

**PRIVATE SECTOR HOUSING VIREMENT REQUEST**

**REPORT OF DEPUTY CHIEF EXECUTIVE (COMMUNITY DIRECTION)**  
**WARDS AFFECTED: ALL WARDS**



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1. PURPOSE OF REPORT

- 1.1 To seek Member approval to Vire £30,000 from the Private Sector Housing minor works budget to the major works budget.

2. RECOMMENDATION

- 2.1 Executive approves the virement of £30,000 from the minor works to major works budgets.

3. BACKGROUND TO THE REPORT

- 3.1 The private sector housing team identify and work with vulnerable households within the borough to remove category one hazards in their properties. Households can apply for financial assistance to remedy issues with their properties when they do not have the means to pay for the works themselves. Applications can be made for minor works grants (up to £5000) or major works grants (up to £20,000).
- 3.2 There has been an increase in applications for assistance and the building costs for works required have been increasing. Very few properties can now be fully remedied for less than £5,000 which is the current threshold for minor works assistance. All current applications for financial assistance, with only one exception, fall within the criteria for major works assistance.
- 3.3 The major works financial assistance is fully repayable upon disposal of the property with a lifetime condition being applied in each case.
- 3.4 The major works financial assistance has been able to help twelve home owners this year who are on a low household income to carry out essential work to their home in order for it to be safe for them to live in. The type of work includes injection of a damp proof course, thermal insulation, electrical rewiring and re-roofing. This work is typically carried out in the older and cheaper housing stock within the borough for households where there is no or little disposable income available to carry out these repairs.
- 3.5 The programme helps ease the demand for health services by reducing the number of accidents within the home and by reducing the incidents of illnesses caused by poor housing. In addition the programme helps the local economy by using local contractors to carry out the work.
- 3.6 An additional budget of £30,000 is required to enable the works that are due to be completed by the 31 March 2016 to be processed. The current major works budget for 2015/16 is £162,172, the £30,000 virement will increase the available budget to £192,172 for 2015/16.
- 3.7 As at the 26 January 2016 £105,463.28 of major works had been completed and £98,748.72 had been approved as a formal commitment. From the total commitment of £204,212 it is anticipated that there will be slippage. A budget of £192,712 is therefore required.

- 3.8 In summary the major works programme is lengthy in nature including the production of schedules, drawings, tendering and resolving social and health implications all prior to the formal approval. The process takes months of careful and sometimes delicate preparation. Once approved, arranging respite care or managing decant into alternative accommodation for the occupiers and arranging start dates with contractors, in addition to external factors such as weather and customer wellbeing affect completion times which are beyond the control of the council.

#### 4. FINANCIAL IMPLICATIONS [TF]

- 4.1 Currently the following budgets are available:

Grants	Budget for the year	Spend to date	Budget remaining
Major	162,712	74,891	87,820
Minor	80,000	3,057	76,942

- 4.2 The virement will reduce the minor grants budget by £30,000 and increase the majors grants by £30,000.
- 4.3 If endorsed the revised budget for major works will be £192,712. This will mean that the current estimated demand in 2015/16 can be met.
- 4.4 Changes for future year's budgets will be reflected in the revised capital programme which will be presented to Council in February 2016.

#### 5. LEGAL IMPLICATIONS [JB]

- 5.1 None.

#### 6. CORPORATE PLAN IMPLICATIONS

- 6.1 Major works assistance helps to create a vibrant place to live by improving the quality of existing homes and by providing decent homes and protecting the community. The programme also helps to sustain economic growth by using local builders to carry out the building work and by helping to empower communities by improving health and wellbeing through the removal of hazards within the home.

The programme also supports individuals by reducing the impact of poverty, meets the needs of an aging population and by enabling people to stay in their own homes for longer as well as giving children the best start in life by removing hazards from their home.

#### 7. CONSULTATION

- 7.1 None

#### 8. RISK IMPLICATIONS

- 8.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.
- 8.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

8.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Without the virement vulnerable households will be continue to live in properties with category one hazards. This will then typically result in accidents or illness and will add to the burden on health.	Serve a legal notice on the occupants to advise them of the hazards which are likely to cause illness or accident.	RL
Underspend of the minor works budget.	None	RL

9. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

9.1 The major works programme is available equally across the Borough on a first come first served basis, for all residents that have serious hazards within the home, category 1 hazards.

10. CORPORATE IMPLICATIONS

10.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Procurement implications
- Human Resources implications
- Planning implications
- Data Protection implications
- Voluntary Sector

Background papers: none

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