
Report To:	Safe, Sustainable Communities Committee	Date: 31 st August 2010
Report By:	Head of Safer and Inclusive Communities	Report No: ECP/SCS/JA/10/
Contact Officer:	William Rice	Contact No: 01475 714228
Subject:	Private Sector Housing Grant (PSHG) 2009/10 Outturn and Scheme of Assistance 2010/11 Budget Update	

1.0 PURPOSE

- 1.1 This report provides Committee with information on the outturn of the 2009/10 PSHG budget and an update on the 2010/11 Scheme of Assistance budget, following confirmation of the final outturn of the 2009/10 budget and the subsequent carry forward from this budget into 2010/11.

2.0 SUMMARY

- 2.1 The Scheme of Assistance is the replacement for the private sector housing strategy which is funded from the PSHG and which came into force on 1 April 2010 following the removal of the ring-fenced PSHG budget. From this date the PSHG allocation will be rolled up within the overall General Capital Grant award to Inverclyde Council. 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 In the past PSHG has been used 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 in meeting our statutory obligations through the provision of advice & information, practical assistance, and financial assistance.

3.0 RECOMMENDATIONS

- 3.1 That Committee:
- a) Note the outturn of the 2009/10 PSHG budget and subsequent carry forward; and
 - b) Agree the revised 2010/11 Scheme of Assistance budget as set out in Appendix 1 of this report.

John Arthur
Head of Safer and Inclusive Communities

4.0 BACKGROUND

- 4.1 At its meeting of 29th January 2009, the Safe Sustainable Communities Committee approved the PSHG budget for 2009/10. [Min Ref: 13/01/09, Para 29]
- 4.2 At its meeting of 9th March 2010, the Safe, Sustainable Communities Committee approved the Scheme of Assistance budget for 2010/11. [Min Ref: 09/03/10, Para 159]
- 4.3 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 and information, practical assistance and financial assistance to home owners. 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.

5.0 UPDATE & CURRENT POSITION

The Property Inspection Service

- 5.1 The Property Inspection Service provided a free information, advice and inspection service to owners residing within residential properties in Inverclyde. The reports, along with advice and information, assisted owners in identifying repairs at an early stage, reducing the need for major repairs. This service is no longer provided due to a low uptake amongst homeowners.

Lead Pipe Replacement Grants

- 5.2 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 one of the undernoted groups;
- children aged 16 and under
 - a pregnant woman
 - 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. The 2009/10 budget was over-subscribed by £2,550, however, this was met from slippage in other projects.

Private Landlords Information & Advice

- 5.3 The Inverclyde Council private landlords newsletter 'Letting You Know,' allows the Council to disseminate targeted information, promote good practice and provide landlords with information on recent and forthcoming legislative changes. A thematic seminar on a relative topic will be held for landlords to further promote good practice.

Inverclyde Care & Repair

- 5.4 Inverclyde Care & Repair is a partnership between the Scottish Government, Cloch Housing Association and Inverclyde Council. The service provides support to vulnerable 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.
- 5.5 The revenue (salary and operational) costs of the service are met by the Scottish Government and Inverclyde Council.

- 5.6 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 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. The 2009/10 budget was underspent by £47,491 due to a number of large scale jobs not being practically complete by year end. No applicants were dis-advantaged by this and their grant commitment will be met in full from the 2010/11 budget.

Small Repairs Service

- 5.7 The Small Repairs Service is operated via Inverclyde Care & Repair. 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 Scheme of Assistance budget.

Energy Efficiency Advice

- 5.8 The award winning service, LESS Inverclyde offers 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 CO₂ 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. A bid has been submitted to the Scottish Government for a share of the £10m Universal Home Insulation Scheme fund which, if successful, would allow for delivery of free insulation measures for Inverclyde home owners.

Central Heating Grants

- 5.9 Means tested central heating grants are delivered by the Care & Repair Service for applicants who do not qualify for the Scottish Government's Energy Assistance Package (EAP), 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, a 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 2009/10 budget was underspent by £6,910 due to limited take-up. A promotional, community based, campaign involving the local press and local information sessions will be undertaken over the next few months to ensure that relevant client groups are aware of the availability of central heating grants and the qualifying criteria.

The Tolerable Standard and Standard Amenities

- 5.10 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 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. The 2009/10 budget was underspent by £10,288 due to works being completed lower than initial estimates.

Support For Owners

- 5.11 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, is the subject of a separate report to Committee.

Promotion of Scheme of Assistance

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

Regeneration Enabling

- 5.13 A budget has been set aside for the purpose of regeneration enabling in the Clune Park area of Port Glasgow. Discussions are ongoing with the Scottish Government and the Clune Park Regeneration Task Group with regards to utilising appropriate legislation and powers to address the poor housing conditions in the area. A number of derelict properties in the area have been secured and others may be subject to Closing Orders which may subsequently require to be secured in the future as progress is made in addressing the poor housing conditions in the area.

