

WEST DUNBARTONSHIRE COUNCIL

Report by the Executive Director of Infrastructure and Regeneration

**Housing, Environment and Economic Development Committee:
5 February 2014**

Subject: Private Sector Housing Grant Funding Allocation 2014/15

1. Purpose

- 1.1** The purpose of this report is to seek approval for the distribution of the Private Sector Housing Grant (PSHG) for 2014/15.

2. Recommendations

- 2.1** It is recommended that Members agree the content of this report including the proposed distribution of the Private Sector Housing Grant as detailed in the table to paragraph 4.4.

3. Background

- 3.1** The allocation of funding from the Scottish Government for private sector housing has reduced over the last four years. However the Scheme of Assistance does signpost homeowners to either self finance and/or seek financial advice or assistance from other appropriate sources. The introduction of the Scheme of Assistance has marked a major change in the former grants system and the allocation of budget. The sub-division of available funding is based on demand led data from the last four years across the range of different types of demand.
- 3.2** The Housing (Scotland) Act 2006, introduced radical reforms to the way in which local authorities engage with home owners. There was a fundamental shift from the grants regime during 2010 when the Scheme of Assistance was introduced. The scheme of assistance is designed to encourage homeowners to plan and care for their own properties and remove the requirement for local authorities to offer financial assistance to carry out repair works. There remains a mandatory requirement to grant aid the provision of standard amenities and disabled adaptations.
- 3.3** PSHG funding is no longer ring-fenced and the 2014/15 allocation is £787,000 as contained in the draft budget presented to Council in December 2013. This will be distributed through The Scheme of Assistance. Funding will be resourced between the revenue support grant and the general capital grant and continue to be identified as PSHG.

- 3.4** During 2013/14 the funding was largely taken up by grants for mandatory disabled adaptations and to fund a share of the Lomond & Clyde Care and Repair service. In 2013/14 there was an increase of 11% in the number of applications from owners for general repairs through the scheme of assistance. The overall number of enquires and general advice has increased by 33%.

4. Main Issues

- 4.1** West Dunbartonshire Council's Scheme of Assistance has been in place from 1 April 2010. Since its introduction the number of grant applications for general repairs, that are eligible to be considered, has reduced significantly when compared to the previous Housing Grants scheme. The number of owners involved in Housing Capital Programme projects securing grants has also reduced significantly, however the level of enquiries for financial assistance increased overall.

- 4.2** Over the last 12 months, homeowners have received advice and information and have based their decisions about how much assistance they require on that. The choices of funding available are:

- to use some form of loan finance
- to use savings
- to release equity from their home if possible

Under the current budgetary constraints grant assistance must be considered only when all other financial avenues have been exhausted.

- 4.3** Grants for disabled adaptations are a major mandatory part of the PSHG allocation in West Dunbartonshire. The Council's Occupational Therapy team prioritise applications, which are currently submitted and progressed through the Lomond and Clyde Care and Repair service.
- 4.4** The allocation of funding for 2014/15 is **£787,000** split between the capital grant (£472,200) and the revenue grant (£314,800). The table below indicates the recommended allocation of funding to the various categories of grant based on demand and expenditure in recent years and the desire to spread available funding across a range of grant categories.

PSHG 2014/15 Budget

Categories	Proposed Allocation	Allocation Percentage
Below Tolerable Standard (BTS) (mandatory)	£5,000	0.65
Disabled Adaptations (mandatory)	£360,000	45.74
Lead Pipe Replacement (mandatory)	£2,000	0.25
General Repairs	£119,000	15.12
Care & Repair	£231,000	29.35
Administration	£70,000	8.89
Total Allocation *	£787,000	100%

* These allocations are demand led and some viring may be necessary during the course of the year.

- 4.5** The Scheme of Assistance aims to encourage homeowners to undertake necessary repairs and improvements by self funding and not to rely on assistance from public funded sources that will inevitably reduce in future years. It is proposed to continue to maintain funding for certain special requirements of below tolerable standard (BTS) and lead pipe replacement.
- 4.6** Applications for disabled adaptations continue at a high level, currently administered through Care and Repair, which is an essential part of the process. These adaptations are important in allowing people to continue to live independently in their community
- 4.7** The suggested allocations would maintain levels of spending on disabled adaptations, fulfill statutory requirements with regard to below tolerable standard housing and lead pipe replacement, and acknowledge the need for owners within HRA mixed tenure to access funding. The allocation to Care and Repair maintains the Government's priority of funding this important service, enabling it to assist disabled clients to secure grant funding from various sources and providing a wide range of essential services, which help elderly and disabled home owners and private tenants to continue to enjoy living in their homes, rather than possibly having to be taken into care.
- 4.8** General repair and improvement applications are prioritised after a full inspection of the property has been made and confirmation that the applicant has no other source of funding allowing best use of reduced resources. The allocation of financial assistance for disabled adaptations is allocated over four quarters thus ensuring funding for higher priority cases throughout the financial year.

5. People Implications

- 5.1** The Council's Grants officer and associated administrative support will be funded from the PSHG.

6. Financial Implications

- 6.1** Funding comes from the capital grant (£472,200) and the revenue grant (£314,800). The 2014/15 allocation is **£787,000**

7. Risk Analysis

- 7.1** The funding through the Scheme of Assistance is allocated mainly for disabled adaptations and limited housing repairs and improvements. Demands for disabled adaptations on limited funding will require prioritisation of applications, particularly with all adaptations receiving a minimum 80% grant award. Continued and improved funding streams should be considered to ensure no regression in the housing stock condition through lack of investment from owners.

8. Equalities Impact Assessment (EIA)

- 8.1** No significant issues were identified in a screening for potential equality impact of this service.

9. Consultation

- 9.1** Finance and Legal services have been consulted regarding the contents of this report.

10. Strategic Assessment

- 10.1** The PSHG supports the Council in delivering it's strategic priorities agreed for 2012 - 2017 in particular:

- Improve life chances for children and young people.
- Improve care for and promote independence with older people.
- Improve local housing and environmentally sustainable infrastructure.
- Improve the well-being of communities and protect the welfare of vulnerable people.

- 10.2** The PSHG allows elderly and disabled homeowners to continue living in the safety of their own home with the added support from the community, family and friends. The Scheme of Assistance is to assist homeowners in taking responsibility for their own properties and for Council to make the most effective use of the limited public funding that is directed towards home improvements and repairs. The Private Housing Advice Team will encourage home owners to recognise that they have the primary responsibility for maintaining their homes.

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Date: 14 January 2014

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Appendices: None

Background Papers: None

Wards Affected: All