



## ***Housing Services Policy Development and Scrutiny Panel***

West Lothian Civic Centre  
Howden South Road  
LIVINGSTON  
EH54 6FF

20 January 2023

A hybrid meeting of the **Housing Services Policy Development and Scrutiny Panel** of West Lothian Council will be held within the **Council Chambers, West Lothian Civic Centre, Livingston** on **Thursday 26 January 2023 at 2:00pm**.

For Chief Executive

### **BUSINESS**

#### **Public Session**

1. Apologies for Absence.
2. Declarations of Interest - Members must declare any interests they have in the items of business for consideration at the meeting, identifying the relevant agenda items and the nature of their interests.
3. Order of Business, including notice of urgent business and declarations of interest in any urgent business.
4. Confirm Draft Minutes of Meeting of Housing Services Policy Development and Scrutiny Panel held on 15 November 2022 (herewith).
5. Homelessness Update - report by Head of Housing, Customer and Building Services (herewith).
6. 2022/23 Financial Performance - Month 6 Monitoring Report - report by Head of Finance and Property Services (herewith).
7. Dampness, Ventilation and Air Quality in Council Housing - Report by Head of Housing, Customer and Building Services (herewith).
8. Quick Build Temporary Accommodation - Report by Head of Housing, Customer and Building Services (herewith).

DATA LABEL: Public

9. Rent Consultation 2023/24 to 2027/28 - Report by Head of Housing, Customer and Building Services (herewith).
10. Housing Revenue Account Budget 2023/24 to 2027/28 and Rent Level 2023/24 - report by Depute Chief Executive (herewith).
11. Housing Capital Investment Programme 2023/24 to 2027/28 - report by Depute Chief Executive (herewith).
12. Workplan (herewith).

-----

NOTE **For further information please contact Karen McMahon on tel. no. 01506 281621 or email [karen.mcmahon@westlothian.gov.uk](mailto:karen.mcmahon@westlothian.gov.uk)**



## **CODE OF CONDUCT AND DECLARATIONS OF INTEREST (2021)**

**This form is a reminder and an aid. It is not a substitute for understanding the Code of Conduct and guidance.**

**Interests must be declared at the meeting, in public.**

**Look at every item of business and consider if there is a connection.**

**If you see a connection, decide if it amounts to an interest by applying the objective test.**

**The objective test is whether or not a member of the public with knowledge of the relevant facts would reasonably regard your connection to a particular matter as being so significant that it would be considered as being likely to influence your discussion or decision-making.**

**If the connection does not amount to an interest then you have nothing to declare and no reason to withdraw.**

**If the connection amounts to an interest, declare it as soon as possible and leave the meeting when the agenda item comes up.**

**When you declare an interest, identify the agenda item and give enough information so that the public understands what it is and why you are declaring it.**

**Even if the connection does not amount to an interest you can make a statement about it for the purposes of transparency.**

**More detailed information is on the next page.**

Look at each item on the agenda, consider if there is a “connection”, take advice if necessary from appropriate officers in plenty of time. A connection is any link between the item of business and:-

- you
- a person you are associated with (e.g., employer, business partner, domestic partner, family member)
- a body or organisation you are associated with (e.g., outside body, community group, charity)

Anything in your Register of Interests is a connection unless one of the following exceptions applies.

A connection does not exist where:-

- you are a council tax payer, a rate payer, or a council house tenant, including at budget-setting meetings
- services delivered to the public are being considered, including at budget-setting meetings
- councillors’ remuneration, expenses, support services or pensions are being considered
- you are on an outside body through a council appointment or nomination unless it is for regulatory business or you have a personal conflict due to your connections, actions or legal obligations
- you hold a view in advance on a policy issue, have discussed that view, have expressed that view in public, or have asked for support for it

If you see a connection then you have to decide if it is an “interest” by applying the objective test. The objective test is whether or not a member of the public with knowledge of the relevant facts would reasonably regard your connection to a particular matter as being so significant that it would be considered as being likely to influence your discussion or decision-making.

If the connection amounts to an interest then:-

- declare the interest in enough detail that members of the public will understand what it is
- leave the meeting room (physical or online) when that item is being considered
- do not contact colleagues participating in the item of business

Even if decide your connection is not an interest you can voluntarily make a statement about it for the record and for the purposes of transparency.

The relevant documents are:-

- [Councillors’ Code of Conduct, part 5](#)
- [Standards Commission Guidance, paragraphs 129-166](#)
- [Advice note for councillors on how to declare interests](#)

If you require assistance, contact:-

- James Millar, Interim Monitoring Officer and Governance Manager, 01506 281613, [james.millar@westlothian.gov.uk](mailto:james.millar@westlothian.gov.uk)
- Carol Johnston, Chief Solicitor and Depute Monitoring Officer, 01506 281626, [carol.johnston@westlothian.gov.uk](mailto:carol.johnston@westlothian.gov.uk)
- Committee Services Team, 01506 281604, 01506 281621  
[committee.services@westlothian.gov.uk](mailto:committee.services@westlothian.gov.uk)

January 2022

MINUTE of MEETING of the HOUSING SERVICES POLICY DEVELOPMENT AND SCRUTINY PANEL held within COUNCIL CHAMBERS, WEST LoTHIAN CIVIC CENTRE, on 15 NOVEMBER 2022.

