest opportunity when funding becomes available. It is proposed that an additional budget of £300,000 be approved to allow approximately 70 re-prioritised cases to be tackled within this financial year and that the remaining cases be held until next years budget is approved. Appendix I of this report sets out the savings that can be made within the services, projects and grants and illustrates how these can be used to provide the additional funding proposed.

5.7 The budget for repair grants for elderly homeowners is expected to be spent in full.

5.8 The budget for central heating grants for those in fuel poverty is expected to be spent in full.

5.9 Small Repairs Service

The budget for the Small Repairs Service is expected to be spent in full.

5.10 Energy Efficiency Advice

The Energy Efficiency budget is expected to be spent in full.

5.11 Mandatory Grants

The Mandatory Grants budget of £85,000 is expected to overspend by £2,183 due to an enforcement notice being served on Below Tolerable Standard housing and the resultant grant entitlement.

5.12 Larfield Housing Association – Steel Houses

Due to a low uptake from owners it is anticipated that there will be no spend against this budget.

5.13 Implementation of the Housing (Scotland) Act 2006

It is anticipated that this budget will underspend by £5,000.

5.14 Regeneration Enabling

The regeneration enabling budget was established to take forward area specific regeneration. However, due to delays in implementing regeneration it is unlikely that this budget will be spent fully in this financial year. Therefore, it is proposed to utilise £205,366 of this budget for adaptations to ensure that the Council continues to meet it's obligations.

5.15 Owners in RSL Programmes

Only one RSL has taken advantage of this budget to include owners in their refurbishment scheme and, as such, the budget is expected to underspend by £32,000.

5.16 Grant Recovery

In 2007/08 Inverclyde Council provided repair grants to home owners who were taking part in Oak Tree Housing Associations Steel House refurbishment programme. A total of 17 owners participated in this programme with an average grant award of £16,576 resulting in a payment of £281,375 to OTHA on behalf of these owners.

5.17 The owners works were completed early in the programme to fit with our PSHG budget of that year and upon completion of the owners works the relevant grant amounts were paid to Oak Tree who continued the contract into 2008/09 with SHQS work on their own properties. Oak Tree have recently contacted the Council to advise that the final works cost has been agreed with the contractor and as a result the owners final costs have come in on average £720 less than was estimated at practical completion.

5.18 Therefore, a sum of £11,817 is due in overpaid grant and the Scottish Government have advised that it would be appropriate for the Council to retain this money and ensure that it is spent in line with the PSHG grant offer.

6.0 IMPLICATIONS

Strategic

6.1 The continued delivery of services to vulnerable client groups both in partnership and directly from Inverclyde Council allows the Council to deliver the aims of several key documents and strategies, as does the inclusion of owners within refurbishment schemes and communal works. In addition to the Local Housing Strategy and 2008 Strategic Housing Investment Plan, PSHG makes a valuable contribution to several strategic aims and objectives as set out in the:

- Joint Futures Agenda;
- Joint Community Care Strategy;
- Community Plan; and
- Corporate Plan.

Financial

6.2 All proposed virements will be met from within the PSHG budget.

Legal

6.3 There are no Legal implications arising from this report.

Personnel

6.4 There are no Personnel implications arising from this report.

Equalities

6.5 When delivering services to our customers, full cognisance is taken of equality and diversity processes and procedures.

7.0 CONSULTATIONS

7.1 This report has been prepared in consultation with:

- Chief Financial Officer

8.0 LIST OF BACKGROUND PAPERS

- Housing (Scotland) Act 2006 – Work to Meet the Needs of Disabled People. SSC Committee, 5th May 2009.
- **Private Sector Housing Grant: 2008/09 Outturn and 2009/10 Update. SSC Committee, 1st September 2009.**

Attachment – Appendix 1: Revised PSHG Budget 2009/10

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6 Cathcart Square
Greenock

19th October 2009

SCC Cmtte 2009 PSHG Update

Appendix 1

Budget Heading	Strategic Fit	Current 2009/10 Budget	Projected Outturn	Variance	Revised 2009/10 budget	Virement £	Virement Description
Property Inspection Service	Private Sector Support	30,000	23,000	7,000	23,000	(7,000)	To adaptations
PS Info & Advice	Private Sector Support	15,000	15,000	0	15,000		
Small Repairs Service	Assis Disadv O/Occs	75,410	75,410	0	75,410		
Lead Pipe Grant	Tackling Disrepair	5,000	5,000	0	5,000		
Private Landlords Info & Advice	Private Sector Support	3,000	2,000	1,000	2,000	(1,000)	To adaptations
C & R – Adaptations	Assis Disadv O/Occs	555,000	855,000	(300,000)	855,000	300,000	From Regen, PIS, Priv L/Lords, LHA & RSL Ownrs
C & R – Repair Grants	Assis Disadv O/Occs	100,000	100,000	0	100,000		
PS Energy Efficiency	Assis Disadv O/Occs	1,000	1,000	0	1,000		
Central Heating Grants	Tackling Disrepair	75,000	75,000	0	75,000		
Mandatory Grants	Tackling Disrepair	85,000	87,183	(2,183)	87,183	2,183	From Regeneration Enabling
Regeneration Enabling	Enabling Works	391,680	186,314	205,366	186,314	(205,366)	To adaptations and Mandatory Grants
Implementation of H(S)/A 06	Implement Legislation	10,000	5,000	5,000	5,000	(5,000)	To adaptations
Sub-total Committed		1,346,090	1,429,907		1,429,907		
LHA Steel House	Tackling Disrepair	40,000	0	40,000	0	(40,000)	To adaptations
PODS 2/4 John St	Tackling Disrepair	0	0	0	0		
Owners In RSL Projects	Tackling Disrepair	50,000	18,000	32,000	18,000	(32,000)	To adaptations
Sub-total Committed		90,000	18,000	72,000	18,000		
C&R Revenue (PSHG Element)*	Private Sector Support	122,810	122,810	0	122,810		
Total Expenditure		1,558,900	1,570,717	(11,817)	1,570,717	(11,817)	To adaptations
Funded By:							
PSHG Award		1,178,000			1,178,000		
Additional PSHG Award		0			0		
Carry forward from 08/09		380,900			380,900		
Grant re-claim		11,817			11,817		
Total PSHG Budget Available		1,570,717	1,570,717		1,570,717		
07/08 Overclaim**		50,000			50,000		

* C&R Revenue does not include non-PSHG contribution of:£50,000

** Overclaim cannot be spent in 2009/10