

CLACKMANNANSHIRE COUNCIL

Report to Housing, Health and Care Committee

Date of Meeting: 21 August 2014

Subject: Private Sector Housing Assistance Scheme

Report by: Head of Housing & Community Safety.

1.0 Purpose

- 1.1. The purpose of this report is to present an updated position on the Private Sector Housing Assistance scheme, including details of how the Council's SHQS obligations towards door entry system installations may be met.

2.0 Recommendations

- 2.1. It is recommended that Committee
 - 2.1.1. agree to the realignment of the 'supported owners service' budget, and
 - 2.1.2. to note the remainder of the report, and in particular the funding arrangements for the town centre initiative.

3.0 Background

- 3.1. The Council as the strategic housing authority is expected to ensure that house conditions in the private sector are reasonable. The main legislation which covers our obligations is the Housing (Scotland) Act 2006. The "Scheme of Assistance" required under section 72 of the Act, sets out the range and type of assistance available to homeowners and private tenants in Clackmannanshire to adapt, repair and maintain their homes.
- 3.2. The Council's current Private Sector Housing Assistance Scheme was approved in March 2013 and contains a set of priorities for the types of work and geographical areas to which assistance can be targeted.

4.0 Private Sector Budget Priorities

- 4.1. Following the Budget Challenge process, the budget priorities in 2014/15 for private sector housing issues reflect priorities such as Making Clackmannanshire Better; the Village and Town Centre Initiatives; and the requirement to meet the Scottish Housing Quality Standard. In addition, there is a continued need to

provide essential adaptations to enable homeowners to remain in their homes for as long as possible.

- 4.2. The Scheme of Assistance is funded through the Council's Private Sector Housing Budget. The approved funding for 2014/15 is £323,500. As shown in the appendix to the Finance Report on this agenda, and summarised in the table below.

Private Sector Housing Budget & Spend

	Annual Budget	Q1 Actual	Projected Outturn	Variance Outturn
Discretionary Projects	11,500	0	11,500	0
Private Landlord Scheme	7,000	7,263	7,263	263
Supported Owners Service	75,000	0	75,000	0
Mandatory Adaptations	180,000	21,528	180,000	0
Minor Disabled Adaptations	25,000	0	25,000	0
Empty Homes	25,000	(75,000*)	25,000	0
Totals	323,500	(47,216)	323,763	263

* grant funding received.

Major and Minor Adaptations

- 4.3. This budget is demand led and responds to the needs of clients at short notice. Based on previous demand it is expected that this budget will be fully allocated.
- 4.4. The budget for funding minor adaptations is to be transferred to Social Services so that these requests can be dealt with directly and the budget controlled at source.

Private Landlord support

- 4.5. 'Clacks HomeFinder' was recently set up to assist people to find good quality private rented accommodation where social housing is not an option. The Private Sector Housing Team is working with private landlords to encourage them to register their properties through Clacks HomeFinder. The funding allocated for this has been spent, but the team continues to work closely with private landlords to support and encourage the raising of standards in the sector.

Empty Homes Initiative.

- 4.6. This work was brought in-house following the last budget, but due to several long-term illnesses in the team there has been no progress to date.

Supported Owners Service

- 4.7. Given the low level of presentations evidenced in recent years it is proposed to align this budget to more immediate high impact priorities, discussed below. It had been intended to explore partnership with voluntary sector agencies to deliver a 'handyman' service for small repairs but this has procurement challenges and such arrangements are inevitably resource intensive for low client volumes. Members are asked to approve this budget realignment.

5.0 Priority projects

Area Based Initiatives;

- 5.1. In March 2013 Committee approved amendments to the Scheme of Assistance to replace the previous geographic priority areas of Alloa Town Centre, regeneration and local conservation areas, with a statement allowing our resources to be focussed in priority areas designated by the Council. This provides flexibility to support specific Council initiatives. Targeted work to town centres was included in the Scheme of Assistance. The area-based approach is believed to contribute significantly to the desirability of, and hence ability to let, Housing Revenue Account (HRA) properties and generate revenue.
- 5.2. Clarification has been sought on whether General Fund grant could be used to fund the works to the HRA properties. Section 204 of the Housing (Scotland) Act 1987 provides that the Secretary of State may set a limit to the amount of contributions that a Council can make from its general fund to the HRA. There are orders up to 2011 that restrict the contributions to nil, however there have been no orders since that date. In absence of any order since 2011, this would imply that transfers can be made to the credit of the HRA, subject to obtaining the consent of the Scottish Government (para 2(5) of part II, Schedule 15 of the 1987 Act). Such consent could therefore be sought for future programmes but justification would be required as to why the General Fund should support a relatively healthy HRA.
- 5.3. The Housing (Scotland) Act 2006 also permits a General Fund contribution to works on blocks of private housing. The Council set Sauchie as a priority within the scheme of assistance and approved an overall allocation as part of the budget process. The administration of the scheme has been delegated to officers and has been carried out in accordance with the above Council decision and the Housing Acts.
- 5.4. Members are asked to note that to finish the Town Centre initiative in Sauchie, a further £18K of grant funding is to be used for private owners and landlords. This will complement £97K from the HRA to be invested in the area this year, as set out in the Housing Finance Report (Capital Plan Appendix D) on this agenda.