Present – Councillors George Paul (Chair), Alison Adamson, Robert De Bold, Carl John (substituting for Councillor Jim Dickson), Andrew McGuire, Craig Meek (substituting for Councillor Tony Pearson) and Cathy Muldoon

Apologies – Jessie Duncan, Tenants' Panel

In attendance

Julie Whitelaw – Lead Officer, Head of Housing, Customer & Building Services, West Lothian Council

Graeme Struthers – Depute Chief Executive, West Lothian Council

Marjory Mackie – Housing Strategy Manager, West Lothian Council

Sarah Kelly – Customer Service Manager(Housing Needs), West Lothian Council

Kirsty Weir – Service Development Officer, West Lothian Council

Pippa Plevin – Joint Forum of West Lothian Community Councils

1. DECLARATIONS OF INTEREST

Agenda Item 9 – West Lothian Strategic Housing Investment Plan 2023/24 to 2027/28 –

Councillor McGuire declared an interest as he was employed by the Wheatley Group, referred to in the paper as Dunedin Canmore and now known as Wheatley Homes East. He withdrew from the meeting during discussion of the item.

Councillor Meek declared a connection as he was employed by Bield Housing and Care who were noted in the paper. The connection would not preclude him from taking part.

2. MINUTE

The panel approved the minutes of its meeting held on 20 October 2022 as a correct record. The minute was thereafter signed by the Chair.

3. TENANT AND CUSTOMER PARTICIPATION STRATEGY 2022-2027

The panel considered a report (copies of which had been circulated) by the Interim Head of Housing, Customer and Building Services presenting a Tenant and Customer Participation Strategy for the period 2022-27.

It was recommended that the panel notes and provides comment on the terms of the Tenant and Customer Participation Strategy 2022-2027.

Decision

To note the terms of the report.

4. PRIVATE LANDLORD REGISTRATION ENFORCEMENT –  
IMPLEMENTATION OF THIRD-PARTY REPORTING TO THE FIRST  
TIER TRIBUNAL (HOUSING AND PROPERTY CHAMBER)

The panel considered a report (copies of which had been circulated) by the Interim Head of Housing, Customer and Building Services presenting a proposed enhance enforcement process for raising proceedings at the First Tier Tribunal (Housing and Property Chamber).

It was recommended that the panel consider and provide comments on the enhance enforcement process proposals.

Decision

To note the terms of the report.

5. INTRODUCTION OF A PRIVATE LANDLORD ACCREDITATION  
SCHEME

The panel considered a report (copies of which had been circulated) by the Interim Head of Housing, Customer and Building Services setting out a draft Private Landlord Accreditation Scheme which was intended to support an increase in engagement from private sector landlords and to promote landlords who took a responsible approach to letting their properties.

It was recommended that the panel note and provide comment on the draft Private Landlord Accreditation Scheme.

The Service Development Officer would take forward for discussion with landlords the suggestion that Section 3 of the Code of Standard, Management of Tenancies, be expanded to include provision for accreditation being removed when private landlords did not follow due legal process to end tenancies.

Decision

To note the terms of the report.

6. PERFORMANCE REPORTING

The panel considered a report (copies of which had been circulated) by the Interim Head of Housing, Customer and Building Services setting out the current levels of performance for Housing, Customer and Building Services indicators that were the responsibility of the panel.

It was recommended that the panel note the current performance on Housing, Customer and Building Services key performance indicators and determine if further action or enquiry was necessary.

Decision

To note the terms of the report.

7. WEST LOTHIAN STRATEGIC HOUSING INVESTMENT PLAN 2023/24 TO 2027/28

The panel considered a report (copies of which had been circulated) by the Head of Housing, Customer and Building Services reporting on the main points of West Lothian Council's Strategic Housing Investment Plan (SHIP) 2022/23 to 2027/28.

It was recommended that the panel:

1. Note the terms of the Strategic Housing Investment Plan (SHIP) attached as an appendix to the report;
2. Note that over a 10-year period from 2012-2022, the council and RSL partners delivered the 3000 affordable homes programme with the majority being council houses;
3. Note that the council was planning a future new build programme over the next five years, the scale of which would be dependent on the outcome of the rent consultation and available funding, and that indicative sites for 495 homes had been identified and were included in the SHIP;
4. Note that the level of grant funding for affordable housing delivery for the period 2022-2027 had increased from previous years and that in 2021/22 West Lothian received additional grant funding of more than £6.776 million for the affordable homes programme;
5. Note that the SHIP required to be submitted to the More Homes Division of the Scottish Government following consideration by Council Executive on 6 December 2022; and
6. Note that the SHIP would be presented to Council Executive for approval.

Decision

To endorse the terms of the report which would be presented to Council Executive for approval.

8. PROPERTY TURNOVER JULY TO SEPTEMBER 2022

The panel considered a report (copies of which had been circulated) by the Head of Housing, Customer and Building Services informing members of property turnover for Quarter 2 of 2022/23 (1 July to 30 September 2022).

It was recommended that the panel note the current levels of activity relating to property turnover for Quarter 2 of 2022/23 and in particular note:

1. The increase in property lets for Quarter 2 2022/23 compared to the same period the previous year;
2. That of the 49 communities in West Lothian, 15 had had no properties available for let throughout Quarter 2 of 2022/23; and
3. That 57% of lets throughout the quarter had been allocated to people who were homeless.

Decision

To note the terms of the report.

9. WORKPLAN

A workplan had been circulated for information.

Decision

To note the workplan.



DATA LABEL: PUBLIC



## **HOUSING SERVICES POLICY DEVELOPMENT AND SCRUTINY PANEL**

### **HOMELESSNESS UPDATE**

#### **REPORT BY INTERIM HEAD OF HOUSING, CUSTOMER AND BUILDING SERVICES**

##### **A. PURPOSE OF REPORT**

To provide the Panel with an update on the current challenges faced by the council in meeting its statutory homeless function, the subsequent impacts on the availability of emergency and temporary accommodation and the areas of budget pressure in the Housing Need service.

