

ADDITIONAL AGENDA ITEM

Report To: Safe, Sustainable Communities Committee Date: 26 October, 2010

Report By: Head of Safer & Inclusive Communities Report No: S&IC/67/10/JA

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Subject: Support For Owners Fund - Update

1.0 PURPOSE

1.1 To update members on the latest position with the Support for Owners fund.

2.0 SUMMARY

- 2.1 Members will recall the report to the August Safe and Sustainable Communities Committee on the Support for Owners fund. At that time, River Clyde Homes (RCH) had yet to produce their refurbishment programme in sufficient detail to allow a finalised claim to be made to the Scottish Government. Despite a number of meetings between RCH, Scottish Government and the Council RCH, have yet to produce the required information.
- 2.2 In a report to the River Clyde Homes Board on 19 October 2001, River Clyde Homes' Director of Corporate Strategy has estimated that the total demand for support for owners from their 2010/11 programme will not exceed £420,000. This is yet a further reduction from the figure of £599,522 previously intimated on 3rd August 2010 and almost half of the original estimate of £827,793 intimated by RCH on 14th June 2010. Whilst this report suggests that it may be possible to bring forward projects from the 2011/12 programme to meet the estimate (made in December 2009) of £650,000 for support for owners contained in their Grant Planning Target estimates for this financial year, it also raises concerns that to do so would have an adverse effect on their cash flow and loan charges.
- 2.3 The maximum possible allocation for Support for Owners this year is £803,000. In a departure from previous practice, the Scottish Government issued to RCH a Grant Planning Target statement in May this year which included the sum of £650,000 as an estimate of demand for Support for Owners and also provided an unallocated sum of £350,000 which would fund an increase in demand for Support for Owners up to the maximum of £803,000, leaving a balance which could be utilised by RCH in their new build investment programme. It seems clear that RCH have sought to maximise the funds available to the new build investment programme.
- 2.4 Officers of the Council and the Scottish Government continue to press River Clyde Homes for the final details of their 2010/11 refurbishment programme in order to finalise the claim for Support for Owners for 2010/11.

3.0 RECOMMENDATIONS

3.1 The members note the report.

John Arthur
Head of Safer & Inclusive Communities