Mixed Tenure Works;

- 5.5. The Housing (Scotland) Act, 2006 was intended to bring about a culture shift towards owners being more proactive in their responsibility to repair and maintain their own homes. The current Scheme of Assistance is aimed to target resources at mixed tenure properties most in need of repairs and maintenance, particularly in relation to meeting the tolerable standard. However, to date no applications have been received which meet this criteria.
- 5.6. As a means of promoting and monitoring this priority, it is suggested that the policy be amended to direct specific financial assistance towards homeowners in mixed tenure situations where the Council is carrying out priority SHQS work or major investment projects such as roof and render works. Properties which are Below Tolerable Standard (BTS) or likely to become BTS within 12 months if not addressed, will be prioritised within this budget.

Enforcement and Surveying

- 5.7. A part-time surveyor was previously employed within the Private Sector Housing Team. This arrangement did not always provide the flexibility required or at times provide owners with the assurance of independence when enforcement issues were being considered. The post-holder has recently left the Council and it is intended to use the budget from this post to tender for the supply of surveying and inspection services of private properties. There will be no minimum amount and the maximum value of the annual contract would be £16.5K the same as the cost of the previous post. Given that the budget could be unspent depending on the requirement for enforcement actions during the year the intention would be to have the flexibility to transfer this to other priorities prior to the year end if not required.
- 5.8. This resource will also assist in the development of the Council's Factoring Service to ensure owners understand their responsibilities in mixed tenure situations. This proposal will provide robust independent surveys to support the need for works, if urgent or enforcement action is required, as a factual basis for agreed action, for both the Council and owners in future.
- 5.9. The Committee is asked to note the creation of a £16.5K budget for external survey support, to be taken from the staffing budget.

6.0 Factoring Service

- 6.1. As part of the Property Factors (Scotland) Act 2011 the Council registered as a property factor in November 2012. The service has been mapped out with the relevant Council Services. Some service processes will be developed further and business data management improvements made to existing systems, including those which ensure the charging system is fit for this particular purpose.
- 6.2. The development of the service has involved ensuring that Housing and Property Contracts Unit have accurate block reports which detail Council and private properties. This is currently being populated with information regarding the repair responsibility which each property has in relation to common areas. Training is currently being carried out for all relevant staff and a briefing paper for members will be produced shortly, providing further details of service delivery. All owners of flatted properties affected, i.e. where there is at least one Council property within the block, have been sent a copy of the Council's Statement of Services. This Statement details how the Service will operate and what is expected of owners.
- 6.3. As the Service has been in development, owners were not charged for initial relevant Factoring works until April 2014. The main works affected until this point have been the cyclical maintenance programme which is on a rolling 5 year cycle.

7.0 Door Entry Systems

- 7.1. All fully owned council blocks now have a door entry system. To meet the Scottish Housing Quality Standard (SHQS) commitment door entry systems must also be provided in all mixed tenure blocks.
- 7.2. In March 2013 this Committee approved a new Scheme of Assistance that provided for a one-off grant to be awarded towards the cost of door entry

systems, particularly where this is being done in blocks where the Council is required to meet SHQS.

