

ANGUS COUNCIL

NEIGHBOURHOOD SERVICES COMMITTEE – 16 APRIL 2009

JOINT REPORT BY THE DIRECTORS OF NEIGHBOURHOOD SERVICES, SOCIAL WORK
& HEALTH AND INFRASTRUCTURE SERVICES

PRIVATE SECTOR HOUSING GRANT 2009/10 TO 2013/14

Abstract: This report confirms the spend of the Private Sector Housing Grant (PSHG) for 2008/09; Outlines the Private Sector Housing Grant (PSHG) allocations to Angus for 2009/10; and Outlines the indicative allocations to 2013/14.

1. RECOMMENDATION

It is recommended that the Committee:

- i. Note that, by the agreement of COSLA, the specific identification of the PSHG has been extended to 2013/14;
- ii. Note the publication of the Scottish Government's Guidance on Parts 1 and 2 of the Housing (Scotland) Act 2006;
- iii. Note the Planned Budget Spend for 2008/09;
- iv. Note the actual award for 2009/10;
- v. Agree the use of the PSHG resources for 2009/10;
- vi. Agree the Housing and PSHG resource allocation for Care and Repair for 2009/10 and agree that the Director of Neighbourhood Services writes to Care and Repair clarifying funding issues for 2009/10;
- vii. Agree that further reports on the use of the indicative resources will be brought to committee as the Scottish Government publishes further guidance on the implementation of the Housing (Scotland) Act 2006.
- viii. Agree that Committee is fully informed and briefed on the Scottish Government's review of Care and Repair including direct representation from Care and Repair.

2. BACKGROUND

The Private Sector Housing Grant has been used in Angus to support improvements in private homes to ensure that current standards are met and to provide adaptations for those who require them in order to maintain healthy lives within their local communities. The PSHG has traditionally been a ring fenced budget but in terms of the "Concordat" is now subject to mainstreaming as with other grant resources. Following discussion between COSLA and the Scottish Government, it has been agreed to continue to specifically notify the spend against PSHG budget until 2013/14. In support of this the Scottish Government has recently issued the actual grant award for 2009/10 and indicative awards for 2010/11 to 2013/14. These figures are appended to the report at Appendix 1.

3. SUMMARY OF CHANGES INTRODUCED BY REGULATIONS UNDER PART 1 AND 2 OF THE HOUSING (SCOTLAND) ACT 2006

The Scottish Government has recently issued comprehensive Guidance on Parts 1 and 2 of the Housing (Scotland) Act 2006. The guidance covers the duties under section 73(2) of the Housing (Scotland) Act 2006 ("the 2006 Act") and in the Housing (Scotland) Act 2006 (Scheme of Assistance) Regulations 2008 (SSI 2008/406 - "the Regulations"). It also seeks to place these duties in the wider context of overall local authority duties to meet the assessed needs of disabled people.

The Regulations (which came into force on 1 April 2009) set out more specific duties relating to financial assistance with adaptations (but not with reinstatement). The changes introduced by the Regulations are:

- Widening of the scope of mandatory grant to include most essential structural adaptations. Adaptation work to extend property to provide additional living accommodation is excluded from mandatory grant, partly on the grounds of the cost to local authorities and partly because many extensions add value to the house. Authorities have the power to fund such work at their discretion
- A minimum of 80% grant for adaptation work, or 100% where the applicant receives certain benefits. It leaves the amount of any top-up beyond 80% (for those not entitled to 100%) to the discretion of the local authority
- Placing a duty on councils to ensure that where essential adaptation work is not being covered by grant, owners receive proper advice on funding the work.

The Regulations also abolish the prescribed test of resources and delegate to local authorities the power to assess an applicant's contribution (subject to the provisions on minimum percentage grant for adaptations).

The Act changes the arrangements for approving work beyond a certain limit, i.e. the 'approved expense'. Under the Housing (Scotland) Act 1987, assistance with work costing more than the £20,000 approved expense could be capped, or approved by permission of Scottish Ministers. Under the 2006 Act, Ministers have decided not to exercise their power to set such a limit. Furthermore, section 76(6) prohibits the imposing of approved expense limits for adaptation work by the local authority. A full copy of the Regulations has been placed in the Member's lounge.

The 2006 Act paves the way for applications for assistance with adaptations for disabled people to be treated separately from applications for assistance with repairs and renovations. It does this primarily by giving Ministers the power to prescribe particular forms of assistance in relation to adaptations for disabled people.

