

---

<b>Report To:</b>	<b>Safe, Sustainable Communities Committee</b>	<b>Date:</b> 9 <sup>th</sup> March 2010
<b>Report By:</b>	<b>Corporate Director, Environment and Community Protection</b>	<b>Report No:</b> ECP/Plann/WR10/006
<b>Contact Officer:</b>	<b>William Rice</b>	<b>Contact No:</b> 01475 712070
<b>Subject:</b>	<b>Scheme Of Assistance: Private Sector Housing Grant Budget Proposal 2010/11</b>	

---

## 1.0 PURPOSE

- 1.1 This report provides Committee with information on the proposed 2010/11 PSHG budget which will allow Inverclyde Council to deliver the aims and objectives as set out in the Council's approved Scheme of Assistance (Section 72 Statement), of The Housing (Scotland) Act 2006.

## 2.0 SUMMARY

- 2.1 The Council's approved Scheme of Assistance is effectively the replacement for the current private sector housing strategy which is funded from the Private Sector Housing Grant (PSHG) and will come into force on 1<sup>st</sup> April 2010, following the removal of the ring-fence from the PSHG budget on 31<sup>st</sup> March 2010. From this date the PSHG allocation will be allocated to the Council within the overall General Capital Grant award. However, the Scottish Government have advised each local authority of the relevant element of the General Capital Grant which would be the PSHG equivalent up to 2013/14.
- 2.2 PSHG has been used for some years to make improvements to private sector housing in Inverclyde through funding of a range of services and providing grant assistance to owners for a range of works within an overall strategic approach. The Scheme of Assistance continues a strategic approach to improving private sector housing in Inverclyde and meeting our statutory obligations through the provision of advice and information, practical assistance and financial assistance.
- 2.3 Subject to the Scottish Government spending review a PSHG award of £1.158m has been indicated as an allocation for Inverclyde Council in 2010/11.

## 3.0 RECOMMENDATION

- 3.1 That Committee:
- a) agree the proposed PSHG 2010/11 budget outlined in this report.

**Fraser K Williamson**  
**Head of Planning and Housing**

## 4.0 BACKGROUND

- 4.1 The Committee has approved the Scheme of Assistance which sets out the Council's approach to providing home owners in Inverclyde with relevant information, advice and assistance in line with the requirements of Section 72 of The Housing (Scotland) Act 2006.
- 4.2 The Scheme of Assistance takes cognisance of the principles of The Housing (Scotland) Act 2006 and sets out our priorities in terms of providing advice & information, practical assistance and financial assistance to the home owners of Inverclyde. It should be noted that the Scheme of Assistance defines an approach as opposed to simply a set of measures and is intended to match assistance to the barriers that owners may experience in exercising their rights and responsibilities.

**Min Ref:  
27/10/09,  
Para 675**

## 5.0 PROPOSALS

- 5.1 Committee is asked to note and agree the proposed 2010/11 budget as outlined in Appendix 1, which takes account of the indicative PSHG allocation, the recent change to a capital and revenue split and the requested reductions in the capital and revenue budgets.
- 5.2 The following sections set out the services, projects and grants that are proposed to be funded and delivered under the Scheme of Assistance budget, which should allow the Council to meet its statutory obligations and continue to deliver the strategic aims of the Local Housing Strategy.

**Appendix 1**

### The Property Inspection Service

- 5.3 The Property Inspection Service provides a free information, advice and inspection service to owners residing within residential properties in Inverclyde. The reports, along with advice and information, have assisted owners in identifying repairs at an early stage, reducing the need for major repairs at a later date and the possibilities of financial assistance being sought from the Council for avoidable major repairs. The Inspection Service has also been utilised by other Council Services where specialist knowledge has been required to identify and address issues of disrepair.

### Lead Pipe Replacement Grants

- 5.4 The Council provides prioritised financial assistance to households wishing to replace lead piping which supplies drinking water where the property is the main residence of the undernoted groups;
- children aged 16 and under
  - pregnant lady
  - occupiers aged 60 years of age or over

A grant level of 50% has been set for all applications and is estimated that the budget set aside will allow us to further reduce lead contaminated drinking water supplies.

### Private Landlords Information & Advice

- 5.5 It is proposed to continue printing and publishing the biannual private landlords newsletter 'Letting You Know,' which allows the Council to disseminate targeted information, promote good practice and provide landlords with information on recent and forthcoming legislative changes.

