

Report

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Report to:	Housing and Technical Resources Committee
Date of Meeting:	25 November 2009
Report by:	Executive Director (Housing and Technical Resources) Executive Director (Corporate Resources)

Subject:	Housing (Scotland) Act, 2006: Scheme of Assistance
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide an update of progress in implementing Part 2 of the Housing (Scotland) Act 2006.
- ◆ Set out proposals for the final Section 72 Statement on the Council's Scheme of Assistance.
- ◆ Set out the employee implications of delivering the Scheme of Assistance.

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that progress in developing the Scheme of Assistance be noted.
- (2) that the proposed organisational and establishment changes be approved.
- (3) that the final Scheme of Assistance be approved for publication in the Council's 'Section 72' Statement.

3. Background

- 3.1. The Housing (Scotland) Act, 2006 was introduced to address issues of housing quality and condition largely in the private sector. Part 2 (Section 72) of the Act introduced the statutory requirement for local authorities to develop a 'Scheme of Assistance' (Scheme) for providing assistance to owners and private tenants when carrying out work on their house. This was based on the principle that owners should take the main responsibility for maintaining their home but that assistance should be made available, where necessary to encourage owners to maintain their properties and stop the decline in the condition of private sector housing.
- 3.2. Each local authority is required to publish a statement of its criteria for using the powers and must include its strategy for improving the condition of private sector houses through the use of the new powers in its Local Housing Strategy.
- 3.3. This Committee approved the interim Scheme on 1 April 2009 and a consultative draft Section 72 Statement on the Scheme of Assistance has been developed and a public consultation exercise on the proposed Scheme was progressed and concluded on 16 August 2009.

- 3.4. Led by Housing and Technical Resources, the cross-Resource Private Sector Housing Strategy Steering Group has overseen the development of the Scheme of Assistance. The following Resources have contributed to the developing Scheme:-
- Social Work Resources
 - Finance and Information Technology Resources
 - Enterprise Resources
 - Community Resources

4. Local and National Context

- 4.1. Locally, just over 77% (110,000) of South Lanarkshire homes are in the private sector. Between 2001 and 2007, there has been significant growth in the private sector in South Lanarkshire (33.4%). This is expected to rise by a further 22,000 (+17%) by 2024.
- 4.2. This is consistent with the national picture which has seen the private sector rise from under half the houses in Scotland in 1980 to three quarters currently, increasing ownership in lower income groups. Many owners who bought their homes under the Right to Buy are on relatively low incomes and they have increasing difficulty with repairs as they and their houses age. The rising cost of house purchase in recent years has also taken a bigger proportion of new owners' income, creating a pressure to spend less on repairs and maintenance.
- 4.3. According to the Scottish House Condition Survey, nationally, around 33% of Scotland's 1.64 million private sector homes require urgent repairs and the estimated cost of addressing comprehensive repairs in these homes is around £5 billion. The survey also estimated that around 35% (37,500) of private sector homes in South Lanarkshire are in urgent disrepair. This indicates home owners are not doing enough to maintain and repair their properties resulting in large numbers of run down houses. This in turn, means people are enduring poor living conditions and declining communities.
- 4.4. In South Lanarkshire, excluding adaptations, the traditional grant route assisted about 1,200 owners per year, (1.1% of private sector stock). Of this 1,200, typically 83% were priority works including common fabric related to the Council's Housing Investment Plan, Care and Repair clients and BTS works. Annually the traditional grant scheme in South Lanarkshire received applications for other work categories which could not be assisted because of budget constraints. This resulted in up to 1,500 households per annum being waitlisted for financial assistance. On 1 April 2009 the waiting list was closed with 5,700 applications still pending.
- 4.5. Many owners live in good houses that are unsuitable for someone in the household who is disabled or frail through age. At a national level, around 90,000 owners report that their homes require adaptation to help them to live independently. In South Lanarkshire, 16% of the population are aged 60 years or older. Just over 94,000 adults in South Lanarkshire are estimated to have a long term health problem or disability. Disabled people living in the private sector have traditionally received financial assistance from the former grants scheme to adapt their home to meet their needs. This has proved invaluable in providing assistance to about 800 owners in South Lanarkshire per annum to enable them to continue to live in their own home.