The policy basis for this approach is that the circumstances that lead to the need for an adaptation generally differ in a fundamental way from those relating to work to repair a house that the owner may have allowed to deteriorate, or to improve a house and increase its value. Also, most types of adaptations do not add to, and may detract from, the value of a property. It is therefore no longer considered appropriate for people requiring essential adaptations to be on the same footing as applicants seeking help with repairs and improvements

In the light of these factors, the approach to the provision of financial assistance for adaptations goes further than that for repairs and improvements. This is consistent with wider policy relating to the way society supports disabled people – for example the tenant's right to adapt in section 52 of the 2006 Act and the policy that a house may be unsuitable in terms of homelessness legislation because of an occupant's disability.

For the purposes of assistance provided under these Regulations and the "standard amenity" provisions of the 2006 Act (see paragraphs 50 to 53 below), work to assist a disabled person is not restricted to work to assist a physically disabled person. The Disability Discrimination Act 1995 refers to both physical and mental impairment. As an example, the needs of a person with autism – or the needs of family members living with someone who has autism – should be considered equally alongside applications for assistance relating to a physical disability. However, those needs are only relevant to the extent that they will be met by physical changes to the house, and that such changes are deemed a local authority responsibility under welfare legislation.

In response to this new set of regulations, Members are asked to note that Angus Council currently direct around 85% of its resources to those deemed as being most in need of support for property adaptations. Consideration has been given to allocating all of the Improvement and Adaptations budget to Adaptations alone but in discussions with the Scottish Government it is known that further guidance on the Act is being developed and hence any changes to the use of the current budget would be premature until the full panoply of guidance and regulations in relation to the Act are known.

4. 2008/09 BUDGET TO DATE

Members are asked to note the Planned Budget for 2008/09 which is set out below:

2008/2009	
Imp & Adaptations	£ 390,000.00
Imp/Repair (BTS)	£ 320,000.00
Windows	£ 95,000.00
EHI (8 @ £15,000)	£ 120,000.00
AC&R Support	£ 32,000.00
QS & OT	£ 90,000.00
Core Grant	£1,047,000.00

**280k additional
funding:**

AC&R one off payment	£ 55,000.00
AC&R Support per SLA	£ 138,000.00
AC&R additional funding	£ 8,000.00
2006 Team	£ 25,000.00
Allocated to Grant	£ 54,000.00
08/09 Total	£1,327,000.00

Members will recall that the 2008/09 budget was boosted by the award of additional grant of £280,000 to off set the loss of carry forward resources following confusion created by the uncertainty of the Scottish Government's previous spending review process. Report 497/08 set out the intended use of the additional resources and the Government's expectations of the use of the additional grant and also of the mainstream grant. Members should note that the additional award was clarified as £280,000 increased from the £233,000 amount set out in 497/08. Members are asked to note that at this time of carry forward of the additional resources is not expected but that there is anticipated to be some underspend of the general budget which will be utilised later in the report specifically and generally rolled forward into 2009/10 for those in need of grant assistance.

Ministers have specified that the additional funding is for spending on the following priorities;

- Grants for adaptations for older and disabled owners;
- Ensuring local Care and Repair schemes have the funding they require for core services;
- Implementing the provisions of the Housing (Scotland) Act 2006.

Any unspent proportion of the additional funding can be carried forward into 2009/10. To ensure compliance with this Ministerial directive Angus Council allocated the funding in line with the table above which clearly shows that the resources were directed toward Ministerial priorities which dovetail with Angus Council's local priorities and needs.

Further to the priorities set out for the use of the additional resources, Ministers set out further expectations. These are:

- Increase the number of disabled people who are able to live more independently in the private sector as a result of house adaptations or other assistance.
- Provide relevant and appropriately targeted advice services for owners wishing to repair improve or adapt their home.
- Adequately fund core Care and Repair services.
- Reduce the proportion of private sector houses that are sub-standard as defined in section 68 of the Housing (Scotland) Act 2006.
- Implement the Housing (Scotland) Act 2006 and its Scheme of Assistance and effect a significant increase in the proportion (relative to the number of grant recipients) of owners provided with other forms of assistance such as advice on lending options for funding repairs and improvements to their home.

The milestones against which progress in achieving outcomes shall be monitored are:

- Increase in the number of disabled people receiving grant or other assistance to adapt their home.
- Increase in the number of owners receiving advice on private sector housing issues and pursuing advice received.
- Increase in the proportion of owners provided with non-grant financial assistance to carry out repairs and improvements to their home, compared with the proportion of owners receiving grant for repairs and improvements.

USE OF THE PSHG BUDGET 2009/10

To ensure compliance with the requirements above for 2009/10 the following grant allocation is proposed for Member's discussion and approval or amendment.