##### **B. RECOMMENDATION**

It is recommended that the Panel notes:

1. The progress to date in preventing homelessness, the current challenges faced in meeting the council's statutory homeless function and the delivery of the Rapid Rehousing Transition Plan; and
2. The current improvement actions and suggestions for transformative change to further shift the balance to embed the prevention approach which the RRTP has delivered to date for the remainder of the 5-year plan

##### **C. SUMMARY OF IMPLICATIONS**

<b>I</b>	<b>Council Values</b>	Focusing on our customers' needs; being honest, open and accountable; providing equality of opportunities; making best use of our resources; working in partnership
<b>II</b>	<b>Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)</b>	The Housing (Scotland) Act 1987 as amended in accordance with the Homelessness (etc) (Scotland) Act 2003, Housing (Scotland) Act 2001, Housing (Scotland) 2014. Homeless Persons (Unsuitable Accommodation) (Scotland) Order 2014
<b>III</b>	<b>Implications for Scheme of Delegations to Officers</b>	None

<b>IV Impact on performance and performance Indicators</b>	The RRTP activities are aimed at early intervention and prevention through joint working with Education, Health and Social Policy are aimed at decreasing the number of homeless referrals
<b>V Relevance to Single Outcome Agreement</b>	Outcome 6: People most at risk are protected and supported to achieve improved life chances. Outcome 7: we live longer, healthier lives and have reduced health inequalities
<b>VI Resources - (Financial, Staffing and Property)</b>	2022/23 budget is £4.114million, consisting of: <ul style="list-style-type: none"> <li>• Base budget of £3.349 million</li> <li>• RRTP resource of £315,000</li> <li>• Prevention one off funding £400,000</li> <li>• One off funding for B&amp;B pressures £450,000</li> </ul>
<b>VIII Other consultations</b>	Financial Management Unit

## **D. TERMS OF REPORT**

### **D.1 Background**

The imbalance between supply and demand for permanent social rented accommodation continues to be challenging in West Lothian. There remains a high number of people applying to the council for permanent housing through the council's allocations policy, as well as accommodation required for homeless applicants to enable the council to discharge its statutory homeless duty. As of January 2023, the service holds a total of 10,786 Common Housing Register Housing Applications, 9,881 are for council only properties, of which 862 are Homeless Applications.

The council's approach to reducing homelessness and use of temporary accommodation is set out in the Rapid Rehousing Transition Plan (RRTP). This stems from the national prevention approach and recommendations of the Homeless and Rough Sleeping Action Group (HARSAG). The RRTP is a collaborative approach setting a vision to address the challenges of supply versus demand through the transition to a rapid rehousing approach between 2019/20 and 2023/24.

2022/23 represents year 4 of the lifetime of the Rapid Rehousing Transition Plan (RRTP). Whilst good progress was made in Year 1 of the RRTP with a reduction in open homeless cases and reduced lengths of stay in temporary accommodation, the consequences of the COVID 19 pandemic in Year 2 (2020/21) and Year 3 (2021/22) has resulted in significant reductions in the supply

of permanent accommodation which has increased the number of people awaiting a permanent outcome, increased lengths of stay in temporary accommodation and also increased use of B&B accommodation. The restrictions on evictions and other measures imposed during the pandemic resulted in a static tenant base in temporary accommodation. Further impacts from the cost of living crisis and moratorium on evictions have meant that the landscape has changed significantly, and returning to the position prior to March 2020 is not possible. The council must therefore pivot the current model to take cognisance of these changes and adapt approach, practice and set expectation about what is achievable within the budgets available for homeless services.

## **D.2 Local Homeless Position**

Appendix 1 provides a dataset with full comparison of information on the local and national position for 2021/22. The local performance for Quarter 1 and Quarter 2 of 2022/23 are also provided to enable an overview of more recent performance.

### **Applications and Assessments**

Homeless applications in West Lothian shown between the first two quarters in 2021/22 against the same period in 2022/23 shows an increase of 2%. This rise however is not consistent with the number of assessments carried out. Assessments have declined by 17%, with those assessed as intentionally homeless declining the most by 33%. It is worth noting that assessments do not correlate directly to applications within the same quarter.

### **Reasons for Homelessness**

Material poverty remains a significant issue for many households and communities locally which continues to drive demand for people to seek council and Registered Social Landlord (RSL) housing as the main affordable housing option. The main reasons for homeless applications in Quarter 1 and Quarter 2 of 2022/23 is asked to leave at 45% compared to 32% in same period for 2021/22. The second reason is dispute within the household at 19% compared to 29% for the same period in 2021/22.

The largest increase in reasons for applications is through loss of tenancy/mortgage through arrears which increased by 233% followed by other eviction by the landlord, which increased by 143%. Both these increases were anticipated following the removal of enhanced protections on evictions which had been implemented via the emergency Covid-19 legislation.

## **D.3 Key Challenges**

### **Meeting the requirements of the Unsuitable Accommodation Order**

The imbalance between demand and supply for affordable social housing in West Lothian results in the council dealing with significant pressures within emergency accommodation and challenges in meeting the amendments to the Homeless Persons (Unsuitable Accommodation) (Scotland) Order 2014 (UAO) which was extended on 1st October 2021 to ensure all adults can no longer be placed in unsuitable accommodation for longer than 7 days. Prior to the extension in May 2020 the UAO only applied to families with children or pregnant households.

