

REPORT TO: HOUSING COMMITTEE – 15 JANUARY 2007

REPORT ON: TENANTS' ALLOWANCES REVIEW

REPORT BY: DIRECTOR OF HOUSING

REPORT NO: 707-2006

1. PURPOSE OF REPORT

- 1.1. The purpose of this report is to upgrade the tenants' allowances in line with inflation and seek agreement of Committee to modernise the system to improve efficiency and customer service.

2. RECOMMENDATIONS

It is recommended that Housing Committee:

- 2.1. Agree that the Tenants' Allowances Scheme should be increased in line with inflation as detailed in paragraphs 6 and 7 and the Appendix of this report from 1 February 2007.
- 2.2. Agree the revised arrangements for Tenants Allowances in capital contracts, as detailed in paragraph 6.

3. FINANCIAL IMPLICATIONS

- 3.1. The allowances are increased in line with inflation, since the last review in March 2005, and the levels apply to both revenue and capital programmes, starting after 1 February 2007.

The allowances detailed can be met from within these budgets.

- 3.2. It is expected that the changes detailed in paragraph 6, which allow tenants more flexibility will lead to savings. This will be monitored and reported back at the next review. These savings should more than offset any reduced income from loyalty payments, although negotiations will continue to secure these payments.

4. SUSTAINABILITY IMPLICATIONS

None.

5. EQUAL OPPORTUNITIES IMPLICATIONS

- 5.1. None.

6. TENANTS' ALLOWANCES

6.1. Reference is made to the report to Housing Committee Tenants' Allowances in March 2005 (Ref. 175-2005) which was the last review of the amounts. The purpose of the Tenants Allowances Scheme is to ensure that tenants are not significantly 'out of pocket' as a direct result of works taking place in their home. Payments do not fully cover all costs incurred, as in normal circumstances, tenants are responsible for decoration and an assessment for wear and tear is taken into account. The intention is, therefore, to approach tenants' requirements with flexibility, so that individual needs can be catered for, as well as achieving across the board consistency and fairness in the levels of payments made. This report recommends that the allowances increase in line with inflation over the period from the last review, the details of the allowances follow and the maximum amounts payable are clearly listed in the Appendix.

6.2. Reference is also made to the report to Housing Committee 26 June 2006, Capital Contract Services Working Group - Interim Report (Ref. 390-2006) which outlined a number of experiments being undertaken within the Department to improve the customer focus of the capital programme as the result of a systems review. One of the pilots highlighted in that report was the use of cheques for tenants allowances as they relate to capital work, instead of vouchers. Tenants have given very positive feedback on this initiative, as it allows them:

- greater choice,
- flexibility,
- reduces the stigma that can come from using vouchers,
- allows tenants who do not qualify to have redecoration carried out on their behalf by the Council (i.e. those who do not have a medical condition which prevents them decorating, or are unable to do because of their age) to have the opportunity to employ someone to do the work for them.

This initiative has a further advantage of eliminating the need for one home visit to tenants involved in capital contacts.

6.3. Further initiatives relating to redecoration following capital works that have arisen as part of the systems review described above are:

- a. Amending the qualifying criteria to require tenants to be 65 or need proof of disability before qualifying for redecoration. This removes the onus from GP's who in certain areas get large volumes of requests for letters. It also allows resources to go to those who most need them. This complements the change to cheques as opposed to vouchers, as tenants can pay someone to do the work for them even if they don't meet the redecoration criteria. This has been successfully piloted on two contracts in the last year.
- b. Where tenants qualify for redecoration to be carried out, a pilot has taken place to strip wallpaper before the (e.g. rewiring) work is carried out, and the contractor has taken choices from tenants and arranged to have redecoration carried out within the contract period of a maximum of 3 weeks. This has been a success, providing an excellent service to tenants.

7. TYPES OF ALLOWANCE PROVIDED

This paragraph details the types of allowances available, the criteria for issuing them, and the revised amounts payable.

7.1. **Decoration Allowance**

This is payable to assist with redecoration following remedial or improvement work where the tenant's decoration has been affected.

The same allowances are also made to new tenants where the conditions of the relet house merits an allowance. The appendix details the rooms which qualify for decoration allowance and the maximum allowance for different sizes of property.

7.2. **Window Blinds**

Where replacement windows have been installed which alter the dimensions so that the existing blinds do not fit, an allowance is authorised to compensate for alterations or contribute to new blinds, as the tenant desires. It is proposed that the value per blind is increased from £20.60 to £22.