Owners in RSL Programmes

- 5.14 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 2010/11 – 2014/15 (SHIP) indicate a number of projects which may have a significant financial impact upon owners as the RSLs progress towards SHQS attainment. Initial engagement with the RSLs has been undertaken and discussions are underway regarding the participation of 10 owners in two large-scale SHQS Investment Programmes. Due to the majority share of a Housing Association in one of the projects it is expected that at least 7 owners will participate in the programme and require financial assistance. Based on initial cost projections it is proposed to increase this budget by £10,000 to assist the owners and facilitate the SHQS works being undertaken.

Ring-Fenced PSHG

- 5.15 The financial year 2009/10 was the final year in which the PSHG allocation to local authorities was ring-fenced, after this the award is rolled up into the General Capital Grant and it is the responsibility of the Local Authority to prioritise private sector housing investment within existing budgets.

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 2010/11 – 2015/16, the Scheme of Assistance will make a valuable contribution to several strategic aims and objectives as set out in the:

- Single Outcome Agreement;
- Joint Community Care Strategy;
- Community Plan;
- Corporate Plan; and
- Directorate Plan

Financial

- 6.2 In 2010/11 PSHG funding has been split 70% Capital and 30% revenue. The proposals in Appendix 1 can be contained within the overall approved budget.

Cost Centre	Budget Heading	Budget Year	Proposed Spend This Report	Virement From	Other Comments
PSHG	PSHG Capital	2010/11	1,046,093	n/a	As set out in appendix I
PSHG	PSHG Revenue	2010/11	286,907	n/a	As set out in appendix I

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 prepared in consultation with the Chief Financial Officer.

8.0 LIST OF BACKGROUND PAPERS

- 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 2010/11 – 2014/15 (November 2009)
- Private Sector Housing Grant: 2008/09 Update - ECP/Plann/WR09/002
- Scheme of Assistance: PSHG Budget Proposal 2010/11 – ECP/Plann/WR10/006

Attachment

Appendix 1: Revised Budget Proposal 2010/11

Scheme of Assistance for Homeowners: Revised Budget Proposal 2010/11

Budget Heading	Strategic Fit	2009/10 Budget	2009/10 Outturn	2010/11 Budget (9 th March 10)	Revised 2010/11 Budget
<u>Capital Elements</u>					
Private Sector Info and Advice	Improving Information & Advice	15,000	15,058	0	0
Repair Grants	Tackling Disrepair	95,000	98,858	0	0
Lead Pipe Grant	Reducing BTS Housing	10,000	12,550	10,000	10,000
Private Landlord Info and Advice	Improving Information & Advice	2,000	1,273	1,500	1,500
Adaptations*	Meeting Particular Needs	855,000	807,509	750,000	750,000
Energy Efficiency	Improving Energy Efficiency	1,000	565	1,000	1,000
Central Heating Grants	Improving Energy Efficiency	75,000	68,090	75,000	75,000
Regeneration Enabling	Reducing BTS Housing	156,314	30,899	116,907	103,993
BTS and Standard Amenities	Reducing BTS Housing	87,183	76,895	50,000	73,600
Implementing Scheme of Assistance	Improving Information & Advice	5,000	24	1,000	1,000
Owners in RSL Projects	Meeting Established Standards	18,000	13,098	20,000	30,000
Sub-total		1,319,497	1,124,819	1,025,407	1,046,093
<i>* does not include additional £200k budget</i>					
<u>Revenue Elements</u>					
Salary Costs		53,000	21,357	60,000	30,000
Small Repairs Service	Meeting Particular Needs	75,410	75,410	78,049	78,049
Care & Repair Revenue		172,810	172,810	178,858	178,858
Sub-total		301,220	269,577	316,907	286,907
Total Expenditure		1,620,717	1,394,396	1,342,314	1,333,000
Carry forward		0	226,321		
Funded by:					
PSHG Award		1,178,000	1,178,000	1,158,000	1,158,000
Care & Repair Revenue Contribution		50,000	50,000	50,000	50,000
Carry forward		380,900	380,900	186,314	220,000
Grant Recovery		11,817	11,817	0	0
Total Available Budget**		1,620,717	1,620,717	1,394,314	1,428,000
Budget Savings		0	0	82,000	95,000
Less virement to Housing Core Income		0	0	30,000	30,000
Total budget savings				52,000	65,000
Earmarked Reserves **		186,314	220,000	0	0
<i>** does not include £50k overclaim</i>					