

TONBRIDGE & MALLING BOROUGH COUNCIL

STRATEGIC HOUSING ADVISORY BOARD

18 May 2009

Report of the Director of Health and Housing

Part 1- Public

Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)

1 PRIVATE SECTOR RENEWAL PARTNERSHIP

Summary

This report updates Members on what Tonbridge & Malling has achieved through the North and West Kent Private Sector Renewal Partnership since April 2008. The report confirms the funding position for 2009/10 and the actions being taken by us, as lead authority, to protect future funding for the partnership.

1.1 Background

- 1.1.1 Members are aware of the North and West Kent Private Sector Renewal Partnership bid for Regional Housing Board (RHB) funding for 2008/11. The bid was led by this Council and comprised of eight local authorities in Kent, namely Tonbridge & Malling Borough Council, Ashford Borough Council, Dartford Borough Council, Gravesham Borough Council, Maidstone Borough Council, Medway Council, Sevenoaks District Council and Tunbridge Wells Borough Council.
- 1.1.2 The allocation for the group was confirmed for 2008/09 as £2,438,000 with Tonbridge & Malling receiving £405,551.
- 1.1.3 Clear guidance was provided by the Regional Housing Board (RHB) on what improvements in private sector housing they would want to see targeted. The North and West Kent Partnership followed this guidance carefully and the programme that has been developed focuses on delivering decent homes and improving energy efficiency, including use of renewables. As required by the RHB, loan products are being considered and most grants offered are now repayable, introducing the concept of recycling back into the Council's Capital Plan.
- 1.1.4 In a report to the January 2009 meeting of this Board, Members were informed of a recommended uplift to the partnership allocation for 2009/10 of £177,000. This would result in a total allocation of £4million. The report also highlighted steps that

we, as lead authority, intended to take to better control the spend of the partnership for the remaining two years of the programme.

1.2 Summary of activity in 2008/09

- 1.2.1 The total budget for this Council's activities under the bid in 2008/09 was £505,551. This is made up of £405,551 RHB funding and £100,000 Council funding.
- 1.2.2 The total spend for the year on the bid activities was approximately £471,500. A further £65,500 has been allocated to our partner, Creative Environmental Network (CEN) to take forward a grant for solar hot water installations and grants for measures such as insulation and heating under a 'Coldbusters' grant. This allocation to CEN was made late in the year due to the need to sort out contract issues and although they have committed half the grant funding, this has yet to transpire into spend.
- 1.2.3 At the beginning of the year, we set out what we intended to achieve in 2008/09 in terms of type and number of grants. A summary of this and the actual number of grants completed is provided in **TABLE 1**.

TABLE 1

Type of grant	Target number of completions	Actual number of completions
Solar Hot Water Heating	21	1
Warm Homes Assistance	50	55
Empty Homes Assistance	1	0
Landlord Assistance	1	3
Decent Homes Assistance	20	33
Hard to Heat Homes Assistance	2	0
First Time Buyer Assistance	11	11

- 1.2.4 There are fewer completions for the Solar Hot Water Heating and Hard to Heat Homes Assistance grants as funding was re-allocated to other grant activities whilst these new grants were being set up.

1.2.5 As a result of the bid activities it has delivered:

- 92 homes being made decent, including having category 1 hazards removed as assessed using the Housing, Health and Safety Rating System; and
- 232 measures, where a measure may include electrics, roof works, new double glazed windows, new central heating boilers, cavity wall insulation, loft insulation etc.
- An estimated 41.4 tonnes of CO₂ saved by installing:
 - 52 new central heating/hot water boilers;
 - 18 homes with cavity wall insulation;
 - 31 homes with improved loft insulation; and
 - 1 solar hot water heating system.

As significant, the quality of life of 92 families living in the borough has been appreciably enhanced.

1.3 Funding for 2009/10

1.3.1 The partnership has received an uplift of funding to £4 million from the Regional Housing Board for 2009/10. This funding has been paid to this Council as the lead authority for the partnership. Tonbridge & Malling will receive £665,387 of this.

1.3.2 To control any under spend by the partnership and allow easier re-allocation of funding to those performing partners, a memorandum of understanding has been developed. This memorandum will be signed by each partner and details how the RHB funding will be allocated to the partners for 2009/10. As lead authority Tonbridge & Malling will administer the funds.

1.3.3 The partnership is currently procuring a contract for the administration and delivery of energy efficiency related works as part of the bid activities. The funding for this will be made in three stage payments by us as lead authority on behalf of the partnership.

1.3.4 No allocation of funding for 2009/10 will be made to partners until they have fully utilised all of the 2008/09 funding. We will then allocate 50 per cent of funding. The remainder will then be paid when the partner reports an actual 90 per cent spend of the combined total of their funding and their individual local authority contribution. Any un-committed funding remaining will be re-distributed to partners to maximise spend by the partnership. This action is necessary as any

underspend this financial year may result in a reduction of the funding allocation to the partnership for 2010/11.

1.4 Conclusions

- 1.4.1 As a result of our good performance and utilisation of the RHB funding, we have been able to improve 92 homes in the borough to bring them up to the Decent Homes Standard. As a result, improving the health and safety of occupants. We have also saved an estimated 41.4 tonnes of CO₂ per annum by improving the energy efficiency of residents' homes and hence improving the occupiers' access to affordable warmth.
- 1.4.2 We will have robust procedures in place, such as the memorandum of understanding and the energy related works contract procurement exercise, to allow the partnership to maximise spend of funding for 2009/10. This will allow us to assist further home owners to improve their homes and have a positive impact on their health and welfare.

1.5 Legal Implications

- 1.5.1 None arising from this report.

1.6 Financial and Value for Money Considerations

- 1.6.1 The new policy introduces the recycling of funds back into the Council's capital resources which will boost future capital funding for housing improvements.
- 1.6.2 An increased allocation of £4 million has been confirmed for 2009/10 for the North and West Kent Private Sector Renewal Partnership. This will mean an allocation for Tonbridge & Malling of £665,387 and a total housing assistance budget for 2009/10 of £765,387.

1.7 Risk Assessment

- 1.7.1 The policy that this funding supports aims to assist the Council in meeting the Decent Homes targets in the private sector and promoting improvements in energy efficiency of homes including renewable energy. The robustness of the plans to achieve this will be subject to external assessment from the RHB and Government Office for the South East (GOSE).
- 1.7.2 A full risk assessment of failure to provide housing assistance to private sector homeowners is detailed in the Housing Services Risk Register.

1.8 Recommendations

CABINET is **RECOMMENDED** to

- 1.8.1 **NOTE** our good performance in delivering on the bid activities; and
- 1.8.2 **ENDORSE** the approach to maximising the spend of the Partnership explained in section 1.3 of this report including the role of the memorandum of understanding.

The Director of Health and Housing confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

contact: Hazel Skinner

Nil

John Batty
Director of health and Housing