7.3. **Floorcovering Allowance**

7.3.1. Where floorcoverings need to be uplifted to carry out remedial or improvement work, the tenant is given a choice of:

- a. an allowance as a contribution to lifting and relaying the floorcovering.
- b. a specialist carpet fitter, employed by the main contractor, to lift and relay carpets etc which can reasonably be lifted without damage. If this is not possible the matter is referred back to the Housing Officer.

It is proposed that the value per house of the floorcovering allowance is increased from £94 to £99.

7.3.2. It is also recommended that, where damage to floorcovering is anticipated as part of the work, e.g. where new kitchen units are a different size from existing units or a fire place has to be removed leaving a gap in the carpet, then an additional floorcovering allowance up to the value of £99 can be approved.

7.3.3. Where tenants have fitted wooden or laminate flooring and this is unavoidably damaged as part of a Capital Contract, an additional floorcovering allowance can be approved up to the value of £99.

7.3.4. For clarification, a tenant can receive a maximum of £297 for floorcovering allowances, where all the criteria above are met.

7.4. **Non-slip Flooring/Floor Tiles**

Where tiles can be removed and refitted the appointed contractor will carry out this work. Where they cannot be lifted, an allowance will be offered in line with Appendix 1.

7.5. **Urgent Additional Allowance**

This permits an additional payment up to £253 to be made if urgent rehousing is required and where genuine need exists. This is limited to tenants who are either in receipt of housing benefit or have particular medical requirements.

Each application will, however, be considered on its own merit. It is proposed to increase this allowance from £253 to £266.

7.6. **Removal and Storage of Furniture**

Assistant Project Officer will, where required, arrange removal and storage of tenants' furniture directly with a removal contractor on the tenant's behalf.

8. **DECANT ALLOWANCE – TENANTS MAKING THEIR OWN ARRANGEMENTS FOR ALTERNATIVE ACCOMMODATION**

This is a payment made to tenants who make their own arrangements for alternative accommodation when they require to be decanted from their home. This allowance in 2005/2006 was £103 per week or part of week plus a rent abatement for the period that the tenant cannot live in their house. It is proposed that this payment is increased to £109 per week for each adult over 16 years of age in the household. This payment will be made to the tenant of the house.

Where tenants require to be decanted and do not wish to make their own arrangements, varying options are available. The range of options include the use of furnished lets decant accommodation and hotel or bed & breakfast accommodation which includes evening meal. These options are all less cost effective than tenants making their own arrangements.

This allowance should be payable for a maximum of 3 weeks. In any project which is to take longer than 3 weeks, tenants should be offered a decant house from the Council stock as the preferred option.

9. **REVIEW OF ALLOWANCE LEVELS**

The appendix illustrates the new allowances increased in line with inflation, which have been quoted throughout the report.

10. **CONSULTATIONS**

The Depute Chief Executive (Finance), Depute Chief Executive (Support Services), Assistant Chief Executive (Community Planning) and Chief Executive have been consulted in the preparation of this report. Dundee Federation of Tenants' Associations has also been consulted regarding this report.

11. **BACKGROUND PAPERS**

Tenants Allowances - Housing Committee March 2005 (175-2005).
Capital Contract Services Working Group - Interim Report - Housing Committee - 26 June 2006 (ref. 390-2006).

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TENANTS' ALLOWANCES FROM 1 FEBRUARY 2007**DECORATION ALLOWANCE**

The following rooms can qualify for a decoration allowance, subject to the house size, a **maximum** allowance being applied to the final decoration allowance awarded:

Kitchen / Hall & Stairs / Bedrooms / Lounge / Bathroom

<u>Maximum Allowance per Dwelling</u>	<u>From 1 February 2007</u>
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1-apartment.....	£345
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2-apartment.....	£431
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3-apartment.....	£517
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4-apartment.....	£603
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5-apartment.....	£689
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6-apartment.....	£775
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<u>Maximum Allowance per Room</u>	£86
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<u>URGENT ADDITIONAL ALLOWANCE</u>	£266
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<u>FLOOR COVERING ALLOWANCE</u>	£99
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<u>MAXIMUM ALLOWANCE FLOOR COVERING</u> ...	£297
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<u>BLINDS</u>	£22
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DECANT ALLOWANCE

Tenants making their own arrangements for alternative accommodation.....	£109 per week
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(per adult resident in the household over 16 years of age)