### Inverclyde Care & Repair

- 5.6 Inverclyde Care & Repair is a partnership between the Scottish Government, Cloch Housing Association, NHS Greater Glasgow and Clyde, and Inverclyde Council. The service provides support to elderly and/or disabled clients in maintaining their homes or having their homes adapted to meet their needs and is a key partner in the delivery of the advice & information and practical assistance elements of our Scheme of Assistance.
- 5.7 The revenue (salary and operational) costs of the service were met by the Scottish Government and Inverclyde Council from the PSHG award, with a further contribution of £50,000 directly from Inverclyde Council. It is proposed that this funding arrangement be continued.
- 5.8 The delivery of adaptations to home owners is on a needs-led basis with assessment and identification of priority carried out by an Occupational Therapist (OT) prior to any application for financial assistance. Upon confirmation of the need, identified by the OT, Care & Repair carry out a technical and financial assessment, organise quotes, architects drawings and apply for permits as and when necessary. Care & Repair also assist the client in applying for financial assistance from Inverclyde Council in line with our statutory obligations to provide financial assistance to meet the needs of disabled people. A budget, based on historical demand, has been estimated which should allow us to meet our statutory obligations. It should be noted that the 2009/10 budget has seen an increase of 55% compared to demand in previous years and, as such, the budget had to be increased accordingly at the end of quarter 2 to allow our statutory obligations to be met.

### Small Repairs Service

- 5.9 The Small Repairs Service is operated via Care & Repair and is a partnership between the Scottish Government, Cloch Housing Association and the Council. The service is available to elderly and/or disabled home owners to assist them in carrying out small repairs to their home where they would find it difficult or too costly to source contractors to carry out the work. The revenue (salary and operational) costs of this service are funded wholly from the PSHG award and it is proposed to continue this service in its current format.

### Energy Efficiency Advice

- 5.10 The award winning service, LESS Inverclyde, was launched in November 2008 and offers subsidised insulation measures, energy advice and a free home energy report to every private household in Inverclyde. Funded by a six-figure contribution from Scottish Hydro Electric it is anticipated that the scheme will contribute to significant improvements in home energy ratings, reduced CO<sup>2</sup> emissions, reduced energy use and removing residents from fuel poverty and being at risk of fuel poverty. A nominal budget is proposed to assist with promotional activities to encourage take up and ensure maximum benefit for the residents of Inverclyde.

### Central Heating Grants

- 5.11 Means tested central heating grants are delivered by the Care & Repair Service for applicants who do not qualify for the Scottish Government's Central Heating Programme (CHP), irrespective of age, who are in Fuel Poverty and are without heating, who have a heating system that is broken beyond economical repair, or who have a heating system that is inefficient and contributing to their fuel poverty status. Where gas central heating is being grant funded, the applicant must install an energy efficient condensing boiler. The installation of a condensing boiler will benefit the householder with lower fuel bills and assist them in moving out of fuel poverty, key aim of the Council. It is estimated that replacing a 15 year old inefficient boiler (G rated)

with an A rated condensing boiler could reduce heating bills by £235 per year and save 1,260kg of CO2 in the same period. (Energy Savings Trust, Nov 2009, based on 3 bedroom semi-detached property). The recent introduction of a boiler scrappage scheme will be factored into Central Heating Grants to ensure that there is no duplication of available services and that the full benefits of the scrappage scheme are factored in for the benefit of Central Heating Grant recipients.

#### The Tolerable Standard and Standard Amenities

- 5.12 Where a property is identified as being below the tolerable standard (BTS) or lacking standard amenities financial assistance will be provided to encourage the owner to carry out works and bring the property up to at least the tolerable standard. This financial assistance will be at a 50% flat rate of the cost of the works required to meet the tolerable standard. Prioritisation and allocation of the budget will be directed by the significance of the element which has led to failure and the findings of the forthcoming Private Sector Housing Condition Survey.

#### Support For Owners

- 5.13 Whilst the approach and policy for the Support For Owners fund is set out within the Scheme of Assistance this is a ring-fenced budget and, as such, will be the subject of separate reports to Committee.

#### Promotion of Scheme of Assistance

- 5.14 As previously noted, the Scheme of Assistance defines an approach, not just a set of measures and successful implementation will require a cultural shift in the attitudes of Inverclyde's home owners with regards to property ownership and maintenance. To assist with this cultural shift a budget has been set aside which will allow for the creation of advice and information sources as well as promotional materials for preparation and distribution throughout 2010/11.

#### Regeneration Enabling

- 5.15 A budget has been set aside for the purpose of regeneration enabling. However, it should be noted that the planned regeneration is dependant upon the implementation of the Housing Renewal Area (HRA) legislation as set out in Part 1 of the Housing (Scotland) Act 2006. A sum of £186,314 is noted as an earmarked reserve to be carried forward from the 2009/10 PSHG budget and included in the proposed budget. Progress is being made towards becoming the first Local Authority in Scotland to utilise these powers to tackle disrepair. A number of derelict properties in the area have been secured and others will be subject to Closing Orders which will require to be secured in the future as we progress towards regeneration.
- 5.16 The Council has given a public commitment to tackling the physical and social problems that are well documented in the Clune Park area of Port Glasgow and discussions are ongoing with the Housing Investment Division of Scottish Government regarding funding and masterplanning for regeneration. It has been indicated that the Council will need to contribute significant sums of PSHG to kickstart the regeneration of the Clune Park area and the mechanisms for this are currently under consideration by the Clune Park Regeneration Task Group, chaired by Councillor McCabe. A separate report on the progression of Clune Park Regeneration is included in the agenda for this Committee.

