

REPORT TO: HOUSING, DUNDEE CONTRACT SERVICES AND ENVIRONMENT SERVICES COMMITTEE - 7TH DECEMBER 2009

REPORT ON: REGENERATION AREA MULTI STOREY FLAT HEATING SCHEME

REPORT BY: DIRECTOR OF HOUSING

REPORT NO: 568-2009

1. PURPOSE OF REPORT

1.1. This report outlines proposals for a heating scheme to assist tenants who remain in multi storey flats scheduled for demolition, for longer than anticipated.

2. RECOMMENDATIONS

2.1. It is recommended that Committee agree to implement a heating allowance scheme which pays, subject to conditions, £50 per month during the five month period November 2009 to end March 2010 to tenants resident in multi storey flats contained within the current demolition programme. These include the blocks at Derby Street, Maxwelltown and Menzieshill.

3. FINANCIAL IMPLICATIONS

3.1. Currently there are 114 residents remaining within these blocks. Assuming all 114 current residents remain tenants to the end of March 2010 then the maximum cost of £28,500 will be funded from the Community Energy Efficiency Fund.

4. BACKGROUND

4.1. These multi storey blocks were declared surplus to requirements and scheduled for demolition in October 2004 and April 2005 (Reports Nos. 665-2004 and 255-2005 refer).

4.2. The type and size of houses involved has made it difficult to match the remaining tenants to alternative properties. Progress in rehousing tenants, although taking longer than anticipated, has progressed to the stage where the following numbers of tenants remain in the blocks:

Derby Street	:	80
Maxwelltown	:	19
Menzieshill	:	15

4.3. Some residents, apparently seeing little prospect of being rehoused anytime soon have requested that they should not suffer another winter in conditions that make it very difficult to heat their homes to an adequate level.

4.4. One way to resolve the tenants concerns is to assist with heating the properties so as to mitigate the additional cost to the tenants caused by heat lost to the surrounding vacant flats.

4.5. **Assessment of Average Fuel Costs**

4.5.1. Dundee Energy Efficiency Advice Project has assessed the heating requirement and thermal efficiency of the properties in the multi storey flats.

4.5.2. An average heating cost has been determined and compared with reported charges at the location. This provides an indicative figure of exceptional heating costs being met by the residents.

4.5.3. It is estimated that the average additional heating costs is £12 per week rounded to £250 over the five month winter heating season.

4.6. **Housing Benefit Issues**

4.6.1. The Housing Benefit Section have confirmed that payments in kind, vouchers or direct payments to clients' fuel accounts are not considered as part of the Housing Benefit entitlement calculation. Cash payments to clients however would be considered as income for benefit purposes.

4.6.2. It has been ascertained that an allowance paid on a one off basis would not affect tenants entitlement to Income Support.

4.7. **Heat Hardship Scheme**

4.7.1. If the Council accepts the tenants' argument that vacant properties within the high rise developments are adversely affecting the thermal properties of the building and consequently their heating bills, and wishes to assist tenants meet those bills then a simple, direct payment to the tenant would be the most efficient method.

4.8. Payments can be met from the Community Energy Efficiency Fund. This scheme draws funding from a variety of external resources, mainly utility companies and preferred supplier commission from Scottish and Southern Energy. The purpose of the Fund is to channel resources to assist fuel poor. This Fund should be targeted at scenarios such as the one which has now arisen.

4.9. In all cases payment would be made on a one off basis in December 2009 for the heating season so long as the tenant is resident following the implementation of the scheme and continues to be resident until March 2010. Where a tenant vacates the property prior to March 2010 or otherwise no longer satisfies the conditions below, every effort will be made to recover any overpayment.

4.10. **Conditions**

4.10.1. As the scheme is intended to alleviate hardship caused by the tenants longer than anticipated stay and the imperative of clearing the blocks for demolition remains conditions for receipt of fuel payments should be applied as follows:

- i. Tenant must have an active housing application lodged with the Council.
- ii. The application must be up to date.

- iii. Tenant must confirm occupancy of the property and that a fuel charge is being generated. Account details to be provided.
- iv. Assistance will only be provided for the five months, November through to March.
- v. Tenants who receive and refuse 3 reasonable offers of alternative accommodation or where legal action is being pursued to rehouse, will lose entitlement to the scheme.
- vi. Assistance will end when the tenant vacates the high rise flat. (Payment will be made for the month of termination).

4.11. **Conclusion**

- 4.11.1. Tenants are occupying the high rise property in multi storey blocks within the current demolition programme longer than anticipated. While current Council policy to demolish the property remains valid and rehousing is not available for all residents tenants will be experiencing higher than average fuel bills due to heat lost to vacant properties.
- 4.11.2. It is therefore reasonable in order to alleviate hardship, to establish a scheme to assist tenants heat their homes to an appropriate level.

5. **POLICY IMPLICATIONS**

- 5.1. This report has been screened for any policy implications Sustainability, Strategic Environmental Assessment, Anti Poverty, Equality Impact Assessment and Risk Management. There are no major issues.

6. **CONSULTATIONS**

- 6.1. The Chief Executive, Depute Chief Executive (Support Services), Director of Finance, Assistant Chief Executive, and all other Chief Officers have been consulted in the preparation of this report.

7. **BACKGROUND PAPERS**

- 7.1. None.

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