

Report of Service Manager, Private Sector Housing

Report to Director of Resources and Housing

Date: 31st May 2017

Subject: Holbeck Group Repair – Local Growth Fund Grant Agreement

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Beeston Hill and Holbeck	Yes
Are there implications for equality and diversity and cohesion and integration?	No
Is the decision eligible for Call-In?	Yes
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	No

Summary of Main Issues

1. In November 2016 the Council's Executive Board approved an initial phase of group repair in Holbeck, with a budget of £4.5m. The aim is to improve up to 180 mixed tenure properties within the Recreation's. The works will include new roofs, gutters and downpipes, windows, doors, front boundary walls and yards and external wall insulation to improve the quality and thermal efficiency of the homes.
2. The overall budget of £4.5m is made up from a number of funding sources; £1.5m from the Local Growth Fund (LGF), £1.5m from the Council's Capital Programme, £0.85m from the Housing Revenue Account (HRA), £0.45m from private sector contributions, and £0.2m from the Energy Company Obligation (ECO).
3. As part of the LGF monies the Council has to sign a Grant Agreement with the Leeds City Region. This is a standard process in order for the funding to be made available. The grant is paid in arrears on a monthly basis and based on the completion of the works.

Recommendations

4. The Director of Resources and Housing is requested to approve and sign the LGF grant of £1.5m as part of the overall £4.5m budget for Holbeck Group Repair.

1 Purpose of this Report

- 1.1 The purpose of this report is to request the Director of Resources and Housing to approve and sign the Grant Agreement with the Leeds City Region for the £1.5m from the LGF to support group repair in Holbeck.

2 Background Information

- 2.1 Holbeck has already been subject to significant investment with the Beeston Hill and Little London Regeneration Programme, the Leeds Neighbourhood Approach and the investment into the neighbouring South Bank. Notwithstanding this impact, there is a significant number of back to back pre 1919 housing stock in poor condition, with poor energy efficiency ratings, in the private rented sector. Much of the worst housing in the area is located in the cluster of streets known as the Recreations area of Holbeck, which is ranked in the worst 1% in the country for multiple deprivation (ranked 37th worst of over 32,000 similarly sized neighbourhoods in England). Unemployment is over 40% and poverty at 41% including high levels of child poverty, which at 56% is double the city average. There are strong indicators of poor health, issues of crime and social isolation.
- 2.2 As part of the regeneration of the overall area the Executive Board approved a budget of £4.5m for a Group Repair scheme in Holbeck to improve the quality of the housing stock. This would allow up to 180 properties to benefit from new roofs, gutters and downpipes, windows, doors, boundary walls and yards and external wall insulation to improve thermal efficiency.

3 Main Issues

- 3.1 The budget for the scheme is made up from a number of funding streams, namely, £1.5m from the LGF, £1.5m from the Council's Capital Programme, £0.85m from the HRA, £0.45m from private sector contributions, and £0.2m from the ECO.
- 3.2 Whilst the £1.5m has been agreed, the Council needs to approve and sign the Grant Agreement with Leeds City Region in order to access the funding. This will release the funding from the Leeds City Region to support the scheme in Holbeck. The funding will be paid monthly in arrears. A copy of the Grant Agreement can be seen in Appendix One of the report.
- 3.3 The Leeds City Region will monitor the progress of the scheme and expect monthly reporting as part of the agreement. The reports will form part of the Output Meeting which will be part of the Council's own contract monitoring procedure.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Previous consultation on the group repair scheme in Holbeck has taken place with the community, property owners, landlords, ward members and the lead member.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 An Equality, Diversity, Cohesion and Integration Assessment has been completed for group repair.
- 4.2.2 The investment will have a positive impact on the health and well-being of residents living in the area. It will allow owners to reduce hazards and improve their homes, improving security and reducing fuel poverty via improved thermal efficiency measures. The partnership approach will help to identify needs and referrals to agencies will add value to the project. This has a positive impact on the community and neighbourhood as a whole, especially as part of an overall improvement plan. The opportunities for training and potential employment via the contract will benefit those in need.

4.3 Council Policies and City Priorities

- 4.3.1 The work of the Private Sector Housing Service supports the Best Council Plan in relation to living in good quality affordable homes within a clean and well cared city by addressing poor housing conditions and improving the external appearance of the property to enhance the overall street scene.

4.4 Resources and Value for Money

- 4.4.1 The LGF provides a significant contribution towards the overall cost of the scheme. Without the grant funding the scheme would not be viable or a similar amount would have to be provided by the Council's own Capital Programme.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 The report is eligible for call in.
- 4.5.2 The Grant Agreement is a standard agreement used by the Leeds City Region for such funding and will be subject to monthly monitoring by the Region.
- 4.5.3 The Private Sector Housing Assistance Policy allows the council to offer financial assistance to private owners. This policy has been adopted by the council in response to the Government's Regulatory Reform Order (Housing Assistance 2002 – Private Sector Housing Policy).

4.6 Risk Management

- 4.6.4 The scheme is managed by Housing Leeds, Private Sector Housing Team with assistance from Property and Contracts, who has experience of delivering such projects.

5 Conclusions

- 5.1 In November 2016 the Executive Board approved a £4.5m investment in Holbeck to undertake Group Repair on 180 properties. That investment comes from a number of funding streams including the LGF from the Leeds City Region which approved a grant of £1.5m to assist with the overall funding. Without the £1.5m grant the scheme would be unsustainable or the Council would have to increase its contribution from its own Capital Programme.

5.2 As part of the grant both parties are required to sign the Grant Agreement, a standard process and one that the Council has entered into previously. This will allow the grant to be paid monthly in arrears by the Region to support the overall cost of the scheme.

6 Recommendations

6.1 The Director of Resources and Housing is requested to :-

6.2 Approve and sign the LGF grant agreement for the £1.5m from the Leeds City Region.

7 Background documents¹

None

8. Appendices

Appendix One – A copy of the Leeds City Report Grant Agreement for the £1.5m grant from the Local Growth Fund.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.