

Bolton Council

Report to: EXECUTIVE MEMBER FOR
HOUSING, NEIGHBOURHOODS
& REGULATION

Date: 30th MARCH 2010

Report of: CHIEF EXECUTIVE OF BOLTON
AT HOME

Report No:

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Report Title: Private Sector Capital Programme 2010/11

**Confidential /
Non Confidential:**

(Non-Confidential) This report does **not** contain information which warrants its consideration in the absence of the press or members of the public

Purpose:

Provide updated details of Private Sector Capital Programme for 2010/11

Recommendations:

That the Executive Member approves the report and confirms the option to be utilised for the Private Sector Capital Programme for 2010/11.

Decision:

Background Doc(s): None

Signed:

Leader / Executive Member

Monitoring Officer

Date:

Summary:

At the time of this report formal confirmation has not been received from Communities and Local Government (CLG) of the allocation for Private Sector Renewal work or Disabled Facility Grant. However it is known that the overall allocation for the region for Private Sector Renewal has been reduced and through work with Government Office North West on the distribution method for each local Authority the likely allocation for Bolton will be £2438k. This will be the second year when resources have been significantly reduced from £5089k in 2008/09 and £4018k in 2009/10.

Although the allocation for Disabled Facility Grant has not been confirmed it is not anticipated that this area will be reduced and the assumption is that a similar allocation as for 2009/10 at £1012k will be received.

Because of the work with the regional allocation group it has been known that there would be a reduction of resources and some provision has been made from the 2009/10 programme and utilising capital receipts from Skagen Court and properties purchased in the Union Road area. In addition a bid for corporate resources was successful in gaining £250k to support Disabled Facility Grants and £245k to support the affordable warmth programme.

From the above and incorporating additional resources from owners contribution from completed regeneration schemes the Private Sector Capital Programme is now assumed at £5435k for 2010/11 compared to £6380k for 2009/10 and £7084k for 2008/09.

The Councils Policy for Private Sector Renewal is based on a targeted approach within defined Renewal Areas along with Borough Wide support for vulnerable people, particularly the elderly, disabled and those on limited income with children.

This report sets out options on how the allocation could be delivered for the year 2010/11 in line with the Policy.

INTRODUCTION:

1. Purpose

To set out a Capital Programme of activity in the Private Sector for 2010/11.

BACKGROUND INFORMATION:

2. Background

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The Councils Policy for Private Sector Renewal is based on a targeted approach within defined Renewal Areas along with Borough Wide support for vulnerable people, particularly the elderly, disabled and those on limited income with children.

This report sets out options on how the allocation could be delivered for the year 2010/11 in line with the Policy.

3. Private Sector Renewal Strategy

The Councils strategy and Private Sector Renewal Policy aims to concentrate the majority of resources to areas and individuals in greatest need. This should be maintained within the 3 declared renewal areas in Tonge, Queens Park and Great Lever where a significant level of commitment has been given to customers. Although programmes have been delayed consultation with all ward members covering the renewal areas has resulted in a strong commitment to maintain the type of activity already carried out even if a longer time frame is required.

In addition outside of these areas it is proposed that resources should be allocated to maintain a reasonable level of support to agreed target programmes and individuals.

The Private Sector Renewal Policy has maintained a flexible 'toolbox' approach to the forms of assistance available and this will allow the distribution of resources to be directed to schemes and individuals in the most appropriate manner.

Disabled Facilities Grant and Adaptation

3.1

Grants for access to facilities needed for a disabled person continue to be the only mandatory grant available.

The allocation for 2009/10 was a grant of £1012k which with £428k support from private sector renewal resources gave a budget of £1440k.

The allocation for 2010/11 is assumed at £1012k and this is now regarded as a full grant and additional support is not mandatory however given the level of demand it is considered appropriate that additional funds are provided.

In light of the demand and also being aware that the capital allocation for private sector renewal would be reduced for 2010/11 a bid for corporate resources was made to support the DFG budget. An allocation of £250k was agreed with a similar level of support being allocated from the private sector renewal resources.

As stated the overall amount available for renewal works has been reduced however the option remains to allocate additional funds to the DFG budget with a subsequent effect on renewal work.

Option 1 allows for what is considered the minimum level of funding given the additional support provided from corporate resources.

Option 2 increases the resources from private sector renewal due to the additional capital receipts available in 2010/11, however it should be noted that this level of support may not be available in future years.