This timescale leaves an oversubscribed service little time to assess individual needs and achieve the stock throughput required to place applicants in appropriate accommodation. When combined with our reliance on B&B accommodation (classed as unsuitable), the net result of the legislation changes placed almost all medium/large sized local authorities in a position of significantly increased breaches each quarter. The change in legislation came with no further financial easement to improve access and availability of suitable stock or guidance on how this was intended to improve the homeless position in Scotland.

Between April 2021 and March 2022 there were 2,015 reported breaches of the UAO in Scotland. There were 370 in the first six months and 1,645 in the last six months. This is an increase of 1,505 breaches from 2020/21. The local authorities with the highest number of breaches are all within central Scotland, and account for 97% of all breaches. West Lothian are third highest in this group with 325 breaches. Edinburgh reported 850, and Fife 425.

### **Removal of Local Connection**

Local Connection was removed by the Scottish Government in November 2022. This removes one of the tests of eligibility for those presenting as homeless in a local authority area. The impact of this means that anyone from any area of the UK with right to remain can now legally present as homeless in an area to which they have no material connection. Practitioner forums are reporting that this is already resulting in increased presentations and duplicate applications across Scotland as people present in area rather than seeking a referral (section 36) from their current local authority to their intended area.

### **Reducing the backlog of open homeless cases and improving throughput**

The increase in presentations for council accommodation, the lack of available stock, with an increasingly complex client group has led to a backlog of open cases as people stay longer in accommodation awaiting a permanent offer.

### **Reliance on B&B accommodation**

B&B costs remain the highest and least manageable area of budget pressure for the service. The lack of flow of suitable properties means the service cannot meet the current level of demand for temporary accommodation. There are rising costs for B&B, and a lack of control over booking availability. The longer-term security of placements means this is the priority for improvement in terms of securing other types of temporary accommodation such as sharing spaces, rapid access housing within units, crash pads and the new Young Persons Homeless Accommodation.

### **Ukraine/Refugee Schemes**

This is an area of growing demand and uncertainty for the council in terms of understanding future homeless demand. Whilst demand from the Afghan/Syrian scheme are largely being met through use of other RSL providers, this has a cumulative impact on availability of affordable housing supply. There is a compound impact on demand and supply when layered with the removal of local connection.

### **Increased High Tariff Caseloads**

There has been marked increase of clients with higher tariff/complex needs seeking accommodation. Many of these people would have previously lived within supported accommodation. Support required to enable clients to successfully manage tenancies is significant, and requires a robust multi-agency approach.

### **Further prevention duties**

These are not yet outlined by the Scottish Government, but have been consulted on and are in the pipeline. Additional legislative duties present similar challenges and costs that previous legislation has brought to the council's ability to meet further statutory duty without additional funding

## **D.4 Prevention/Mitigation Work Delivered to date**

Despite the size of the challenges faced the council has made good progress in 2021/22 and 2022/23 which included:

### **2021/22 Improvements**

- Reduction in homeless applications between 2020/21 to 2021/22: in 2020/21 there were 1462 applications, in 2021/22 there were 1188 applications, this equates to -274 applications or 19% reduction.
- Increase in prevention approaches between 2020/21 to 2021/22: In 2020/21 there were 444 prevention approaches, in 2021/22 there were 755 prevention approaches, this equates to 311 or 70% increase,
- Reduction in prevention approaches making a homeless application: in 2020/21 there were 81 homeless outcomes, in 2021/22 there were 78 homeless outcomes, this equates to -3 or 3.7% reduction. (figures have changed from previous submission due to most recent data received 18/01/2023 from SG)
- Sustainment of homeless applicants in 2021/22 remained high: In 2020/21 there were 448 homeless lets, In 2021/22 1 year after 424 homeless lets were sustaining their tenancies or 94.6%.
- 639 new/additional affordable social lets added by the council and RSL partners between 2019/20 to 2021/22
- Sharing Spaces: There were 18 sharing spaces in 2020/21, In 2021/22 there were 50 sharing spaces and a further 22 sharing spaces in BHU.
- PSLs spaces: In 2020/21 there were 74 PSL spaces this increased to 98 at end of 2021/22, this equates to 24 properties or 32.4%
- Continuation of Housing for adults with mental health/addictions
- Continuation of Housing First for Young People
- Awarding of contract to prevent young people from becoming homeless to Action for Children due to commence in 2022/23 – Young Persons Emergency Prevention Support Service (YEP)

### **2022/23 Improvements**

- Review of RRTP activity streams and reprofiling of focus and funding to partners in order to maximise earlier interventions and good outcomes
- Comprehensive review and benchmarking of RRTP plan approved by EMT and Council Executive

- Targeted outcomes for high risk groups – young people, addictions, mental health and prison release
- Launch of the Upstream model in Education to focus on very early signposting of children and young people at risk of homelessness
- Joint working groups established with other services and external partners to recognise corporate nature of tackling homelessness
- Increased temporary tenancies in order to reduce hotel reliance
- Service improvement programme to review all functional areas of Housing Need, improve processes, service delivery, and modernise activity. This is designed to improve customer outcomes, develop staff, and reduce spend.
- Kickstart of reviews of priority areas impacting throughput – allocations, housing options, temporary tenancy/b&b management and income.
- Senior management cross service meeting on homelessness focussing on throughput and prioritising increasing accommodation availability.

## D.5 Permanent Mainstream Housing

Finding permanent housing solutions for homeless applicants is the ultimate priority of the service and the main way of reducing the backlog of open cases. If permanent accommodation decreases this inevitably means that people stay in temporary accommodation for longer and more people need to be placed in emergency bed and breakfast for longer as the throughput of temporary accommodation slows.

