



**LATE REPORTS, URGENT BUSINESS and SUPPLEMENTARY INFORMATION**

**Cabinet**

**Tuesday, 28 July 2009**

The following report is an item of urgent business authorised by the Chairman:

<b>Agenda Item Number</b>	<b>Page</b>	<b>Title</b>	<b>Reason for Urgency</b>	<b>Officer Responsible for Report</b>
3	1 - 6	Private Sector Housing Capital Programme 2009/10	To allow consideration as early as possible for the 2009/10 Capital Programme.	Corporate Director (Regeneration)

**CABINET**

**Private Sector Housing Capital Programme 2009/10  
28 July 2009**

**Report of Corporate Director (Regeneration)**

<b>PURPOSE OF REPORT</b>			
To seek approval for the allocation of the Regional Housing Pot (RHP) funding between the West End Master Plan, Poulton Renewal Area and Disabled Facilities Grants.			
<b>Key Decision</b>	<b>X</b>	<b>Non-Key Decision</b>	<b>Referral from Cabinet Member</b>
<b>Date Included in Forward Plan</b>	June 2009		
<b>This report is public</b>			

**RECOMMENDATIONS OF COUNCILLOR DAVID KERR:**

- (1) That Cabinet approve Option 2 regarding the allocation of Private Sector Housing Capital Programme
- (2) The Capital Programme to be updated to include:
  - £436,000 to finance Disabled Facilities Grants (DFGs)
  - £130,000 to be set aside for West End Public Realm
  - £40,000 to be allocated to complete Poulton Public Realm
  - £95,000 to be allocated to Marlborough Road
  - £593,000 for remodelling, acquisition, disposal and masterplan for Bold Street, West End

**1.0 Introduction**

- 1.1 In March of this year, the Regional Housing Pot was allocated to the authority. This was too late to include in the Council's Capital Programme which was presented to Cabinet earlier in the year. This report seeks authorisation to allocate this funding to various projects and schemes. This year's allocation is £1,294,000, a slight increase on last year (£1,281,000).
- 1.2 In previous years, the City Council has directed the Housing Capital Programme to the strategic housing priorities for the district. In order to deliver these priorities, it has become essential that we focus funding on the areas of greatest need. Members will be aware that in recent years, these areas have been the Poulton Renewal Area and the West End Masterplan area. This action complemented the approach being made by our partners in the Homes and Communities Agency (HCA) and Adactus Housing Association. In the past, part of the allocation has also been earmarked for Disabled Facilities Grants (DFGs).

- 1.3 For budgetary purposes, a three year programme of works has been developed. This assumes that funding settlements in the next two financial years are similar to this year's.

### **2.0 Proposals**

- 2.1 Lancaster City Council's existing housing strategy currently makes provision to support DFG provision within the district. The funding of this scheme is delivered directly from Government Office through grant allocation, and a condition of such grant is that the Local Authority must provide a 40% match.
- 2.2 For the financial year 2009/10, Government Office has allocated a DFG of £653,000 to the City Council, which will require a capital contribution 40% match of £436,000. It is proposed that this is taken from 2009/10 Private Sector Housing Capital Programme.
- 2.3 The above proposal will provide a total pot of £1,089,000 for DFGs for 2009/10.
- 2.4 A further call on funds will also be required from the Housing Capital Programme to complete projects approved within the 2008/9 programme. These are:
- Public realm works located in the west of Morecambe (concessionary buildings and associated work and Yorkshire Street, in total £130,000)
  - Public realm in Poulton (Edward Street/Union Street/Church Walk £40,000)
  - Marlborough Road redevelopment.
- 2.5 The City Council has recently revisited the housing strategy for the district and has now ensured that this is embedded within the Local Development Framework (LDF) document. The next stage on delivering housing within the district will come by producing the Housing Land Allocations document for new build and the City Council will continue to address issues of private sector housing that is in poor state of repair which will be aligned to the priorities set out in the LDF, with our delivery partners, e.g. Registered Social Landlords (RSL) and HCA.
- 2.6 In accordance with this plan, Morecambe is considered to be a priority area for investment and it is anticipated that the City Council will continue to work with its key RSL partners and the HCA to deliver housing plans in Morecambe.
- 2.7 At the present moment in time, the West End is considered to be an area which needs specific attention, and this has recently been confirmed with the refresh of the West End Masterplan.
- 2.8 Over the past few years, the funding of the delivery of the Masterplan has been spread throughout the whole area of the West End, perhaps in a somewhat ad hoc manner. However, following the review considered by Cabinet in June 2009, members have now agreed revised priorities for the West End. These principally will cover:
- Bold Street (addressing both the odd and even numbers to either acquire and demolish, or remodel)
  - Marlborough Road (demolition/new build)
  - Exemplar (Chatsworth Gardens new build)
  - Westminster Road facelift scheme
- 2.9 Members are now requested to consider allocations of the remainder of this year's financial budget towards the West End/Bold Street projects.

