

REPORT TO: HOUSING COMMITTEE – 12 MARCH 2012

REPORT ON: TENANTS' ALLOWANCES UPDATE

REPORT BY: DIRECTOR OF HOUSING

REPORT NO: 120-2012

1. PURPOSE OF REPORT

- 1.1. The purpose of this report is to upgrade the tenants' allowances in line with previous increases.

2. RECOMMENDATIONS

- 2.1. It is recommended that the Committee agree that the Tenants' Allowances Scheme should be increased in line with inflation (Retail Price Index) as detailed in paragraph 4 and the Appendix of this report from 1 April 2012.
- 2.2. It is recommended that the Committee agree to the Director of Housing reporting back once the procurement exercise, detailed in paragraph 4.4 of this report, is complete.

3. FINANCIAL IMPLICATIONS

- 3.1. The allowances are increased by the January 2012 General RPI (excluding mortgage) of 4.1% (rounded to the nearest pound), since the last review in April 2011 and the levels apply to both revenue and capital programmes, starting after 1 April 2012.

The allowances detailed can be met from within these budgets.

4. MAIN TEXT - TENANTS' ALLOWANCES

- 4.1. Reference is made to the report to Housing ,Dundee Contract Services and Environment Services Committee Tenants' Allowances Update on 14 March 2011 (Report No: 48-2011) 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.

- 4.2. This report recommends that the allowances increase in line with the January 2012 General RPI (excluding mortgage) of 4.1% 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 1.
- 4.3. Tenants who are over 65, or are in receipt of Disability Living Allowance qualify for redecoration assistance. Where tenants qualify for and request assistance to redecorate the appointed contractor will make arrangements to have redecoration carried out as soon as practicably possible.
- 4.4. A Procurement exercise is currently underway to look at alternative methods for issuing allowances for both relet and remedial/improvement work. This exercise is designed to ensure value for money and continued customer service. A report will be brought back to a future Committee.

Types of Allowance Provided

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

Decoration Allowance

- 4.6. This is payable to assist with redecoration following remedial or improvement work where the tenant's decoration has been affected.
- 4.7. A pro-rata allowance can also be made to new tenants where the conditions of the relet house merit an allowance and, dependent upon the extent of redecoration, completed by the Council. Properties in very poor condition and sheltered properties will be decorated. In other properties part decoration and part allowance will be offered to give tenants more choice and allow staff some flexibility in terms of delivering a good quality product within budget.
- 4.8. The appendix details the rooms which qualify for decoration allowance and the maximum allowance for different sizes of property.

Window Blinds

- 4.9. 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 £26 to £27.

4.10. Floorcovering Allowance

- 4.10.1. 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 £113 to £118.

- 4.10.2. It is also recommended that, where damage to floorcovering is anticipated as part of the work, eg where new kitchen units are a different size from existing units or a fireplace has to be removed leaving a gap in the carpet, then an additional floorcovering allowance up to the value of £118 can be approved.
- 4.10.3. Where tenants have fitted wooden, laminate or tiled flooring and this is unavoidably damaged as part of a Capital Contract, an additional floorcovering allowance can be approved up to the value £118.
- 4.10.4. For clarification, a tenant can receive a maximum of £354 of floorcovering allowances, where all the criteria above are met.

Urgent Additional Allowance

- 4.11. This permits an additional payment up to £300 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 £300 to £312.

Removal and Storage of Furniture

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

Decant Allowance - Tenants Making their own Arrangements for Alternative Accommodation

- 4.13. 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 2011/12 was £123 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 £128 per week for each adult over 16 years of age in the household. This payment will be made to the tenant of the house.

This allowance will 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.

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/bed and breakfast accommodation which includes evening meal. These options are all less cost effective than tenants making their own arrangements.

Post Flood Allowance

- 4.14. This is payment made to tenants who are required to use a dehumidifier to assist in drying out property after flood damage. The allowance is contribution towards costs associated with running costs and is a daily payment made for the duration that the dehumidifier is used. The daily rate for 2012/13 will be £6.25 per dehumidifier.

5. POLICY IMPLICATIONS

This report has been screened for any policy implications, sustainability, strategic environmental assessment and equality impact assessment. There are no major issues.

An Equality Impact Assessment has been carried out and will be made available on the Council Website <http://www.dundee.gov.uk/equanddiv/equipact>.

6. CONSULTATIONS

The Chief Executive, Director of Finance and all Chief Officers have been consulted in the preparation of this report. Dundee Federation of Tenants' Associations has been consulted regarding this report.

7. BACKGROUND PAPERS

- Tenants' Allowances Update on 14 March 2011 (Report No. 48-2011)
- Equality Impact Assessment.
- Review of Rents and Other Housing Charges - 23 January 2012

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DIRECTOR OF HOUSING

FEBRUARY 2012

TENANTS' ALLOWANCES FROM 1 APRIL 2012

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:

For clarification this is the number of rooms multiplied by the maximum allowance per room.

Kitchen/Hall and Stairs/Bedrooms/Lounge/Bathroom

<u>Maximum Allowance per Dwelling</u>	<u>From 1 April 2012</u>
1-apartment.....	£412
2-apartment.....	£515
3-apartment.....	£618
4-apartment.....	£721
5-apartment.....	£824
6-apartment.....	£927
Maximum Allowance per Room.....	£103
URGENT ADDITIONAL ALLOWANCE.....	£312
STANDARD REDECORATION & FLOORING ALLOWANCE KITCHEN & BATHROOM CONTRACTS.....	£322
FLOOR COVERING ALLOWANCE.....	£118
MAXIMUM ALLOWANCE FLOOR COVERING.....	£354
BLINDS.....	£27
DEHUMIDIFIER ALLOWANCE	£6.25 per day/per unit
DECANT ALLOWANCE	
Tenants making their own arrangements for alternative accommodation	£128 per week

(per adult resident in the household over 16 years of age)