This increased length of stay in temporary accommodation increases the pressure on other area of the homeless budget – Repairs, Furniture, Property Storage, School Transport – as well as B&B. An ongoing and consistent stream of available permanent accommodation is therefore crucial to the delivering an efficient and successful homeless service.

During 2020/21 and 2021/22 the provision of permanent accommodation was impacted by the pandemic with the turnover and availability of properties dropping to below 4.5% for the first time since 2014. This resulted in 300 less properties becoming vacant in each of these years. This ultimately had a significant impact on the backlog of homeless cases. Availability of properties has improved slightly in 2022/23 but is still below the position seen in 2019/20.

**Table 1. Permanent Lets (up to end of September)**

Year	Permanent Lets	Lets to Homeless	% lets to Homeless
<b>2019/20</b>	505	367	73%
<b>2020/21</b>	201	139	69%
<b>2021/22</b>	340	208	61%
<b>2022/23</b>	342	216	63%

The current target, set out in the RRTP, is to let 65% of all available council properties to homeless applicants. RSL partners agreed to let a collective 55% of their properties to homeless applicants. This should give an overall 62% of lets to homeless applicants.

## D.6 Financial Resources and Budget Implications

As reported at Council Executive on 15 November 2022, at 30 September 2022 (Month 6) the service is projecting a budget overspend of £1.794million on homelessness. Current numbers are 165 per night. Throughout 2022/23 the service has had an average of 140 B&B rooms booked each night, with the average cost per night of £9,748.

One-off budget of £450,000 was agreed to help mitigate the pressure in B&B spend but an overspend of £1.452 million is expected. This takes account of additional recurring budget provided from 2022/23 of £550,000. Other homelessness costs of £237,000 include property storage costs directly linked to increased lengths of stay in temporary accommodation, as well as a change in the demographic presenting as homeless, and void rent loss and electricity. Tenders have been evaluated and awarded for the homeless transport contracts. Due to the rise in fuel costs, there has been an increase in the tender values together with the increasing number of families presenting as homeless requiring school transport, creating a pressure of £105,000 within this area.

The council has £315,000 of Rapid Rehousing Transition Plans (RRTPs) funding in 2022/23 as part of a multi-year plan to reduce the numbers of people presenting as homeless as well as rehousing people who are homeless quicker and reducing the length of stay in temporary accommodation and B&B accommodation. The funding award to the council fell short of the bid made based on estimations of the level of investment required to address homelessness in West Lothian. The council has made a total bid of £3,000,000, with an award of £1.555.000, which is an overall shortfall of £1,445,000.

The Housing Capital programme includes provision for additional housing stock through new build projects, open market acquisitions and the mortgage to rent scheme, which will help to mitigate some of the pressures on the homelessness budget as more housing stock becomes available to be let.

In addition, the General Services Capital Programme includes funding for shared living spaces which is anticipated to alleviate some of the pressure. These have all been subject to delays as a consequence of Covid-19 and this is contributing to the pressure as noted above.

On 4 October 2022, Council Executive approved the purchase of up to 30 properties through the Open Market Acquisition Scheme, which will take a minimum of 18 months to complete, and will then be converted to 60 temporary sharing spaces. It is anticipated that this will result in a reduction in the use of bed and breakfast and temporary accommodation.

The impact of the lack of throughput of available permanent accommodation post-pandemic, and very low consumer confidence in the private sector as an affordable tenure for consideration, has led to significant increased demand for specifically council social housing. With demand at the rate the service is experiencing, combined with rising costs for all forms of accommodation and construction of new accommodation, this demand is unlikely to fall for the foreseeable future.

Further actions will be required to reduce expenditure on a recurring basis and fully mitigate the budget pressure, including increasing the number of lets in the private sector and increasing the sharing spaces in the council's own stock.

Modelling projections for 2023/24 show that the service is likely to continue to experience significant budget pressures in all key areas of activity. B&B usage will continue to be the largest area of spend and, based on current usage and projections for the remainder of 2022/23, projections show that this type of emergency accommodation will continue to be required throughout 2023/24 and beyond.

The service has a range of reviews and cost saving measures in progress to ensure that costs are reduced as far as practicably possible, whilst meeting the council's statutory homeless duties. Further details are provided in Appendix 2. Whilst there remains a substantial demand for homeless services, and legislation requires the council to provide these services, there will continue to be budget pressures in all areas of the service.

## **E. Conclusion**

Progress has been made on the delivery of the RRTP to date, against the increasing pressures on homelessness as a result of the COVID19 pandemic in Year 2 (2020/21) and Year 3 (2021/22), lower than expected funding through the Ending Homelessness Together fund and the ongoing imbalance between demand and supply of affordable social housing.

However, the demand for affordable social housing and homeless services is anticipated to remain high and could be further affected by additional external factors. It is anticipated that through the continued prevention efforts, additional funding to deliver targeted actions in Year 5 and increases in homeless lets, further progress can be achieved towards meeting the aims of the RRTP to achieve rapid rehousing.

