

## **5        HOUSING (SCOTLAND) ACT 2001 – NEW IMPROVEMENT & REPAIRS GRANT SYSTEM (AN421-2003)**

The Committee is asked to note the changes made by Part 6 of the Housing (Scotland) Act 2001 to the Improvement and Repairs Grant system which are due to come into force on 1st October 2003.

The principal change is the introduction of a Test of Resources (Means Test) designed to assess the amount that an applicant for grant should contribute from his or her own resources towards the approved expense of the proposed works. Percentage grant awards will vary between 10% and 100% in 1% increments. Two forms of assessment are prescribed, one for applicants where the applicant or a member of their family occupies the property, the other for landlords and business proprietors. A system of minimum percentage grants for prescribed types of work operates alongside the assessment. The central principle is that the owner of a property is responsible for its maintenance.

The Council will also have the option of extending the types of work which may be eligible for grant, although in practice this will be determined by the finance available.

Funding for Improvement and Repairs Grants is now provided through Private Sector Housing Grant, administered by Communities Scotland. The grant limit for improvement and repairs grants and grants towards means of escape in Houses in Multiple Occupation will be increased to £20,000, although a Local Authority will have the ability to set a cap on approved expense lower than the statutory maximum.

Other changes include a revised Tolerable Standard to include all Standard Amenities and some private sector tenants will be eligible for improvement grant assistance provided they have had responsibility under their lease for at least two years for the works that are subject of the grant application. They will also be able to apply for adaptations for a disabled occupant or towards work required for the health and safety of the occupants of the house. There are no restrictions on tenants applying for Repairs Grants, with the owner's consent. It will be a criminal offence to give false information in connection with any application.

The nature of the Test of Resources means that it is impossible to determine the financial implications of these changes at this time and only by processing applications under the new scheme will it be possible to project the impact and therefore the priorities for the future. A full report on the implications of this legislation will follow prior to the new financial year.

Copies of the draft Regulations as laid before the Scottish Parliament together with draft guidance and an update note for this guidance are available in the Members' Lounge.