

WEST DUNBARTONSHIRE COUNCIL

Report by the Executive Director of Housing, Environmental and Economic Development

Housing, Environment and Economic Development Committee: 6 April 2011

Subject: Private Sector Housing Grant Funding allocation 2011/12

1. Purpose

- 1.1** The purpose of this report is to seek approval for the Private Sector Housing Grant (PSHG), for 2011/12.

2. Background

- 2.1** 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 new Scheme of Assistance was introduced. The scheme of assistance is designed to encourage home owners to plan and care for their own properties and remove the requirement for local authorities to offer financial assistance to carry out repair and improvement works. There remains a mandatory requirement to grant aid the provision of standard amenities and disabled adaptations.
- 2.2** PSHG funding is no longer ring-fenced and the 2010/11 allocation of £798,000 was distributed through The Scheme of Assistance. Funding will continue to be distributed within the authority's General Capital Grant which will be identified as PSHG until 2013/14.
- 2.3** During 2010/11 the allocation of the £798,000 funding was largely taken up by grants for mandatory disabled adaptations and for the funding of Lomond & Clyde Care and Repair. There was also a marked fall in the number of applications from owners for general repairs through the scheme of assistance due to the requirement to self finance in the first instance. (see background papers)

3. Main Issues

Scheme of Assistance

- 3.1** West Dunbartonshire Council's Scheme of Assistance has been in place since 1st April 2010. The initial findings suggest that the scheme has been successful as the number of grant applications for general repairs has reduced by 95% and the percentage of owners included within Housing Capital Programme projects securing grants has also reduced by 84%. As a consequence, this has impacted on the Council's capital programmes projects within mixed tenure properties and has led to enforcement notices being issued, depending on the sale disposition agreed .
- 3.2** Homeowners over the last 12 months have been given information and advice and are therefore able to decide on how much assistance, if any, they wish to use. The choices of funding available are releasing equity from their homes where possible or by using some other form of loan finance or savings with grant assistance being regarded as a final form of assistance if no other solution is possible subject to availability of grant funding.
- 3.3** 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 Lomond & Clyde Care and Repair (currently subject to review).
- 3.4** The allocation of funding from Government for 2011/12 is **£787,000**. 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.

Categories	Proposed Allocation	Percentage Allocation
Below Tolerable Standard (BTS) (mandatory)	£5,000	0.6
Disabled Adaptations (mandatory)	£345,000	43.8
Lead Pipe Replacement (mandatory)	£2,000	0.3
General Repairs	£20,000	2.5
HRA related **	£100,000	12.7
Care & Repair ***	£231,000	29.4
Administration	£84,000	10.7
Total Allocation	£787,000	100.0

- ** This funding availability has an impact on the HRA capital programme and our ability to comply with Scottish Housing Quality Standards.
- *** The WDC arrangement with our current service providers is currently being considered and will be reported to this HEED committee as a separate report.
- **** These allocations are demand led and some viring may be necessary during the course of the year.

- 3.5** The Scheme of Assistance approach 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 reduce in future years. Through this approach the percentage of monies being made available in 2011/12 for general repairs has dropped by 77%.

There are also competing demands on limited funding from private owners involved in the Council's own proposed capital works programme in the drive to meet the Scottish Housing Quality Standard by 2015. Increased provision of 1.7% has been made to support mixed tenure projects as well as maintaining funding for certain special requirements of Below Tolerable Standard (BTS) and lead pipe replacement.

- 3.6** Applications for disabled adaptations (such as wet floor showers and stair lifts) 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. Changes to the legislative requirements for such grants have required an increase in provision of 6% to support the minimum percentage grant of 80% and increasing demand on this mandatory funding.
- 3.7** The suggested allocations would maintain levels of spending on disabled adaptations, fulfil 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.
- 3.8** 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.

4. People Implications

- 4.1** The Councils Grants officer and admin support continues to be funded from the PSHG.

5. Financial Implications

- 5.1** Funding comes direct from the Scottish Government. The 20011/12 allocation is £787,000

6. Risk Analysis

- 6.1** 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 requires prioritisation of applications, particularly with all adaptation 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.

7. Equalities, Health & Human Rights Impact Assessment (EIA)

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

8. Conclusions and Recommendations

- 8.1** The allocation of funding from the Scottish Government for private sector housing will not meet the full demand for grant assisted work. 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 it may take the public some time to understand and accept the changes. The sub-division of funding indicated in the table in paragraph 3.4 is based on historical demand led data utilising limited funds across the range of different types of demand.
- 8.2** It is recommended that the Committee agree the content of this report, including the proposed allocations indicated in the table in paragraph 3.4.

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Date: 8 March 2011

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Appendix: None

Background Papers: Scheme of assistance

Wards Affected: All