- 7.3. The mixed tenure blocks are shown in appendix 1. There are 238 properties in 53 blocks in total, of which 129 are in council ownership and 109 privately owned. Of these private properties, 33 flats are owned by 31 private landlords. Of these 31 landlords:-
- 14 landlords let only 1 property
 - 3 landlords let 2 properties
 - 3 landlords let 3 properties
 - 2 landlords let 4 properties
 - 4 landlords let 5-9 properties
 - 4 landlords let 10-15 properties
 - 1 landlord lets 15+ properties
- 7.4. In blocks where the Council holds majority ownership, in terms of title deed conditions and powers within the Tenements (Scotland) Act 2004 works can proceed, and legal action taken to recover costs if necessary. Where the ownership of the block is either an equal split or the Council is in minority ownership, negotiation and majority agreement must be obtained prior to the works proceeding.
- 7.5. To assist in reaching agreement with the owners, Committee is asked to approve offering a grant of a minimum of 50% grant for homeowners, up to a maximum of 100% grant based on each household's financial circumstances. This will be based on the standard means test used for Council Tax benefit, as detailed in the Private Sector Housing Assistance Scheme. Many of the owners are expected to be low income households.
- 7.6. For private landlords, the Committee is asked to approve offering registered landlords who let only one property, with a current gas safety certificate and working smoke alarms, an incentive of a 25% grant towards the cost of the works.. It is also intended that some discretion would be available to officers to allow grants of up to 50% in cases of particular hardship based on individual circumstances.
- 7.7. The estimated total minimum grant funding under this scheme would be £73K and the maximum £144K. A total budget of £178,000 is available for these works, using carry forward from 2013/14 and the 'profit' element gained from the previous accounting method used for the Public Contracts Unit. The intention is for the bulk of the programme to be completed this financial year. However, given the potential for delays while negotiating owner agreement, there may be a need for further carry forward of budget into 2015/16.
- 7.8. To qualify for grant funding all owners would be required to sign an undertaking to contribute to the ongoing maintenance and repair of the door entry systems, and to make an annual upfront contribution to an account held for this purpose. Consultation with owners will be carried out via area based public meetings.
- 7.9. Members should also note that the Council's stock condition survey indicated significant investment will be required in mixed tenure situations, and this will have implications for owners involved in future maintenance programmes.

8.0 Sustainability Implications

- 8.1. Assistance given to owner occupiers and in some cases enforcement, to improve house conditions will result in a community environment which is more attractive and safer. In addition, energy efficiency improvements will help reduce fuel poverty and carbon emissions, helping the Council to achieve its carbon reduction targets.
- 8.2. Resources dedicated to helping older people to stay longer in their own homes will help ensure sustainable communities.

9.0 Resource Implications

9.1 Financial Details

- 9.2 The full financial implications of the recommendations are set out in the report.

Yes

- 9.3 Finance have been consulted and have agreed the financial implications as set out in the report.

Yes

- 9.4 There are no additional financial implications.

9.5 Staffing

There are no additional staffing implications arising from this report.

10.0 Exempt Reports

- 10.1 Is this report exempt?

No

11.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

- (1) **Our Priorities** (Please double click on the check box)

- | | |
|--|-------------------------------------|
| The area has a positive image and attracts people and businesses | <input checked="" type="checkbox"/> |
| Our communities are more cohesive and inclusive | <input checked="" type="checkbox"/> |
| People are better skilled, trained and ready for learning and employment | <input type="checkbox"/> |
| Our communities are safer | <input checked="" type="checkbox"/> |
| Vulnerable people and families are supported | <input checked="" type="checkbox"/> |
| Substance misuse and its effects are reduced | <input type="checkbox"/> |
| Health is improving and health inequalities are reducing | <input checked="" type="checkbox"/> |
| The environment is protected and enhanced for all | <input checked="" type="checkbox"/> |
| The Council is effective, efficient and recognised for excellence | <input type="checkbox"/> |

(2) **Council Policies** (Please detail)

12.0 Equalities Impact

12.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations? Yes
 No

13.0 Legality

13.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

14.0 Appendices

14.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Appendix 1 - List of Properties requiring Door Entry Systems

15.0 Background Papers

15.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)
Yes (please list the documents below) No

Author(s)