- 4.6. If current problems with private sector house conditions are to be addressed, actions are required to suit the needs of individuals and local communities and they need to reach many more owners. The approach introduced by the 2006 Act and the South Lanarkshire Scheme of Assistance aims to be more cost effective in stimulating action by owners and to reach many more owners than in the past.
- 4.7. The proposed South Lanarkshire Scheme of Assistance reflects the Council's vision 'Work together to improve the quality of life for everyone in South Lanarkshire'. Four of the nine priorities set out in 'Connect' are particularly relevant to the Scheme of Assistance. These are:-
- Improve the quality, access and availability of housing.
 - Develop services for older people.
 - Sustainable development.
 - Efficient and effective use of resources
- 4.8. By implementing the Scheme of Assistance, it is anticipated that the Council will be able to contribute to the following national outcomes:-
- We live longer, healthier lives.
 - We have tackled the significant inequalities in Scottish society.
 - We live in well designed, sustainable places where we are able to access the amenities and services we need.
 - We have strong, resilient and supportive communities where people take responsibility for their own actions and how they affect others.
 - We value and enjoy our built and natural environment and protect it and enhance it for future generations.
 - Our public services are high quality, continually improving, efficient and responsive to local people's needs.
- 4.9. In addition, five of the twelve strategic objectives within the South Lanarkshire Local Housing Strategy have a direct relevance to the Scheme of Assistance:-
- Improve private sector house conditions.
 - Ensure council housing achieves the Scottish Housing Quality Standard.
 - Increase accommodation for people with particular needs.
 - Improve housing services for those with housing support needs.
 - Improve information and advice services.

5. Consultation

- 5.1. A consultative draft section 72 Statement on proposals for the final Scheme of Assistance was prepared following Committee approval of the Interim Scheme and public consultation on the proposed Scheme carried out over an eight week period between 22 June and 16 August 2009. We set a number of questions throughout the draft document and provided a feedback form for respondents to use. During this final consultative period we:-
- Distributed copies of the consultative draft to relevant and interested organisations and individuals, inviting feedback either by email or by completing a feedback form.
 - Published and promoted the consultative draft Scheme on the corporate website, inviting feedback either by email or by completing the feedback form.
 - Forwarded an electronic link to the consultation to members of the Council's Citizens' Panel, inviting them to take part.
 - Presented the draft Scheme to strategic forums, including the LHS Steering Group and encouraged discussion and debate on its contents.

- Promoted the publication of the draft Scheme in the local media, welcoming feedback.
- Presented the Scheme to our own staff and invited views from our front line service delivery teams.

5.2. We received 22 written responses to the questions within the consultative draft Scheme of Assistance from a wide range of respondents. In general, respondents found the consultative draft document, 'comprehensive', 'well written', 'easy to understand' and 'very positive'.

5.3. A consultation report has been prepared that sets out our approach to consultation on the Scheme of Assistance, the feedback received and how this has influenced our final proposals. This has been published on the corporate website.

6. Proposals for the Final South Lanarkshire Scheme of Assistance

6.1. The proposals for South Lanarkshire's Scheme of Assistance have been developed to reflect the national agenda and our legislative requirements as well as taking account of local needs and demands. These proposals will:

- Encourage all owners to take responsibility for their homes through the provision of information, advice and practical assistance. These services will be available to all owners and private tenants in South Lanarkshire.
- Continue to support disabled and frail people to live in their own home.
- Seek to provide basic levels of financial assistance to encourage owners to address major property conditions when their homes fail the Tolerable Standard.
- Act as an incentive to encourage owners to participate in common works linked to the Council's investment programme and will help the Council to achieve the Scottish Housing Quality Standard by the 2015 deadline.
- Help to prevent private sector houses falling into serious disrepair by highlighting to owners the benefits of early action towards repair and maintenance of their homes.

6.2. Proposals for the final Scheme are set out in Appendix 1 and will be the basis of the Council's Section 72 statement which will be published prior to the scheme going live on the 1 April 2010.

6.3. There are relatively few proposed changes to the Scheme of Assistance as set out in the interim Scheme and the consultative draft. The main changes are in relation to financial assistance, in the form of grant available for owners participating in common works both within and outwith the capital investment programme and an extension of qualifying works for properties which are in significant breach of the Tolerable Standard.