## **F. Background References**

West Lothian Rapid Rehousing Transition Plan (RRTP) 2021/22 Update  
 Scottish Govt/Cosla consultation on prevention of homelessness  
<https://www.gov.scot/publications/prevention-homelessness-duties-joint-scottish-government-cosla-consultation/>

Appendices/Attachments: 2

1. Homeless Breakdown & benchmarking 2021/22
2. Housing Need Improvement Activity 2022/23

Contact Person: Sarah Kelly, Interim Housing Needs Manager 01506 281877

**Julie Whitelaw**  
**Interim Head of Housing, Customer and Building Services**  
**26<sup>th</sup> January 2023**



			West Lothian			
Homeless Applications	2021/22 West Lothian	2021/22 National (average)	Q1 2021/22 West Lothian	Q2 2021/22	Q1 2022/23	Q2 2022/23
Total	1,188	1,101	329	317	318	342

	2021/22 West Lothian							
Age Profile	Q1 2021/22		Q2 2021/22		Q1 2022/23		Q2 2022/23	
16 to 17 yrs	25	8%	15	5%	21	7%	14	4%
18 to 25 yrs	93	28%	86	27%	82	26%	83	24%
26 to 59 yrs	200	61%	203	64%	198	62%	222	65%
60 yrs plus	11	3%	13	4%	17	5%	23	7%
Total	329		317		318		342	

Age Profile (as a % of applications)	2021/22 West Lothian	2021/22 National (average)
16 - 17	6%	3%
18 - 24	24%	20%
25 - 34	30%	32%
35 - 49	29%	30%
50 - 64	8%	12%
65+	2%	2%

West Lothian					
Youth Homeless Breakdown	2021/22	Q1 2021/22	Q2 2021/22	Q1 2022/23	Q2 2022/23
Single female 16–17	33 (8.3%)	9 (7.6%)	8 (7.9%)	10 (9.9%)	5 (5.2%)
Single male 16–17	37 (9.3%)	16 (13.4%)	6 (5.9%)	10 (9.9%)	6 (6.3%)
Single female 18-25	101 (25.4%)	28 (23.5%)	32 (31.8%)	39 (38.7%)	35 (36.5%)
Single male 18-25	135 (33.9%)	40 (33.6%)	28 (27.8%)	24 (23.8%)	24 (25%)
Lone parent female 16- 25	33 (8.3%)	6 (5%)	8 (7.9%)	8 (7.9%)	12 (12.5%)
Lone parent male under 16-25	5 (1.3%)	1 (0.8%)	3 (2.9%)	1 (0.9%)	0 (0%)
Other Household	54 (13.6%)	19 (16%)	16 (15.8%)	9 (8.9%)	14 (14.6%)
Total Youths	398	119	101	101	96

## Appendix 2 – Housing Need Improvement Activity 2022/23

There are a number of projects within a wider programme of improvement within Housing Need designed to reduce the spend on B&B, improve accommodation throughput, and deliver better prevention and outcomes.

- A service wide Improvement Programme has been created for the next 18 months, focussed on review and redesign of all functional and strategic areas of the service to drive up performance and improve outcomes. These functional areas include – Allocations, Housing Options, B&B Management, Temporary Accommodation Management, 3<sup>rd</sup> Party Provision and Contracts, Income Management, Asset Management – all projects have outlined associated changes to policy and practice, performance improvement required, and financial efficiencies attributed to each area.
- Ensuring all rent levels, charges are indexed against national allowances or limits and increase accordingly – seeking Council Executive approval for the indexation of B&B and council tax charges against the Local Housing Allowance and Housing Benefit national rates. This enables the council to claim the maximum entitlement when levels change.
- Targeted activity on repairs/voids to release stock quicker
- Reassessment of all cases within temporary accommodation to achieve an offer, and changes to practice in terms of moving forward with discharges of duty and charging the full storage and transport costs where reasonable offers are refused
- Joint working with legal services to speed up the onboarding of private sector landlords to bring new stock into rotation
- Review of existing leases and contractual arrangements to reduce spend and variance
- Introduction of Empty Homes Officer in 2023 – currently under recruitment
- Delivery of 32 shared spaces last year, with approval gained for another 60 during 2022/24 agreed by Council Executive in October 2022
- Improved Housing Options approach – review underway with new digital options to ease access and increase self service
- Ensuring those evicted on grounds of non-payment of rent, antisocial behaviour, or refusal to act on advice of landlord are assessed as intentionally homeless where there is evidence to support this
- Review of hotel charges –changes to current management approach to recharging for damage and unused rooms, and discharging duty to those perpetrating antisocial and criminal behaviour
- Review of criteria and limits for storage of client belongings – setting reasonable levels of provision and setting charges for excess
- Review of approach to furnishings – to consider if clients have furniture to allow this rather than the cost of outfitting a property, and enabling ultra rapid letting with emergency supplies for a short period for those who are roofless
- Utilisation of private sector for larger family properties rather than B&B
- Review of options to reconfigure buildings across the council estate or from private sector into fit for purpose homeless provision

## Potential Improvement Activity Scoped for 2023/24

There are further options to scope future savings in the service, largely designed to reduce the hotel costs. These are areas of change which will require planning and research, in order to reduce any negative impact or legal challenge. The savings made to date represent revising the provision to ensure the council continues to meet statutory duties, and any remaining changes will see the complete removal of any discretionary spend currently in practice in West Lothian.