Option 1	Option 2
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DFG	£1012k	DFG	£1012k
DFG corporate support	£250k	DFG corporate support	£250k
DFG psr support	£250k	DFG psr support	£400k
Total DFG	£1512k	Total DFG	£1662k
Change from 09/10	+5%	Change from 09/10	+15.4%
Amount for PSR	£3923k	Amount for PSR	£3773k
Change from 09/10	-20.5%	Change from 09/10	-23.6%

The level of demand for adaptations remains high; however recent increases in funding have begun to have an impact on the waiting times. In addition an improvement in the way enquiries are being received and changes in the enquiry form are directing customers towards minor aids and adaptations, or a review of existing equipment.

Work continues to be developed in this area in order to ensure people have a choice on accessing the process whilst ensuring that cases that could be dealt with through alternative routes are not causing delays for people with supported needs.

The level of enquiries remains at 600/700 a year being received, however in the region of 120/130 result in supported and approved cases. The average approval is in the region of £8500 meaning that if the current grant level is maintained at around £1100k new supported cases could be delivered within the grant allocation.

Therefore any amount over £1100k will help deal with the backlog of cases and over the next two years should bring the waiting times of all priorities within government guidelines.

Work is ongoing with Bolton at Home, Adult Services and possibly support from the PCT to maintain an open and accessible service which ensures customers are directed to the most appropriate provider.

Disabled adaptations for customers in the public sector will continue to be provided by the Disability Team and the allocation of £900K ensures continued support for a significant number of customers in highest need.

Homes Repair Assistance Grants

3.2

The development of a Home Improvement Partnership through Bolton Care and Repair provides advice and assistance to vulnerable elderly customers across the Borough with a key element being Home Repair Assistance and resources should be set aside for this.

Outside Area Activity

3.3

The introduction of the Councils Policy through the RRO has provision for a maximum of 10% of funding targeted to areas or targeted groups/ individuals outside of declared Renewal Areas.

Whilst there is a continuing demand for assistance outside the target areas the adoption of criteria for giving priority to cases of exceptional need has ensured that a targeted strategy can be maintained. The Private Sector Renewal Policy requires that in the first instance an Equity Loan should be considered and only as a final resort would grant assistance be provided. Given that historically most enquiries are dealt with via providing information and guidance to other solutions it is proposed to set aside £50k for potential works this year.

The Council approved an 'Outside Area' programme in April 2005 which listed a number of targeted outside area schemes. The final scheme within the programme was environmental works to a block 10 – 44 Bromwich Street, this was a scheme initially developed as a SRB scheme but failed to develop due to difficulties with a landlord. Due to the reduction in resources it is proposed to reconsider the delivery of this and any future schemes and further consultation will be discussed with officers and members.

The Affordable Warmth Initiative and Borough Wide energy scheme have been highly successful in improving the energy efficiency and heating provision, which are a major failing for the Decent Homes standard, in private properties. The allocation of £245k from corporate resources will help maintain some provision for vulnerable customers who fall outside of Warm Front or Energy Efficiency Commitment (E.E.C.) assistance. Additional resources may be available through other funding streams e.g. CERT – Carbon Energy Reduction Trust.

Private Landlord Action

3.4

The activities of private landlords and their tenants across all areas continue to have a major impact on a neighbourhood or locality. There is a large amount of work being carried out with private landlords and tenants by various agencies within the Council, Bolton at Home and other partners. This work can be both proactive with good landlords and via enforcement with poorer ones. The aim will be to recover costs by placing a charge when enforcement action is taken. An allowance of £50k should be made available for a variety of work which may include;

- Assistance for Accredited Landlords with House in Multiple Occupation linked to energy or safety improvements. Any other essential works required to meet the minimum housing standard will be implemented through enforcement action via the Housing and Public Health Unit.
- Enforcement action.
- Property Purchase, via Councils Corporate Property Department, of empty or poorly let properties to sell on to partner landlords or sell with offer of assistance to an owner occupier.

Other GRF Activity

3.5

The other general fund budget which has been identified is to continue the rolling programme of work that has been undertaken over the past few years on the renewal of the Warden Call Equipment including the handsets.

Legislative Changes

3.6

The Regulatory Reform Order required the introduction of a Council Policy for Housing Renewal Assistance and this has recently been reviewed (February 2009). The flexibility of the RRO allows changes to be introduced to best suit the requirements of an Authority. Members will be kept informed of any new ways of delivering assistance and the potential impact they may have.

Impact on Customers.