6.4. Following consultation, it is proposed that a new flat rate grant of 35% is provided for owners participating in works to common parts to achieve the SHQS, (whether funded by revenue or capital), where this work has a cost to an individual property of £5,000 or over. It is envisaged that, fabric works, such as roofing and rendering would be the main type of works affected. The interim Scheme provides a flat rate grant of 25% for lower value works, (those less than £5,000), such as asbestos and controlled door entry systems. It is proposed that the provision of grant funding at this level will continue.

- 6.5. We propose to add an additional element of the Tolerable Standard which will attract the flat rate grant of 25%, if there is a significant breach. However, it is emphasised that the qualifying criteria set out in the consultative draft will also apply to this additional element. The additional element we propose is rising damp, where there is a presence of visible indicators of damp inside the house and the Environmental Health Officer determines that it causes the property to fail the Tolerable Standard. It is further proposed to also provide a flat rate grant of 35% if the cost of the works is more than £5,000. Recent case work has demonstrated that where significant breaches of the Tolerable Standard have been assessed, it is an ineffective use of resources to only help the owner deal with these issues, leaving the remainder of the property in poor condition. The new Scheme proposes that, in relation to these cases, a package of works should be identified to address all major issues within the home, subject to a £20,000 maximum limit on the cost of the works. This package would be subject to flat rate grant and potentially hardship funding, depending on the applicant's circumstances. The offer of this level of support will be subject to budget availability and will be wait-listed if required.
- 6.6. The proposed information, advice and practical assistance measures remain the same as those set out in the consultative draft Scheme. These measures will be crucial to the success of the service and represent the level of support the majority of owners will receive. These will be important factors in encouraging owners to undertake required works themselves, improving the condition of private housing stock with the minimal financial assistance from the Council.
- 6.7. The information, advice and practical assistance measures will be available from 1 April 2010. However, demand for these services has already been demonstrated, with 40% of people who contact us expressing keen interest in them and requesting contact when the new Scheme is available.
- 6.8. At this stage, although we have undertaken consultation on the proposed Scheme, we have not been actively promoting all our services because they will not be available until April 2010. Despite this our web page has received about 1,000 'hits' per month since April 2009. This also demonstrates a high level of potential future demand.
- 6.9. The traditional grant scheme assisted 3,000 owners in South Lanarkshire at a cost of £6m per annum. When at full establishment, it is anticipated that the new service will be able to assist 5,000 owners per annum at a cost of £4.771m (of which 90% is financial assistance and 10% relates to operating costs).
- 6.10. Sections 6.7. and 6.8. demonstrate the potential demand for this service. On 1 April 2010 we will write to all 5,700 applicants on the waiting list to advise that financial support is no longer available unless the works falls within any of the priority areas, such as significant breach of the Tolerable Standard. These applicants will be dealt with as a priority and will give the new service a significant element of its first year's workload.

7. Employee Implications

- 7.1. The structure of the current HomeImprove Service needs to change to enable the Scheme of Assistance to be effectively delivered and to successfully subsume the Landlord Registration Team which was displaced following centralisation of Legal Services. The proposals for the structure have also been revised to take account of the Council's current financial situation. The proposed staffing structure is set out in Appendix 2.

- 7.2. This structure proposes the delivery of the new scheme with the same number of employees as before but with a revision to job positions. The main changes to the structure are noted below, with the details in Appendix 3:-

Roles no longer required:-

- 1 x Private Sector Co-ordinator
- 1 x Team Leader
- 1 x Admin Assistant
- 1 x Surveyor

Replacement roles:-

- 3 x HomeImprove Assistants (Technical)
- 1 x Clerical Assistant

- 7.3. This service recognises the potential for employees to be displaced as a result of the National Diagnostics Project and the need to give opportunities to be considered for these posts as part of redeployment. The new HomeImprove Assistant (Technical) posts will offer opportunities for those displaced.
- 7.4. Funding for the proposed establishment changes can be met from the current budget set aside for the HomeImprove Service for private sector improvement work. The cost of delivering the Scheme of Assistance will be £4.771m, much of which is the delivery of financial assistance to priority areas of work such as adaptations, BTS and works linked to the Council's Investment Programme. Indeed, 90% of the overall budget provides direct assistance to people, with the remaining 10% accounting for employee and operating costs. Most of the employees will be engaged in providing direct assistance to owners rather than carrying out administrative tasks.
- 7.5. The Committee is asked to approve the proposed structure. Job profiles and competencies have been completed for the new posts and have been evaluated and approved by Corporate Resources, Personnel Services. It is proposed, subject to Committee approval, that matching in of existing employees and recruitment of displaced employees will take place during December 2009 and January 2010. This timeline will allow for any further training and capacity building to have taken place to enable the service to be fully operational by the deadline of 1 April 2010.

