

ANGUS COUNCIL

NEIGHBOURHOOD SERVICES COMMITTEE – 19 NOVEMBER 2009

INFRASTRUCTURE SERVICES COMMITTEE – 24 NOVEMBER 2009

SOCIAL WORK & HEALTH COMMITTEE –7 JANUARY 2010

HOUSING (SCOTLAND) ACT 2006: - DEVELOPING A SCHEME OF ASSISTANCE FOR ANGUS

**REPORT BY THE DIRECTOR OF NEIGHBOURHOOD SERVICES, THE DIRECTOR OF
INFRASTRUCTURE SERVICES AND THE DIRECTOR OF SOCIAL WORK & HEALTH**

ABSTRACT: The Housing (Scotland) Act 2006 introduces a requirement for every Scottish Local Authority to develop and implement a “Scheme of Assistance”. This Scheme is to provide assistance to owners and private tenants when carrying-out work on their homes. This report sets-out broad proposals for the development of a “Scheme of Assistance” for Angus.

1. RECOMMENDATION

1.1 It is recommended that:

- (i) Neighbourhood Services Committee agree the report and instruct that a Scheme of Assistance be drawn up by Director of Neighbourhood Services in conjunction with the Director of Infrastructure Services and the Director of Social Work & Health and submitted at a future meeting of this Committee;
- (ii)
 - (a) Members of Social Work & Health and Infrastructure Services Committees note the report and remit the Directors of Social Work & Health and Infrastructure Services to work with the Director of Neighbourhood Services to bring forward the Scheme of Assistance within the statutory timescale;
 - (b) To instruct the Directors of Social Work & Health and Infrastructure Services to bring forward the necessary reports as to the implication of the Scheme of Assistance on their individual service remits.

2. BACKGROUND

- 2.1 As Members will be aware, Scottish Government has introduced the Housing (Scotland) Act 2006 to address issue of housing quality and poor physical condition within the private sector housing stock in Scotland. The intention is that owners should have primary responsibility for maintaining their homes, but that assistance should be available where necessary. This assistance will not necessarily be of a financial nature. Members were updated on this issue in report 296/09.
- 2.2 Part 2 of the 2006 Act introduces a requirement for every Scottish Local Authority to develop and implement a “Scheme of Assistance”. This Scheme is to provide assistance to owners and private tenants when carrying out work on their homes. The assistance offered can be in a number of forms, specified by Scottish Government: -

- Advice
 - Training
 - Information
 - The services of Local Authority staff
 - A guarantee for loan purposes
 - Opening of a maintenance account
 - Land acquisition
 - Grants
 - Standard, equity and subsidised loans
- 2.3 In addition, Section 72 of the 2006 Act requires every Scottish Local Authority to prepare and make available to the public a statement explaining details of its policy on deciding whether to provide assistance to home owners, the form of assistance, and whether the approved expense will be limited. Where loans are to be provided, details must be included of the interest rates and other charges relating to a standard loan and the repayment element of a subsidised loan. Report 296/09 set out the main changes brought about by the 2006 Act and these are reproduced below:
- 2.4 **SUMMARY OF CHANGES INTRODUCED BY REGULATIONS UNDER PART 1 AND 2 OF THE HOUSING (SCOTLAND) ACT 2006**
- 2.5 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.
- 2.6 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.
- 2.7 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).
- 2.8 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.

- 2.9 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.
- 2.10 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.
- 2.11 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.
- 2.12 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.
- 2.13 In response to this new set of regulations, Members are asked to note that Angus Council currently directs 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.

3. CURRENT ARRANGEMENTS

- 3.1 Angus Council currently operates a number of grant schemes to help home owners and private tenants meet the costs of repairing, improving or adapting their homes. The Council is legally obliged to make available a Standard Amenity Grant to help meet the costs of installing essential items such as a bath, shower, WC or wash hand basin in an occupied privately owned property which does not have them, but would otherwise meet the Tolerable Standard. Current grant schemes operate in the context of Part xiii of the Housing (Scotland) Act 1987 and Section 92(3) of the Housing (Scotland) Act 2001.
- 3.2 Grants are also provided for the carrying-out of permanent adaptations to a property to meet the needs of a disabled person. An Occupational Therapy (O/T) assessment is required to support grant applications.
- 3.3 Non-mandatory grants are offered for the carrying-out of repairs, the carrying out of improvements and the replacement of lead plumbing, etc.
- 3.4 The primary source of funding for the current grant schemes is the Council’s annual Private Sector Housing Grant (PSHG) allocation. However, for a number of years this has proved inadequate to meet the costs attached to all of the successful grant applications received within a given financial year, and “waiting lists” have developed for certain grant schemes.