Imp & Adaptations	£ 390,000.00
Imp/Repair (BTS)	£ 200,000.00
Windows	£ 30,000.00
EHI (4 @ £20,000)	£ 80,000.00
AC&R Support	£ 193,000.00
Dedicated QS & OT	£ 93,000.00
2006 Act Team	£ 70,000.00
Core Grant	£1,056,000.00

CARE AND REPAIR

In previous years Care and Repair has received significant funding from Angus Council from the PSHG, the Housing Division and Social Work Division. In 2008/09 the Housing Division and PSHG funded Care and Repair to the tune of £341,000 with an additional one off £20,000 being added from the Community Safety Budget. Of these resources £95,000 were in the form of temporary funding, which was common place prior to the concordat, with the Council making a decision to continue to support the Doorstoppers initiative, £55,000, and an additional £40,000 from the additional grant monies carried over from 2007/08 into 2008/09. In addition Care and Repair receive resources from the Council's Housing Revenue Account and the Social Work and Health Department. which equates to total Council funding of around £444,000 in 2009/10.

It is anticipated members will wish to continue their support for care and repair but it must be noted that due to the additional resources now being fully committed the Council cannot continue to provide the same level of financial assistance as in previous years with any certainty. This is however a manageable process as these elements of the funding received by Care and Repair were always known to be temporary funding. Despite the financial uncertainty facing Councils, the work of Care and Repair is highly regarded and amendments have been made to offset the biggest loss, that of the Fairer Scotland Funding, which was made up last year by the Doorstoppers funding.

To offset this loss, and in the context of the recently received guidance, Members are asked to approve a reduction in the window grant and a reduction in the resources assigned to the 2006 Act Implementation Team, with these reductions being added to the Care and Repair Budget (and also the Improvement and Adaptations budget), to off set the loss of the temporary funding previously allocated to Care and Repair (namely £55,000 of Fairer Scotland Funding/Doorstoppers). The additional grant resources are now fully accounted for and there is no longer an ability to secure resources from this source. Despite this, the amendments to the budget above mean that Angus Council has been able to increase the secure funding to Care and Repair to balance the previous reliance on temporary funding.

In addition to the £193,000 provided by the PSHG members are asked to agree that in accordance with report 1069/08 the Housing Division continues to fund Care and Repair through contributions from the other housing and core housing budget with £106,000 and £14,000 respectively, giving a total of £313,000 for 2009/10. As noted above whilst this represents a reduction in the overall funding, it does equate to a significant increase in the secure funding provided to Care and

Repair. In addition to this steps have been taken to offset the amount of this loss and stabilise the funding from 2009/10 but does acknowledge a funding loss as a result of the ending of the previously ring fenced Fairer Scotland Funding.

In recognition of this, and to conclude the soft landing following the loss of temporary funding, it is proposed, that with Member's agreement, a final one off payment of £40,000 is made from PSHG underspend to enable Care and Repair to continue with existing services until the details of the Scottish Government's Review of Care and Repair is known. In total this equates to a funding package of £484,000 to Care and Repair in 2009/10, taking account of the Social Work contribution of some £131,000. Members are asked to note that the review of Care and Repair is due to be published in the next few months. Care and Repair have received their funding directly from Angus Council for a significant period and regardless of the review, to ensure compliance with best value regulations and ensure openness and transparency; the Council may need to tender for Care and Repair Services in the coming years. Members will be fully informed of the outcomes of the review and will have the opportunity of being briefed by Council and Care and Repair staff.

Members are also asked to note that to ensure resources are directed where they are most needed, Angus Council's Housing Division will be working with Care and Repair to ensure that in 2009/10 and beyond that only very limited works (to the value of £14,000) are carried out by Care and Repair to Angus Council Housing Revenue Account properties thus freeing up resources to improve the quality of life on those in private homes who are most in need of assistance and least likely to be able to resolve their own adaptation needs. Members are also asked to agree that the Director of Neighbourhood Services writes to Care and Repair to make clear that the additional resources are only for this financial year and that budgets may be subject to change as future financial settlements are known.

A Corporate Approach

Throughout this guidance there is a strong emphasis on the importance of the corporate approach within the local authority, with close liaison between housing and social work colleagues on:

- the assessment of an individual's need and eligibility for assistance,
- decisions on how best to meet need that is eligible and a priority for assistance,
- decisions on financial assistance, both generally and in individual cases.

Angus Council's Housing and Social Work and Health staff have been working for some time to develop a single point of entry and assessment and for those who are requesting this service. It was initially thought that this would see the aligning of the Housing and Social Work and Health budgets. This provides the opportunity for a wider application of the single shared assessment model and the implementation of a consistent process, based on the social work and health prioritisation system, for all applicants regardless of the tenure they reside in which will be of considerable benefit to service users.