8. Financial Implications

- 8.1. There are financial implications related to employee costs and these have been set out in Section 7 of this report.

9. Other Implications

- 9.1. None

10. Equalities Impact Assessment and Consultation Arrangements

- 10.1. An equalities impact assessment identified the need to consult widely on the proposed final Scheme to enable a full impact assessment to be completed.

- 10.2. The HomeImprove Service has consulted widely with community and strategic groups, including, the South Lanarkshire Disability Forum, Lanarkshire Ethnic Minority Action Group, Better Government for Older People and Carers Groups. A final equalities impact assessment was completed following the conclusion of the consultation and where issues were identified, remedial action taken. The assessment is that the proposals do not have any adverse impact on any part of the community covered by equalities legislation or on community relations. A copy of the assessment is available on the corporate website.
- 10.3. The Finance Adviser has carried out appropriate consultation with Trade Unions and Personnel Services.

Jim Hayton
Executive Director (Housing and Technical Resources)

Robert McIlwain
Executive Director (Corporate Resources)

29 October 2009

Link(s) to Council Objectives and Values

- ◆ Improve the quality, access and availability of housing
- ◆ Develop services for older people
- ◆ Sustainable Development
- ◆ Efficient and effective use of resources
- ◆ Fair and open
- ◆ People focused
- ◆ Accountable, effective and efficient
- ◆ Tackling disadvantage and deprivation

Previous References

- ◆ Housing and Technical Resources Committee Report 8 March 2006
- ◆ Housing and Technical Resources Committee Report 1 April 2009

List of Background Papers

- ◆ The Scheme of Assistance for South Lanarkshire, Consultative Draft, June 2009
- ◆ Consultation Report on the Scheme of Assistance, September 2009

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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Scheme of Assistance Proposals – Summary