Function	Activity
<b>Income Management</b>	<p>Further income management protocols to mirror mainstream tenancy income recovery as full management of temporary tenancies moves into Housing Need. This enables the service to operate a full income management system.</p> <p>Rapid reletting to continue to be reviewed to ensure properties are let faster, with the basic furniture packages put in only when required.</p>
<b>Temporary Accommodation Management</b>	<p>Further review of the furnishing and decoration specification of properties where this is required to meet legislative duty, whilst prioritising letting activity for those who are roofless. This would see decoration removed from the void standard unless there is significant damage.</p> <p>Offer properties for let where minor repairs are agreed for completion after the tenant takes possession to enable them to move in quicker.</p> <p>Enabling tenants with furniture to bring their own goods and not providing furniture at all. This will reduce hotel reliance, particularly for families, and will also reduce associated storage and furniture costs.</p>
<b>Reconfiguration of existing accommodation</b>	Examine where existing accommodation can be converted into single person or rapid access type accommodation for those who would ordinarily be placed in hotels.
<b>Sharing Spaces</b>	As approved at Council Executive in November 2022, the onboarding of an additional 30 two-bedroom properties that the service will convert into 60 sharing spaces in order to place applicants currently being put within hotel accommodation.
<b>Young Persons Homeless Unit</b>	As approved at Council Executive in November 2022, this will provide for 28 spaces within a fully supported unit for young people, providing accommodation, support and life skills to enable them to transition into a settled tenancy. This will see

Function	Activity
	those individuals move out of hotel provision as is current practice due to lack of accommodation suited to their needs.
<b>Homeless Transport</b>	The council has a statutory duty to ensure that children living in temporary accommodation are able access their education. If throughput can be achieved, and there is more availability of accommodation, those in temporary tenancies can be housed in the area where children attend school, reducing these costs.
<b>Recharging</b>	<p>Recharging for all decoration or damage incurred for those residing for a short period of time where it falls out-with normal expected wear and tear.</p> <p>Applying a 100% council tax charge to all tenanted temporary accommodation properties, where tenants do not meet the exemption criteria.</p>



## **HOUSING SERVICES POLICY DEVELOPMENT AND SCRUTINY PANEL**

### **2022/23 FINANCIAL PERFORMANCE – MONTH 6 MONITORING REPORT**

#### **REPORT BY HEAD OF FINANCE AND PROPERTY SERVICES**

##### **A. PURPOSE OF REPORT**

To provide the Panel with an update on the financial performance of the Housing Services portfolio for the General Fund revenue budget.

##### **B. RECOMMENDATION**

It is recommended that the Panel:

1. Notes the financial performance of the Housing Services portfolio as at month 6;
2. Notes that the Housing Services portfolio position at month 6 was part of the overall council budget position reported to Council Executive on 15 November 2022;
3. Notes actions to be taken by Heads of Service and budget holders to manage spend within available resources.

##### **C. SUMMARY OF IMPLICATIONS**

<b>I Council Values</b>	Focusing on customers' needs, being honest, open and accountable, making best use of resources, working in partnership.
<b>II Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)</b>	Local Government (Scotland) Act 1973, Section 95; Local Government in Scotland Act 2003, section 1-14.
<b>III Implications for Scheme of Delegations to Officers</b>	No implications at this stage.
<b>IV Impact on performance and performance indicators</b>	Effective budget management is an essential element of service performance. Additional financial reporting provides elected members with information to allow for proper scrutiny of performance of services.
<b>V Relevance to Single Outcome Agreement</b>	The revenue budget provides resources necessary to help deliver the Single Outcome Agreement. Effective prioritisation of resources is essential to achieving key outcomes.
<b>VI Resources – (Financial, Staffing and Property)</b>	A projected overspend of £1.688 million is the position for the Housing Services portfolio revenue budget in 2022/23.
<b>VII Consideration at PDSP</b>	A financial performance report will be presented to the Panel twice yearly on an ongoing basis.
<b>VIII Other Consultations</b>	Depute Chief Executives and Head of Housing, Customer and Building Services

## D.1 Introduction

This report provides an update on the general fund revenue financial performance in respect of the Housing Services Development and Scrutiny Panel (PDSP) portfolio of services. The council's revenue budget is operationally managed at a Head of Service level, and the financial position included within this report formed part of the overall council position reported to Council Executive on 15 November 2022. This report also includes the position on the delivery of approved budget reduction measures relevant to the Housing Services portfolio for 2022/23.

The budget monitoring process is undertaken in line with the council's budgetary control framework and procedures, which place particular focus on a risk based and pro-active approach to budget monitoring.

This report focuses on the financial performance of council services which further enhances the information presented to elected members to allow scrutiny of service and financial performance. The report contains reference to key performance measures for service areas which are contained within Service Management Plans and referenced in the 2020/21 Local Government Benchmarking Framework (LGBF) data-set. LGBF data for 2021/22 will be collated by the Improvement Service and will be made available later in the financial year. The cost information for the LGBF for 2020/21 and 2021/22 will be materially impacted by Covid-19 related changes to expenditure and income.

## D.2 Financial Outturn for 2022/23

The table below summarises the position in relation to service expenditure for the portfolio area. As part of the monitoring exercise, a number of key risks and service pressures have been identified and these are noted in the narrative.

	<b>2021/22 Budget £'000</b>	<b>Forecast month 6 £'000</b>	<b>Variance £'000</b>
<b>HOUSING, CUSTOMER AND BUILDING SERVICES</b>			
Homelessness	3,487	5,175	1,688
<b>TOTAL</b>	<b>3,487</b>	<b>5,175</b>	<b>1,688</b>

## D.3 Summary of Main Issues in Service Expenditure Budgets and Impact on Performance

## D.3.1 Housing, Customer and Building Services

Homelessness

An overspend of £1.688 million was forecast in Homelessness at month 6, primarily as a result of demand for temporary accommodation, including Bed and Breakfast (B&B) accommodation. On average, 139 clients per night were housed in B&B accommodation for the period from March 2022 to September 2022, compared to an average of 142 in 2021/22. Lack of availability in permanent housing options has resulted in lower turnover of temporary accommodation and average lengths of stay have therefore increased.