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Approved by

NAME	DESIGNATION	SIGNATURE
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Appendix 1		Council Majority	TOWN	FLATS	COUNCIL	PRIVATE	TENDER COST	TOTAL OWNER COST	individual owner cost
1	20A-20C	FORBES STREET	ALLOA	3	2	1	£7,774	£2,591	£2,591
2	57-59	MCKINLAY CRESCENT	ALLOA	2	2	0	£8,011		
3	29-32	COBLECROOK GARDENS	ALVA	4	3	1	£6,920	£1,730	£1,730
4	15-18	COBLECROOK GARDENS	ALVA	4	3	1	£7,068	£1,767	£1,767
5	41-44	COBLECROOK GARDENS	ALVA	4	3	1	£6,920	£1,730	£1,730
6	37-39	ERSKINE STREET	ALVA	2	2	0	£3,975	£0	
7	1 to 7	THE NEBIT	ALVA	4	3	1	£5,658	£1,415	£1,415
8	11 to 17	GARDEN PLACE	CLACKMANNAN	4	3	1	£7,231	£1,808	£1,808
9	5-5B	CAIRNTON PLACE	TILlicouLTRY	3	2	1	£3,975	£1,325	
10	18-28	CHAPELLE CRESCENT	TILlicouLTRY	6	5	1	£6,821	£1,137	£1,137
11	38-48	CHAPELLE CRESCENT	TILlicouLTRY	6	4	2	£8,381	£2,794	£1,397
12	75-97	CHAPELLE CRESCENT	TILlicouLTRY	12	9	3	£7,018	£1,755	£702
13	36-42	HAREBURN ROAD	TILlicouLTRY	4	3	1	£8,451	£2,113	£2,113
14	35-51	HIGH STREET	TILlicouLTRY	9	5	4	£9,665	£4,296	£1,074
15	6-22	PARK STREET	TILlicouLTRY	9	5	4	£8,655	£3,847	£962
16	7-17	PRIMROSE PLACE	TILlicouLTRY	6	5	1	£8,047	£1,341	£1,341
17	2-8B	RAMSAY TERRACE	TILlicouLTRY	12	9	3	£6,906	£1,727	£576
18	25-35	MAIN STREET	TULLIBODY	6	4	2	£5,520	£1,840	£920
19	69-75	MAIN STREET	TULLIBODY	4	3	1	£6,213	£1,553	£1,553
Council Minority									
20	16A-16D	FORBES STREET	ALLOA	4	1	3	£6,332	£4,749	£1,583
21	18A-18D	FORBES STREET	ALLOA	4	1	3	£6,332	£4,749	£1,583
22	22A-22D	FORBES STREET	ALLOA	4	1	3	£6,332	£4,749	£1,583
23	24A-24D	FORBES STREET	ALLOA	4	1	3	£7,892	£5,919	£1,973
24	2,4	OCHIL STREET	ALLOA	2	1	1	£4,658	£2,329	£2,329
25	3-5A	OCHIL STREET	ALLOA	4	1	3	£8,449	£6,337	£2,112
26	21 - 24	COBLECROOK GARDENS	ALVA	4	1	3	£7,068	£5,301	£1,767
27	19 - 23	DUKE STREET	ALVA	4	1	3	£6,920	£5,190	£1,730
28	8-14	MANORHOUSE ROAD	DOLLAR	4	1	3	£6,818	£5,114	£1,705
29	12 to 18	STATION ROAD	DOLLAR	4	1	3	£8,603	£6,452	£2,151
30	10,16	WALTON CRESCENT	DOLLAR	4	1	3	£7,988	£5,991	£1,997
31	50-60	CHAPELLE CRESCENT	TILlicouLTRY	6	2	4	£7,617	£5,078	£1,270
32	51-73	CHAPELLE CRESCENT	TILlicouLTRY	12	4	8	£8,418	£6,314	£702
Even Split									
33	20-22	ARGYLL PLACE	ALLOA	2	1	1	£6,386	£3,193	£3,193
34	1 - 7	LAMBERT TERRACE	ALLOA	4	2	2	£3,887	£1,944	£972
35	3-3A	NORTH STREET	ALLOA	2	1	1	£5,473	£2,737	£2,737
36	2,4	OCHIL STREET	ALLOA	2	1	1	£4,658	£2,329	£2,329
37	31-33	WHINS ROAD	ALLOA	2	1	1	£6,677	£3,339	£3,339
38	7 to 10	COBLECROOK GARDENS	ALVA	4	2	2	£7,068	£3,534	£1,767
39	97-99	EAST STIRLING STREET	ALVA	2	1	1	£3,828	£1,914	£1,914
40	101 - 107	EAST STIRLING STREET	ALVA	4	2	2	£4,418	£2,209	£1,105
41	79A-79B	QUEEN STREET	ALVA	2	1	1	£4,208	£2,104	£2,104
42	79C-79D	QUEEN STREET	ALVA	2	1	1	£3,760	£1,880	£1,880
43	39-45	CASTLE STREET	CLACKMANNAN	4	2	2	£7,231	£3,616	£1,808
44	16-22	NORTH STREET	CLACKMANNAN	4	2	2	£8,311	£4,156	£2,078
45	20,22	MENABB STREET	DOLLAR	2	1	1	£7,157	£3,579	£3,579
46	17,23	WALTON CRESCENT	DOLLAR	4	2	2	£7,988	£3,994	£1,997
47	117-127	CHAPELLE CRESCENT	TILlicouLTRY	6	3	3	£6,057	£3,029	£1,010
48	6-16	CHAPELLE CRESCENT	TILlicouLTRY	6	3	3	£6,809	£3,405	£1,135
49	62-72	CHAPELLE CRESCENT	TILlicouLTRY	6	3	3	£8,381	£4,191	£1,397
50	44-50	HAREBURN ROAD	TILlicouLTRY	4	2	2	£7,461	£3,731	£1,865
51	37-43	MAIN STREET	TULLIBODY	4	2	2	£5,269	£2,635	£1,317
52	13-19	MANOR CRESCENT	TULLIBODY	4	2	2	£8,141	£4,071	£2,035
53	29-35	MANOR CRESCENT	TULLIBODY	4	2	2	£8,141	£4,071	£2,035
TOTALS				238	129	109	£357,945	£168,692	£86,891

