Abstract: This report proposes the transfer of budget and responsibilities for private sector housing grants (PSHG) from Neighbourhood Services Committee to Infrastructure Services Committee.

1 RECOMMENDATION

1.1 It is recommended that the Council approve:-

1. the transfer of the budget (revenue and capital) related to the formerly ring fenced private sector housing grants and the other revenue funding used to facilitate grant administration from Neighbourhood Services Committee to Infrastructure Services Committee; and

2. that responsibility for policy and strategy related to the grants be delegated to the Infrastructure Services Committee.

2 BACKGROUND

2.1 Members will be aware that Angus Council enables the provision of improvements in private houses to ensure that current standards are met and to provide adaptations for residents in Angus who require them in order to maintain healthy lives within their local communities. This service provision is primarily funded through the formerly ring fenced Private Sector Housing Grant (PSHG). Budgetary responsibility for this service currently lies with Neighbourhood Services.

2.2 The Improvement and Adaptation assessment process is undertaken in conjunction with officers from Social Work & Health (Needs Assessment) and Infrastructure Services (Technical Delivery). The support from Social Work & Health is specifically provided by an Occupational Therapist, while a Quantity Surveyor, a Technician and administrative support are provided by the Planning & Transport Division of Infrastructure Services.

2.3 Historically the budget policy and strategy relating to these grants has been the responsibility of Neighbourhood Services, whilst the authority for approval of grant lies with the Head of Planning & Transport.

2.4 The arrangements for administering the grants were complicated by the annual nature of the approval process and the need to hold money in reserve for committed projects which could run into the subsequent financial year. In combination with the previously ring-fenced nature of the support grant, this has resulted in the need to regularly carry forward substantial sums of money from year to year.

2.5 As the budget responsibility has been with Neighbourhood Services the Director of Infrastructure Services has regularly reported the budget monitoring position to the Neighbourhood Services Committee.
3 DISCUSSION

3.1 The change in the grant regime, the need to deliver continuous improvement and the removal of the ring-fencing of the support grant justifies a review of the processes and responsibilities.

3.2 The grants themselves do not directly impact on wider housing policies and strategies and therefore there is no strategic reason why the policies on allocation of the grant needs to stay with Neighbourhood Services Committee.

3.3 The management of the process and approval of the grant by the Head of Planning & Transport has been effective and there has been a very limited involvement of staff from Neighbourhood Services Department in the day to day administration of the grant scheme.

3.4 Simplification of the process through transferring budget and policy responsibility for the grant from the Neighbourhood Services Committee to the Infrastructure Services Committee would provide a more streamlined and effective system of working and improve budget accountability.

4 FINANCIAL IMPLICATIONS

4.1 The transfer of responsibilities can be achieved with no overall impact on the capital or revenue budgets of the Council.

4.2 The transfer of responsibility would however require a number of adjustments to the Neighbourhood Services and Infrastructure Services budgets, as detailed below.

4.3 The £67,000 currently allowed for in the Other Housing revenue budget to fund administration of the PSHG grant would transfer to the Infrastructure Services base budget. This budget is currently used to fund the cost of staff within Infrastructure Services who are responsible for administration of the scheme.

4.4 The PSHG indicative capital grant allocation of £528,000 for 2011/12 (a reduction of £111,000 from the 2010/11 grant level) would be transferred to the Infrastructure Services Capital Plan, with additional indicative budgets of this level in subsequent years, although these would be subject to review once the detail of the 2012/13 and beyond spending reviews is available as further reductions in capital resources are expected.

4.5 The provisional 2011/12 PSHG revenue budget of £426,000 would be vired to the Infrastructure Services budget for 2011/12. This budget covers revenue costs associated with the grant scheme e.g. payments to Angus Care and Repair and Occupational Therapy Support from Social Work & Health Department.

4.6 Historically there has been good reason for carrying forward capital and revenue budgets as these have been provided as ring-fenced resources. These grants have now been “rolled up” and the ring-fencing removed and this should reduce the need for ongoing carry over. However, given the significant reduction in the provisional 2011/12 capital grant allocation a 100% revenue budget carry forward request was submitted to the Head of Finance in accordance with the requirements of the budget flexibility scheme (Section 4.9 of the Financial Regulations refers) to reflect the current year’s capital commitments and ensure next year’s total capital budget can be maintained at the current year’s grant level. This request was approved by the Strategic Policy Committee at its meeting on 1st February 2011 (report 75/11 refers). This approved carry forward sum will be added to the Infrastructure Services base revenue budget in 2011/12 and allocated for use as Capital From Current Revenue to make the available PSHG capital resources for 2011/12 up to £639,000.
5 HUMAN RIGHTS IMPLICATIONS

5.1 There are no Human Rights implications arising from this report.

6 EQUALITIES IMPLICATIONS

6.1 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.

7 SINGLE OUTCOME AGREEMENT

7.1 This report contributes to the following local outcome(s) contained within the Single Outcome Agreement for Angus:

- Resources are used effectively.

8 CONSULTATION

8.1 The Director of Infrastructure Services, Director of Neighbourhood Services, Director of Corporate Services, Head of Finance and Head of Law & Administration have been consulted in the preparation of this report.

9 CONCLUSION

9.1 The transfer of responsibilities for the PSHG from Neighbourhood Services to Infrastructure Services will simplify and rationalise the management of this important work.

DAVID SAWERS
CHIEF EXECUTIVE

NOTE: No 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 any material extent in preparing the above report.

IS/ESL/IAL
26 January 2011