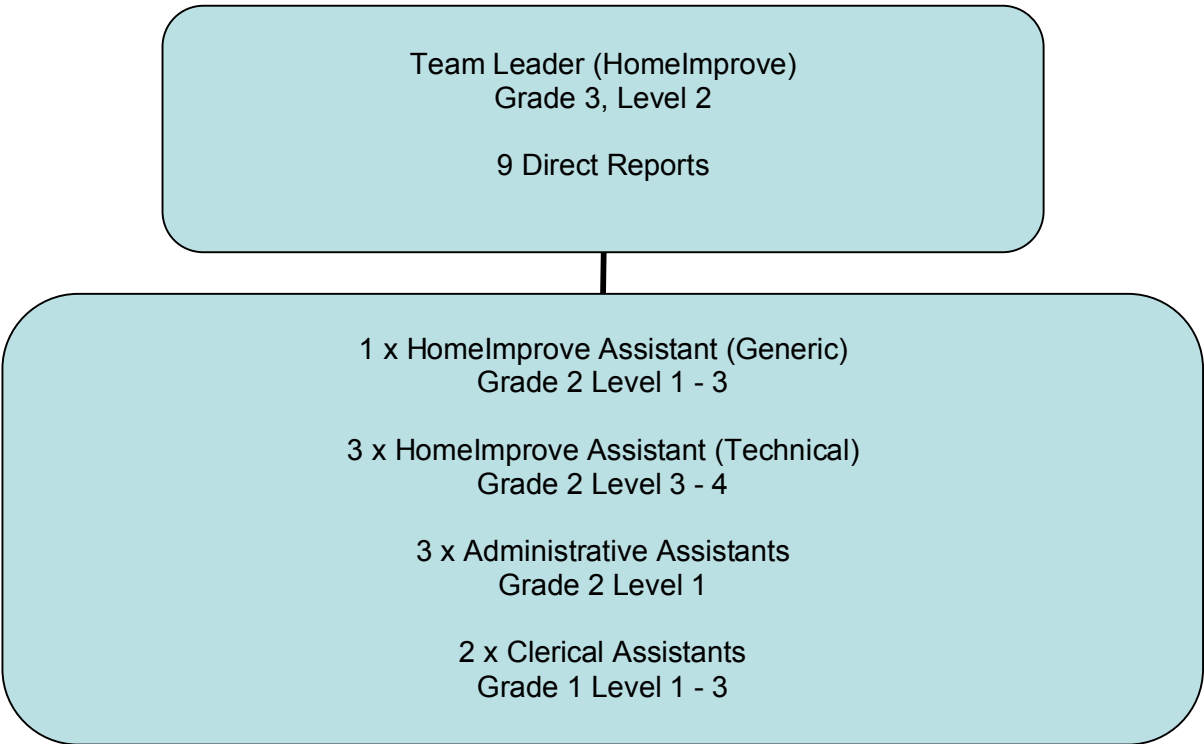
Appendix One

Information		
Detail	Delivery	Recipients
Suite of HomeImprove Service leaflets and posters	<p>This suite of leaflets will include:-</p> <ul style="list-style-type: none"> • Your HomeImprove Service • Your Care and Repair Service • Helping you stay at home • Employing a contractor • A guide to financial assistance • How to deal with home repair emergencies • Co-operating with others in common blocks <p>Written in plain English and approved by the Plain English Campaign and the Readers Panels from Better Government for Older People and Disability Partnership.</p> <p>Available from all Q and A offices, community flats and libraries. Distributed to other partners, including Health Centres and advice agencies and to voluntary and community groups and venues.</p> <p>Available to download from council's website. Will also be issued by the HomeImprove Team, the Customer Contact Centre and Care and Repair in response to enquiries and to targeted recipients.</p>	Any owner, private tenant or resident.
Promotional articles	Regular articles submitted to various newsletters, including those provided by Disability and Carers Forums. Also in corporate publications including, South Lanarkshire View, South Lanarkshire Reporter and Housing News. Articles in other ad-hoc publications from within the Council, for example, literature promoting Better Government for Older People. Key milestones (for example, the launch of the new Scheme) and achievements promoted to local media.	Targeted to specific or potential client groups.
Council's website	Private housing information on the Council's website regularly updated. HomeImprove Service information leaflets and relevant literature from other organisations available to download.	Any owner, private tenant or resident.
Public Information Events	Attendance at relevant community conferences and events to promote the service.	Any owner, private tenant or resident.
Leaflets/ publications from other services/ agencies	Relevant material collated and distributed to Q and A offices and community flats. References and links from HomeImprove Service pages on the Council's website	Any owner, private tenant or resident.

Advice		
Detail	Delivery	Recipients
General advice, including engaging with others in common blocks and contractors. Signposting to other relevant agencies.	The HomeImprove Service and Care and Repair. Provided in person by phone, office or home visit.	Any owner, private tenant or resident.
Technical advice on house condition	The HomeImprove Service and Care and Repair. Provided in person by phone, office or home visit. Advice can range from the type of materials to use to carry out works to preparing home maintenance/repair plans following property inspections.	Any owner, private tenant or resident.
Technical advice on house adaptation	Care and Repair and the HomeImprove Service. Provided in person by phone, office or home visit. Advice can range from options relating to alterations to the home to assistance to arrange the production of technical drawings and plans.	Any disabled resident in the private housing sector.
Financial advice	General advice provided by the HomeImprove Service and Care and Repair. Signposting and referrals to specialist agencies including other Council services, including Money Matters Advisory Service, Financial Education Team and Welfare Rights. Also referral/ sign posting to partners and external agencies, including Citizens Advice Bureaux, Financial Services Agency and any national financial advisory service.	Any owner, private tenant or resident.
Practical Assistance		
Detail	Delivery	Recipients
'Helping Hand'	Broad based support primarily provided by Q and A offices, Customer Contact Centre and the HomeImprove Service. This includes, help to complete HomeImprove application forms, phone contractors on behalf of customers and arrange appointments. Home visits by the HomeImprove Service or Care and Repair Service for customers unable to visit a local office because of disability, frailty or other extenuating circumstances.	Any owner, private tenant or resident.
'Step by Step'	Case based assistance provided by the HomeImprove Service and Care and Repair. This can include obtaining and scrutinising quotations for work, quality checks, assisting with building and planning consents.	Owners and private tenants who are identified as needing additional support to carry out repair or adaptation works.
Small Repairs Service	Care and Repair Service.	Owners and private tenants over the age of 60 and disabled people.