5. FINANCIAL IMPLICATIONS

This report sets out how the full Private Sector Housing Grant for 2009/10 will be allocated, and how the Care and Repair funding from the Private Sector Housing Grant and Housing Budgets is made up, with full breakdowns of all the funding having been provided within the body of the report. The final carry forward elements of the 2008/09 PSHG budget are not yet known as the year end processes are still being concluded but there are significant resources available to provide the additional resource set out in the report. If this report were to be delayed because of the year end process works would need to be stopped and vulnerable clients may not receive the assistance they need without undue delay.

6. HUMAN RIGHTS IMPLICATIONS

There are no human rights implications for the Council arising directly from the information contained within this reports.

7. SINGLE OUTCOME AGREEMENT

This report contributes to the following local outcomes contained within the Single Outcome Agreement for Angus –

- Good quality housing is available throughout Angus.

8. CONSULTATION

The Chief Executive, the Director of Corporate Services the Head of Finance and the Head of Law and Administration have been consulted in the preparation of the report.

9. EQUALITIES IMPLICATIONS

The issues dealt within this report have been subject of consideration from the equalities perspective. No equalities impact assessment is required.

10. CONCLUSION

This sets out how the Council is delivering on the emerging requirements of the 2006 Act; sets out how PSHG resources are to be utilised and provides long-term funding safeguards for Care and Repair removing the uncertainty of one off resource streams. The report also sets out the wider corporate approach to dealing with adaptations to vulnerable clients and if agreed will lead to the development of a one stop shop approach for all client groups regardless of tenure and will ensure a consistency of approach for all service users needs. Members will know that the Care and Repair Review has yet to report its findings and when it does so it is hoped to begin discussions on setting a budget for the use of PSHG resources for the period up to 2013/14 which will include resources provided to Care and Repair, through Social Work and Health, and how Angus Council will deliver on the requirements of the Housing (Scotland) Act 2006.

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Note: The background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) which were relied on to any material extent in preparing the above report.

Implementing the Housing (Scotland) Act 2006: Statutory Guidance for Local Authorities
Report 497/08
Report 1069/08

Hsg/NS/AMcK

Appendix 1

PSHG Funding 2009/10 to 2013/14 – Illustrative Example

2009/10 is actual award. 2010/11 to 2013/14 is indicative award based on current funding levels. Actual funding levels are subject to announcement in the 2009 & 2011 spending reviews.

	2009/10	2010/11	2011/12	2012/13	2013/14
SCOTLAND	67.335	67.335*	67.335*	67.335*	67.335*
	£m	£m	£m	£m	£m
Aberdeen City	2.788	2.792	2.795	2.799	2.803
Aberdeenshire	1.331	1.443	1.554	1.666	1.777
Angus	1.056	1.065	1.073	1.082	1.091
Argyll & Bute	3.066	2.950	2.833	2.717	2.601
Clackmannanshire	0.517	0.497	0.478	0.458	0.438
Dumfries & Galloway	2.165	2.130	2.096	2.061	2.026
Dundee City	2.171	2.152	2.133	2.114	2.094
East Ayrshire	0.981	1.001	1.021	1.041	1.061
E Dunbartonshire	0.839	0.890	0.942	0.993	1.045
East Lothian	1.328	1.292	1.257	1.221	1.186
East Renfrewshire	0.594	0.633	0.671	0.710	0.749
Edinburgh, City of	7.173	7.351	7.529	7.706	7.883
Eilean Siar	3.155	2.984	2.814	2.643	2.472
Falkirk	1.022	1.036	1.050	1.064	1.077
Fife	1.611	1.806	2.002	2.198	2.394
Glasgow City	10.609	10.555	10.501	10.446	10.392
Highland	4.253	4.151	4.050	3.948	3.847
Inverclyde	1.178	1.158	1.137	1.117	1.096
Midlothian	0.522	0.529	0.537	0.545	0.552
Moray	1.248	1.216	1.184	1.152	1.120

North Ayrshire	1.224	1.232	1.240	1.247	1.255
North Lanarkshire	2.620	2.679	2.739	2.798	2.857
Orkney Islands	1..072	1.021	0.969	0.917	0.866
Perth & Kinross	1.750	1.740	1.730	1.720	1.710
Renfrewshire	1.759	1.813	1.867	1.922	1.977
Scottish Borders	1.253	1.243	1.234	1.224	1.215
Shetland Islands	0.926	0.871	0.816	0.762	0.707
South Ayrshire	1.195	1.225	1.254	1.283	1.313
South Lanarkshire	4.771	4.768	4.765	4.762	4.758
Stirling	1.131	1.094	1.057	1.021	0.984
W Dunbartonshire	0.808	0.798	0.787	0.777	0.767
West Lothian	1.219	1.220	1.220	1.221	1.222

* These figures will be determined by the 2009 & 2011 Spending Reviews. Actual local authority allocations will vary if total available funding differs from this example.