4. DIRECTION OF TRAVEL

- 4.1 As indicated above, Part 2 of the 2006 Act introduces a requirement for every Scottish Local Authority to develop and implement a "Scheme of Assistance". In Angus, the Scheme of Assistance developed will replace the grant schemes which are currently in operation.
- 4.2 Scottish Government guidance indicates that provision of grant funding under a Scheme of Assistance should be focussed on cases where there is evidence of hardship, or where financial incentives are evidently required for work to be progressed. In other instances, the focus should be on providing information, advice and practical assistance to applicants.
- 4.3 The Council will continue to be legally obliged to provide assistance where a property requires to be adapted to meet the needs of a disabled occupant. Assistance must also be provided to return a property which has been adapted to its original condition (reinstatement works). Where work to a property is required via a Work Notice, the Council will also continue to be legally obliged to provide assistance. However, this assistance does not have to be financial.
- 4.4 The primary source of funding for any Scheme of Assistance developed for Angus will be the Council's annual PSHG allocation. There is no evidence to suggest that the Council's annual PSHG allocation will be significantly increased to coincide with the introduction of a Scheme of Assistance (£1.065m in 2010/11), so it seems reasonable to suggest that demand for funding may well continue to exceed the resources available.
- 4.5 In this context, it would be logical to seek to conserve the available funding for cases where there is an identified and assessed need to be met, e.g. the adaptation of properties to meet the needs of disabled occupants, to assist individuals maintaining independent lives or to leave hospital in good time. While in the past it was possible for the Council to provide grant funding for improvement works such as window and gutter replacements, it is felt that in the current financial climate the available funding must be targeted at meeting assessed needs of individuals to fall into line with the Council's aims as set out in the Best Value Review of Older People's Services.
- 4.6 Fortunately, the 2006 Act also allows the Council to develop an enhanced role in relation to the provision of information and advice as part of a Scheme of Assistance. At a time when scope to provide grant funding to home owners and private tenants is limited, it would be beneficial to increase the range of information and advice which can be offered. This is an area of work where the Council's partners may well be able to assist in terms of both the dissemination of information and advice, and specialist technical knowledge.

5. THE NEXT STEPS

- 5.1 With the approval of Members, the Director of Neighbourhood Services, the Director of Infrastructure Services and the Director of Social Work & Health will draw up a Scheme of Assistance for Angus. This will be consulted on with a range of partners in draft form, and will then be submitted to Members for approval and formal adoption.
- 5.2 The Scheme shall have two key elements. Available grant funding shall be focussed on meeting assessed needs of individuals, i.e. the adaptation of properties to meet the needs of disabled occupants or those in need of adaptations to maintain independent lives minimised or free from medical or social care intervention. An element of Funding will also need to be conserved to address situations where the Council is legally obliged to provide funding, i.e. where work to a property is required via a Work Notice, however where these works are to properties in private ownership the principle suggested is that owners should meet these costs themselves but that advice on how to do that should be provided through Angus Council.
- 5.3 In other instances where the provision of grant funding by the Council is not imperative, the emphasis will be on the provision of information and advice to owners and private tenants. This is likely to include advice on alternative sources of funding which may be available, e.g. equity release schemes. Instances where this information and advice-led approach is likely to be applied include roof repairs and the renewal of windows and gutters, etc.

6. FINANCIAL IMPLICATIONS

6.1 There are no financial implications for the Council arising from the recommendations in this report.

7. HUMAN RIGHTS IMPLICATIONS

7.1 There are no direct human rights implications arising from this Report.

8. EQUALITIES IMPLICATIONS

8.1 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.

9. SINGLE OUTCOME AGREEMENT

9.1 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.

10. CONSULTATION

10.1 The Chief Executive, the Director of Corporate Services, and the Heads of Finance and Law & Administration have all been consulted in the preparation of this report.

11. CONCLUSION

11.1 Under Part 2 of the Housing (Scotland) Act 2006, Angus Council is required to develop and implement a "Scheme of Assistance". This Scheme is to provide assistance to owners and private tenants when carrying-out work on their homes.

11.2 The broad proposals for the development of a Scheme of Assistance for Angus which are set out above provide for the development of a Scheme which will provide appropriate assistance to both owners and private tenants. They also provide for the conservation of the limited resources available to the Council, while ensuring that funding is targeted at those in greatest assessed need (as defined through the EARN Matrix, i.e. Equipment and Adaptations Risk and Need Matrix). Members are asked to note that the principles set out in this report make a clear decision to develop a scheme of assistance that is focussed on delivering a service to the vulnerable or those in need of adaptations to maintain independent lives. The vast majority of the PSHG will therefore be re-aligned to the provision of these services and private owners, who previously applied for grant, will, in the future, be provided with advice and assistance to resolve their own property investment needs rather than direct financial assistance. This direction aligns with the local and national reviews into Best Value services for Older People.

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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 744/08 – Consultation on the Housing (Scotland) Act 2006.
- Scottish Executive Development Department Circular: - Implementing the Housing (Scotland) Act 2006 – Scottish Executive Development Department, July 2006.
- Housing (Scotland) Act 2006 – Scottish Executive, 2006.
- Report No 296/09 - Private Sector Housing Grant 2009/10 To 2013/14

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