Financial Assistance		
Detail	Delivery	Recipients
Mandatory grant for adaptations for disabled people for standard amenity and internal alterations	<p>Assessment carried out by Occupational Therapist (OT) followed by referral to the HomeImprove Service to process grant application. Where a major adaptation is required a joint visit by the OT and Surveyor will take place to consider how best to meet the assessed needs. The findings from this visit will be discussed at a joint housing/social work panel and agreement reached on best way to meet the disabled person's needs.</p> <p>Elderly or disabled people will be offered a referral to the Care and Repair Service for additional supports in carrying out the works where required.</p>	Disabled people with an eligible, assessed need. Either 80% or 100% grant depending on receipt of specific benefits.
<p>Flat rate grant for priority works;</p> <ul style="list-style-type: none"> ♦ common works for social rented landlords to achieve Scottish Housing Quality Standard (SHQS) ♦ to remedy breaches of specific elements of the Tolerable Standard (subject to qualifying criteria) 	<p>Following confirmation from Housing and Technical Resource's Investment Team or from RSL that common work is required to help social housing stock meet the SHQS. In terms of BTS, confirmation from Environmental Health Officer that house fails the Tolerable Standard because of an eligible, specified element.</p> <p>The HomeImprove Service will process grant application. Elderly or disabled people offered a referral to the Care and Repair Service for additional supports in carrying out the works where required.</p> <p>Repayment terms (interest free) will be available to owners participating in common works with the Council to achieve SHQS. Available for a year for all qualifying owners, rising to up to four years subject to financial assessment.</p> <p>Financial assistance is subject to budget resources. Will be wait-listed if budget resources are unavailable. Release from the waiting list will be based on priority and not on a first come first served basis.</p>	<p>For flatted properties only.</p> <p>25% grant for works costing less than £5,000. 35% grant for works costing more than £5,000. Approved expense limit of £20,000 for BTS works (none for SHQS works).</p>
Hardship Fund – Council provided loan or grant	<p>Type and level will be subject to detailed household financial assessment carried out by the HomeImprove Service. If loan is to be offered, Corporate Finance will agree terms. Loans will be secured on the applicant's property. Grant will only be offered if the household is in severe hardship or have limited equity in their home. It will be possible for part loan/ part grant to be offered as a solution.</p> <p>Financial assistance is subject to budget resources. Will be wait-listed if budget resources are unavailable. Release from the waiting list will be based on priority and not on a first come first served basis.</p>	<p>Extensions for additional living accommodation to meet eligible, assessed needs of a disabled person.</p> <p>For priority works – common works to achieve SHQS and specified elements of the Tolerable Standard.</p>

Proposed Structure for HomeImprove Service



Appendix Three

HomeImprove Service Cost

Post Title	No of Posts		Current Grade	Proposed Grade	Annual Pay	Gross Costs	Notes
	Current	Proposed	Level	Level			
Private Sector Co-ordinator	1	0	Grade 3 Level 8		£0	£0	
Team Leader	2	1	Grade 2 Level 3 - 4	Grade 3 Level 2	£29,052	£36,021	(i)
HomeImprove Assistants (Technical)	0	3		Grade 2 Level 1 – 4	£77,314	£95,869	
HomeImprove Assistants (Generic)	1	1	Grade 2 Level 1 - 3	Grade 2 Level 1 - 3	£22,556	£27,965	
Admin Assistant	4	3	Grade 2 Level 1	Grade 2 Level 1	£54,144	£67,145	
Clerical Assistant	1	2	Grade 1 Level 1 - 2	Grade 1 Level 1 – 3	£32,008	£41,287	
Surveyors	3	2	Grade 3 Level 2	Grade 3 Level 2	£58,104	£73,120	(ii)
Private Sector Strategy Officer	1	1	Grade 3 Level 2	Grade 3 Level 2	£29,052	£36,024	
Call Centre Staff	1	1	Grade 2 Level 1 - 2	Grade 2 Level 1 - 2	£20,019	£24,829	
Operating Costs						£97,740	
Total	14	14				£500,000	

Notes

- (i) The reduced team leader has been included within the Resources National Diagnostic Project
- (ii) The number of surveyors funded by this budget has been reduced, alternative funding has been identified.