### 3.0 Options

- 3.1 The Private Sector Housing Capital Programme is a key delivery agent for the Council's Housing Strategy. This in turn reflects the Council's strategic priorities set out in the LDF and Sustainable Community Strategy, both of which are consistent with regional priorities. It is of increasing importance that implementation and funding reflects and is consistent with strategy. This in turn will increase the chances of attracting external funding and development partners in the future. Furthermore, high level risk considerations have already been reflected in the development such strategy.
- 3.2 This essentially limits the options available to those shown below. In essence, these centre around whether remaining funds should be used to help fund West End priorities, or to provide a greater level of resources towards Disabled Facilities Grants (DFGs).
- 3.3 Members should note that DFGs are mandatory and are made available to all qualifying residents throughout the district. They provide facilities for access to dwellings, whilst making them safe, and also include the provision of suitable kitchen, bathroom and bedroom facilities. Demand always outstrips supply and the Council is called upon to manage the budget accordingly.
- 3.4 Assuming allocations in the next two years are similar to this year's, the following funding proposals are to be considered:

#### Option 1

	<b>2009/10 £</b>	<b>2010/11 £</b>	<b>2011/12 £</b>
<b>Total for Allocation</b>	1,294,000	1,294,000	1,294,000
<b>West end public realm</b>	130,000	----	----
<b>Poulton public realm</b>	40,000	---	----
<b>Marlborough Road scheme</b>	95,000	130,000	----
<b>DFG (LCC contribution)</b>	1,029,000	1,164,000	1,294,000
<b>Resulting Total DFG Budget (with Government Office funding)</b>	1,682,000	1,817,000	1,947,000

3.5 Option 2

	<b>2009/10 £</b>	<b>2010/11 £</b>	<b>2011/12 £</b>
<b>Total for Allocation</b>	1,294,000	1,294,000	1,294,000
<b>West end public realm</b>	130,000	----	----
<b>Poulton public realm</b>	40,000	----	----
<b>Marlborough Road</b>	95,000	130,000	----
<b>100% remainder contribution to West End/Bold Street</b> <ul style="list-style-type: none"> <li>• <b>Bold street acquisition, disposal and remodelling (even numbers)</b></li> <li>• <b>Bold Street Masterplan</b></li> </ul>	593,000	728,000	858,000
<b>DFG (LCC contribution at 40% statutory requirement match to government grant)</b>	436,000	436,000	436,000
<b>Resulting Total DFG Budget (with Government Office funding)</b>	1,089,000	1,089,000	1,089,000

**4.0 Details of Consultation**

- 4.1 The proposed investment programmes for the West End Masterplan and Poulton Renewal Area have been developed in conjunction with the West End Partnership and the Poulton Housing and Built Environment Group. Both these groups comprise of residents, community representatives, elected members and other interested parties.
- 4.2 With reference to the DFGs, these are governed by the Housing Grants, Construction and Regeneration Act 1996. These grants are mandatory and, as such, the elderly, vulnerable and disabled residents are able to adapt and live independently in their homes.
- 4.3 DFGs are awarded in accordance with Lancaster City Council's adopted "Private Sector Housing Renewal Assistance Policy" and the above legislation, which was initially agreed by Cabinet on 01 July 2003 (minute no 46).

**5.0 Officer Preferred Option (and comments)**

- 5.1 The preferred option is Option 2. This is consistent with the Council's strategies and priorities and provides a rational way for determining priorities for investment. It also reflects the June Cabinet decision. It continues to support the West End Master Plan, Disabled Facilities Grants and the successful completion of the Poulton Renewal Area.

**6.0 Conclusion**

6.1 The proposed allocation of this capital funding from the Regional Housing Pot will support the Council's statutory responsibility for Disabled Facilities Grants and its corporate priorities to support the West End Masterplan and complete its work in the Poulton Renewal Area

**RELATIONSHIP TO POLICY FRAMEWORK**

The proposals are consistent with and support the Council's priorities as set out in the Local Development Framework and the Housing Strategy which in turn reflect regional and sub-regional priorities.

**CONCLUSION OF IMPACT ASSESSMENT  
(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)**

The Council's strategies set out above have been screened for impacts on diversity, community safety etc. The proposed allocation of funding will continue to support the two regeneration schemes in the West End and Poulton areas of Morecambe and will also continue to support other town-wide policies of regeneration. The continued support of the mandatory Disabled Facilities Grant budget will provide better accommodation for the elderly, vulnerable and disabled residents within the community

**FINANCIAL IMPLICATIONS**

As in previous years, the allocation of the RHP grant is top sliced to match fund the governments contribution to DFG's which is 60% of the Authority's total DFG programme. Therefore the Council is required to make a minimum contribution of 40% which amounts to £436,000, for 2009/10.

In addition to this the Promenade Gardens and Public Realm Works projects have overspent in 2008/09, and with other minor costs this totals £130,000. This also requires financing and it is proposed that this is also met from the RHP allocation, and that the Capital Programme be updated immediately to reflect the recommended allocations in respect of the DFG's and the overspend on the Promenade Gardens and Public Realm Works. (This is also referred to in the outturn report, elsewhere on the agenda).

This leaves a total of £728,000 to be used in delivering the Private Housing Capital Programme in 2009/10.

Where allocation has been identified and committed to specific projects, ie, Poulton Public Realm £40,000 and Marlborough Road Scheme £95,000, it is proposed that the Capital Programme be updated accordingly.

However, it is proposed that the remaining balance of £593,000, be split between the West End schemes for Bold Street. The detailed delivery of these (including financial issues) would be managed through the Programming / project delivery arrangements, formalised earlier this year.

Overall the report presents no additional financial implications; there is no variation in the demand made on the Council's internal resources.

**SECTION 151 OFFICER'S COMMENTS**

The Section 151 officer has been consulted and has no further comments.

**LEGAL IMPLICATIONS**

There are no legal implications directly arising from this report.

**MONITORING OFFICER'S COMMENTS**

The Monitoring Officer has been consulted and has no further comments.

**BACKGROUND PAPERS**

West End Master Plan, Poulton Renewal Area Declaration Document, Housing Grants, Construction and Regeneration Act 1996 (as amended), West End Masterplan Mid Term Review, Lancaster District Core Strategy, Lancaster District Housing Strategy.

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