

AGENDA ITEM NO

REPORT NO 552/09

ANGUS COUNCIL

**NEIGHBOURHOOD SERVICES COMMITTEE – 20 AUGUST 2009
CORPORATE SERVICES COMMITTEE – 03 SEPTEMBER 2009**

SERVITE HOUSING ASSOCIATION – HOUSING DEVELOPMENT AT DON STREET, FORFAR

REPORT BY DIRECTOR OF NEIGHBOURHOOD SERVICES

Abstract: This report seeks approval to contribute up to a maximum of £76,150 to a housing development being undertaken by Servite Housing Association.

1. RECOMMENDATION

1.1 It is recommended that Members:

- (i) Approve the payment of up to £76,150 from the Affordable Housing Revenue Account towards the additional costs of constructing a specially-designed wheelchair-accessible property at Don Street, Forfar.

2. BACKGROUND

2.1 Officers from the Council's Housing Division and the Social Work & Health Department have been working for a considerable time to secure appropriate housing for a large family which has several members with complex needs. Two wheelchair-accessible double bedrooms are required on the ground floor of the property, along with a fully wheelchair-accessible bathroom. Four additional bedrooms are also required.

2.2 Meeting the housing needs of the family from the existing Council and Housing Association housing stock in Forfar has not proved possible, due to the complex needs of the family. It is desirable for the family to continue to reside in the Forfar area. The family are currently living in temporary accommodation which does not fully meet their needs.

2.3 Servite Housing Association have agreed to work with the Council to deliver a suitable property as part of a new development of affordable housing at Don Street, Forfar. A six-bedroom property with two full wheelchair-accessible bedrooms on the ground floor is to be provided by combining two smaller terraced properties within the development. Full Planning Permission Approval for the development as originally proposed was granted by the Head of Planning & Transport under Delegated Powers on 19 November 2007 (Application reference 07/01161/FUL).

3. THE FUNDING PACKAGE

3.1 Servite Housing Association has been able to access funding from the Scottish Government's Affordable Housing Investment Programme (AHIP), along with private finance, to meet the basic development costs of the approved development of ten flats and four houses at Don Street, Forfar.

- 3.2 The funding available to Servite Housing Association from Scottish Government and the associated private finance are insufficient to cover the costs of combining two of the houses to create one six-bedroom house with a wheelchair-accessible ground floor. Some interior fixtures, fittings and finishes will also be more costly than those originally specified, but this is necessary to meet the needs of the family concerned. The total cost of these works has now been estimated at a sum not exceeding £67,650.
- 3.3 The needs of the family concerned are likely to change over time, and Servite Housing Association may ultimately wish to convert the six-bedroom wheelchair-accessible property back into two smaller properties. Servite Housing Association has worked with the architect and contractor to ensure that such a reconfiguration would be as straightforward as possible. However, there would still be some costs associated with such works. These have been estimated at a sum not exceeding £8,500. The Council's liability to meet these costs will decrease by 5% annually, until at the end of a 20-year period Servite Housing Association will meet the costs associated with the reconfiguration of the properties in full.
- 3.4 It is proposed that the cost of converting the two properties to create one large property with a wheelchair-accessible ground floor, not exceeding £67,650, will be met in full from the Affordable Housing Revenue Account (AHRA) established to manage the income generated from the reduction in Council Tax discount on second homes. This fund is administered by the Council in terms of R12/06 and R299/09.
- 3.5 A further contribution, not exceeding £8,500, will be made from the Affordable Housing Revenue Account in the event that the wheelchair-accessible property proposed were to cease to be required, and be converted back into two smaller properties within 20 years of the initial completion.

4. THE PROPOSAL

- 4.1 The Don Street development will provide a total of 12 units of mainstream social rented housing, along with one six-bedroom house with a wheelchair-accessible ground floor. While more costly than the mainstream properties, construction of this property will enable the housing needs of the family concerned to be met in full, something which has otherwise not proved possible to achieve. An ongoing failure to meet the housing needs of the family is likely to have a detrimental impact on the health of some vulnerable members of the family.
- 4.2 A Development Agreement will be put in place between the Council and Servite Housing Association regarding the funding contributions detailed above.

5. FINANCIAL IMPLICATIONS

- 5.1 The financial implication arising from this report is expenditure of up to £76,150 from the Affordable Housing Revenue Account.
- 5.2 The uncommitted AHRA balance currently stands at approximately £617,000.

6. HUMAN RIGHTS IMPLICATIONS

- 6.1 Article 8 of the European Convention on Human Rights is relevant to this report. By following the recommended action the Council is supporting this family's rights under Article 8, i.e. the right to home and family life.

7. EQUALITIES IMPLICATIONS

- 7.1 The issues dealt with in this Report have been the subject of consideration from an equalities perspective (as required by legislation). An equalities impact assessment is not required.

8. SINGLE OUTCOME AGREEMENT

8.1 This report contributes to the following local outcomes contained within the single Outcome Agreement for Angus:

- Good quality housing is available to all in communities throughout Angus.
- Resources are used effectively.

9. CONSULTATION

9.1 The Chief Executive, the Directors of Corporate Services, Infrastructure Services and Social Work & Health and the Heads of Finance and Law & Administration have all been consulted in the preparation of this report.

10. CONCLUSION

10.1 The project will meet the assessed housing need of the family concerned, something which has not otherwise proved possible. The Council's contribution will not exceed £76,150.

**RON ASHTON
DIRECTOR OF NEIGHBOURHOOD SERVICES**

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

- Report 299/09 - Amended Guidance on Local Authority discretion to reduce Council Tax discount on second homes and long-term empty properties.
- Report 748/08 – Utilisation of “Council Tax Second Homes” Funding.
- Report 62/08 – Hillcrest Housing Association – Development at Alma Works, Arbroath.
- Report 257/06 – Trust Housing Association Limited – Amenity Housing Development at 12 – 30 Garden Street, Gowan Park, Arbroath.
- Report 12/06 – Use of additional Council Tax to provide Affordable Housing.
- Report 152/05 – Changes to Council Tax Discounts.

Hsg/NS/AMcK/KS

EQUALITY SCREENING

Policy Control Document

Name of Policy, Procedure or Report Servite Housing Association – Housing Development At Don Street, Forfar.

Lead Department/Service Housing Division.

What is the aim of the policy, procedure or report?

Provision of funding for completion of a development of affordable housing. Funding to be sourced from Angus Council's Affordable Housing Revenue Account (AHRA).

Is this a new or a review of an existing policy, procedure or report?

Report is in line with established policy.

Screening Process

Has the policy, procedure or report already been assessed for its impact on people from different racial backgrounds, people of different genders and people with disabilities.

Yes No

If Yes, unless there have been significant changes, no further action is required. Please sign and date immediately below and retain for reference.

If No, does the policy, procedure or report involve or have consequences for the people the council serves or employs?

Yes No

If yes, proceed to Step 1 of the Full Impact Assessment on page 2.

If no, please state why not

If no, The policy, procedure or report is not relevant and no further action is required.

Please sign and date immediately and keep for reference

Name: Kenneth Stephen

Signature: _____

Date: 21/7/09