3.7

The effect of continued reductions for private sector renewal work is having an impact on the delivery of programmes which have had to be adjusted in the previous two years and unfortunately will be again this year.

Officers have consulted with all members whose wards are within the three renewal areas and all have indicated that the current approach should be maintained in order to try and deliver as originally set out in the declaration of the areas. They acknowledge that this will mean that time frames for the areas may have to be extended.

Due to the uncertainty around future resources it is difficult to programme any activity beyond a two year period however it is necessary to inform residents within each area of those plans, the discussions with the members has resulted in possible programmes of;

Tonge – the majority of physical schemes have now been completed and the focus now remains on the purchase of properties across 4 terraces on Union Road and Yates Street. The aim will be to try and secure purchase of the properties in the terraces 7 - 31 Union Road and 2 – 30 Yates Street.

Great Lever – work continues within phase 3 and substantial improvements have been seen in and around Pennington, Calvert and Milford Road. Given the level of commitment to schemes recently started the resources will only allow for a small number of new schemes in 2010/11. The aim will be to commence consultation with owners of properties of 2 – 46 South Street and 62 – 92 Rishton Lane and subsequently 17 – 53 Nugent Road, although this may in 2011/12.

Queens Park – work in phase 1 is now complete and some schemes have been delivered in phase 2. The programme will continue with environmental schemes to properties along or adjacent to Beverley Road, Queensgate and Mornington Road.

Given the current economic climate the aim will be to maximise the current competitive nature within the construction sector to maximise the number of schemes delivered.

Proposed Private Sector Capital Programme 2010/2011

4.

The following options have been developed initially having regard to the DFG position and then on a distribution of resources across renewal areas and outside area activity.

Capital Programme

4.1

Areas of work	Option 1	% of 2009/10	Option 2	% of 2009/10
Tonge RA	£924	81.05%	£885	77.63%
Queens Park RA	£924	81.05%	£885	77.63%
Great Lever RA	£915	81.70%	£867	77.41%
Clearance	£150	100.0%	£150	100.0%
Outside area scheme	£0	0%	£0	0%
Affordable warmth	£245	122.5%	£245	122.5%
Home Repair Assistance	£166	103.1%	£161	100.0%
Exception cases	£50	100.0%	£50	100.0%
Landlord Scheme support	£50	100.0%	£50	100.0%
Other GFR (warden/ careline equip)	£30	40.0%	£30	40.0%
Fees	£469	74.68%	£450	71.65%
Sub Total	£3,923	79.41%	£3,773	76.38%
DFG	£1,512	105.0%	£1,662	115.42%
Total	£5,435	85.19%	£5,435	85.19%

Option 1 provides the required level of support for disability grants in relation to the resources provided through corporate funding.

Option 2 provides increased support for disability grants with a slightly higher reduction across the renewal areas, given that some additional capital receipts are available for 2010/11 it is considered appropriate to increase the disability budget this year as resources may not be available in future years.

The preference is for option 2.

Due to the lead in time and development of the exact nature of schemes within the targeted areas it is prudent to allow flexibility within the budget elements; therefore a contingency of £200K has been allowed across all sections. Members will be kept informed of detailed programmes of activity in each locality and project through the appropriate reporting arrangements.

Resource Implications

The funding of the private sector programme is relatively secure in the way the programme is now resourced by the Government. However the recent change in the housing market and an emphasis on new build affordable homes has placed an uncertainty around resources for private sector renewal.

The reduction in capital resources will have a direct impact on the revenue available to support the private sector and disability teams.

Other areas of income are being investigated including work with Housing Associations on any refurbishment schemes, continued work with Supporting People in relation to Bolton Care and Repair and other Authorities that may require assistance in delivering their allocation.

6

Legal Implications

No legal implications anticipated

7

Equality and Diversity Implications

No equality and diversity issues anticipated

8

Publicity and Marketing Implications

Customers across all areas of work will be informed of any impact on their element of the programme

9

Conclusion

The aim is that the distribution of the resources available will ensure that the Policy and Strategy is generally maintained with the emphasis in the Tonge, Queens Park and Great Lever Renewal Areas being the focus of the programmed activity.

The allocation for disabled facilities assistance will ensure that those most in need will receive assistance and support for the elderly and vulnerable continues with the allocations for Home Repair Assistance, Exception Case, Affordable Warmth and Private Landlord action.

10

Recommendations

That the Executive Member approves the report and confirms the option to be utilised for the Private Sector Capital Programme for 2010/11.