#### Owners in RSL Programmes

- 5.17 A budget has been set aside to provide support for owners where communal works are required by the other Housing Associations in Inverclyde not covered by the Support For Owners agreement between Inverclyde Council, River Clyde Homes and

the Scottish Government. Investment plans submitted by the local RSLs as part of the Strategic Housing Investment Plan 2010 – 2015 (SHIP) indicate a number of projects which may have a significant financial impact upon owners as the RSLs progress towards SHQS attainment.

#### Ring-Fenced PSHG

- 5.18 The financial year 2009/10 will be the final year in which the PSHG allocation to local authorities is ring-fenced, after this the award will be rolled into the overall General Capital Grant awarded to local authorities and it will be the responsibility of the Local Authority to prioritise private sector housing investment within its existing budgets. Committee is asked to note this change and the projected demand on PSHG in the forthcoming years as outlined in the recently approved Strategic Housing Investment Plan 2010–2015 and anticipated in the Private Sector Stock Condition Survey 2010.

#### Capital and Revenue Elements

- 5.19 The non-ring fenced PSHG will in future be considered as a mixture of capital and revenue funding to allow both salary and works to continue to be provided from this budget. Appendix I outlines the division between capital and revenue and illustrates the requested budget savings.

### **6.0 IMPLICATIONS**

#### Strategic

- 6.1 The 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 Strategic Housing Investment Plan 2010 – 2015, the Scheme of Assistance will make a valuable contribution to several strategic aims and objectives as set out in the:

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

#### Financial

- 6.2 The proposed 2010/11 budget can be met in full from the indicated allocation of PSHG as part of the General Capital Grant award and the ongoing Inverclyde Council contribution of £50,000 towards the revenue (salary and operational) costs of the Inverclyde Care & Repair Service.

#### Legal

- 6.3 There are no legal implications arising from this report as the estimated demand for statutory adaptations can be met from the budget.

#### 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 considered by the CMT prior to being placed before the Safe, Sustainable Communities Committee.

## **8.0 LIST OF BACKGROUND PAPERS**

- Care & Repair Business Plan 2006-2009
- Local Housing Strategy 2004-2009 – Monitoring and Update Report 2009
- Scheme of Assistance (Section 72 Statement) – SSC Committee 27 Oct 2009
- Strategic Housing Investment Plan 2010 – 2015 (November 2009)

### **Attachment**

Appendix 1: Scheme of Assistance: PSHG Budget Proposal 2010/11

Head of Planning and Housing  
Cathcart House  
6 Cathcart Square  
Greenock

12<sup>th</sup> February 2010

SSC/Scheme Of Assistance/WR

Scheme of Assistance: PSHG Budget Proposal 2010/11

Budget Heading	Strategic Fit	2009/10 Budget	2010/11 Budget
<b>Capital Elements</b>			
Private Sector Info and Advice	Improving Information & Advice	15,000	0
Repair Grants	Tackling Disrepair	100,000	0
Lead Pipe Grant	Reducing BTS Housing	5,000	10,000
Private Landlord Info and Advice	Improving Information & Advice	2,000	1,500
Adaptations	Meeting Particular Needs	855,000	750,000
Energy Efficiency	Improving Energy Efficiency	1,000	1,000
Central Heating Grants	Improving Energy Efficiency	75,000	75,000
Regeneration Enabling	Reducing BTS Housing	156,314	116,907
BTS and Standard Amenities	Reducing BTS Housing	87,183	50,000
Implementing Scheme of Assistance	Improving Information & Advice	5,000	1,000
Owners in RSL Projects	Meeting Established Standards	18,000	20,000
Sub-total		<b>1,319,497</b>	<b>1,025,407</b>
<b>Revenue Elements</b>			
Salary Costs*		83,000	60,000
Small Repairs Service	Meeting Particular Needs	75,410	78,049
Care & Repair Revenue		172,810	178,858
Sub-total		<b>331,220</b>	<b>316,907</b>
<b>Total Expenditure</b>		<b>1,650,717</b>	<b>1,342,314</b>
<b>Funded by:</b>			
PSHG Award		1,178,000	1,158,000
Care & Repair Revenue Contribution		50,000	50,000
Carry forward		380,900	186,314
Grant Recovery		11,817	0
<b>Total Available Budget</b>		<b>1,620,717</b>	<b>1,394,314</b>
Budget Savings		0	52,000
Earmarked Reserves 09/10		186,314	0

\* includes £30k contribution from Support For Owners