In addition, Covid-19 continues to impact delivery of actions during 2022/23 for the multiyear Rapid Rehousing Transition Plan (RRTP) which aims to reduce the numbers of people presenting as homeless, as well as rehousing people who are homeless quicker and reducing the length of stay in temporary accommodation and B&B accommodation. One-off budget of £450,000 is partially mitigating some of the pressure in B&B spend but pressures elsewhere in the temporary accommodation budget, such as furniture costs, repairs to accommodation sites and premises costs are other main factors in the overspend.

The council's approved Housing Capital programme includes provision for additional housing stock through the new build houses project, open market acquisitions and the mortgage to rent scheme, all of which are intended to mitigate some of the pressures on the homelessness budget as more housing stock becomes available to be let. In addition, the general fund capital programme includes funding for new homeless provision which is anticipated to alleviate some of the pressure. Further actions will also be required to reduce expenditure on a recurring basis and fully mitigate the budget pressure, including changes in the allocations policy, increasing the number of private sector lets and increasing the number of available properties via registered social landlords. These measures will be considered in conjunction with the Rapid Rehousing Transition Plan (RRTP) 2019-2024 to reduce Homelessness, an update on which was reported to Council Executive on 21 June 2022.

Performance information for the homeless area indicates that, in 2020/21, the average length of stay in temporary accommodation was 101.3 days. This rose to 123.4 days in 2021/22, and for the first half of 2022/23 was 149.4 days. The increase in length of stay is mainly due to lack of turnover and availability of permanent accommodation throughout 2020/21 and 2021/22 as a result of the pandemic, as well as continuing high levels of demand for homeless provision which has led to a significant backlog in open homeless cases.

### **D.3.2 Monitoring of Approved Budget Reductions**

For the Housing Services portfolio, savings in 2022/23 are anticipated to be fully delivered by the end of the financial year.

### **D.4 SUMMARISED BUDGET POSITION FOR 2022/23**

The month 6 position for the Housing Services portfolio which is part of the overall outturn forecast for the General Fund Revenue budget in 2022/23, is an overspend of £1.688 million, and this was reported to Council Executive on 15 November 2022.

### **D.5 FUTURE BUDGET ISSUES AND RISKS**

There remains significant risks and uncertainties associated with the financial assumptions in the council's budget which continue to be monitored, including the recovery from Covid-19, the cost of living crisis and forecast energy prices which are continuing to rise significantly. Ongoing negotiations around the 2022/23 pay award which has yet to be agreed for Teachers Craft and Chief Officers are also a risk. The magnitude of the financial challenges facing the council are unprecedented with substantial risks that are largely out with the council's control creating significant budget implications.

Specifically for the Housing Services portfolio, there are ongoing key risks around levels of homelessness provision. The main issue facing the homeless service both in West Lothian and in Scotland as a whole is the level of demand for accommodation compared to the available supply. The council has seen a sustained period of increased demand for interim or temporary accommodation from homeless applicants and this has resulted in increased temporary accommodation costs well in excess of budget.

In order to reduce the continuing financial and operational pressures, the service is continuing to develop a range of approaches in order to mitigate pressures and improve the position. With more new build council houses due to complete in 2022/23 and a firmer understanding of the demand levels for the service and supply of housing available, there is an opportunity to reduce the requirement to use hotels whilst developing partnership working and shifting the balance of homeless frontline operations to a more preventative approach. This remains a key area in the Rapid Rehousing Transition Plan (RRTP) to reduce Homelessness.

The council's risk based approach to budget monitoring will ensure that effective action is taken to manage risks during the course of the financial year. Officers will continue to provide updates on risks as part of the quarterly budget monitoring reporting to Council Executive at period 4, 6 and 9.

## **E. CONCLUSION**

Agenda Item 6

The 2022/23 position for the Housing Services portfolio is a forecast overspend of £1.688 million. As noted, the position for the Public & Community Safety portfolio is part of the overall outturn position for 2022/23 which was reported to Council Executive on 15 November 2022.

## **F. BACKGROUND REFERENCES**

1. 2022/23 General Fund Revenue Budget – Month 6 monitoring report - Report by Head of Finance and Property Services on 15 November 2022
2. Draft 2021/22 General Fund Revenue Budget Outturn - Report by Head of Finance and Property Services on 21 June 2022
3. Revenue Budget 2022/23 – report by Head of Finance & Property Services on 15 February 2022
4. Local Government Benchmarking Framework

Appendices/Attachments: None

Contact Person: Pamela Bell, Senior Service Accountant  
Pamela.Bell@westlothian.gov.uk - Tel No. 01506 281282

**Donald Forrest**

**Head of Finance and Property Services**

**Date: 26 January 2023**



DATA LABEL: PUBLIC



## **HOUSING SERVICES POLICY DEVELOPMENT AND SCRUTINY PANEL**

### **DAMPNESS, VENTILATION AND AIR QUALITY IN COUNCIL HOUSING**

#### **REPORT BY INTERIM HEAD OF HOUSING, CUSTOMER AND BUILDING SERVICES**

##### **A. PURPOSE OF REPORT**

To advise the Panel of the council procedures in relation to the applicable legislation regarding dampness, ventilation and air quality in council housing.

##### **B. RECOMMENDATION**

It is recommended that the Panel notes and considers the following:

1. The Scottish Housing Quality Standards (SHQS) includes a number of criteria in relation to dampness and ventilation;
2. The council has a proactive approach in responding to tenant enquiries or requests for inspections regarding dampness or condensation;
3. The council has an ongoing stock condition survey programme, and initial findings do not indicate a systemic issue with dampness within any particular type of house,
4. Notes the key findings from the Coroner's report into the death of Awaab Ishak and;
5. The future housing capital investment programme will include air quality and ventilation measures along with other energy efficiency measures.

##### **C. SUMMARY OF IMPLICATIONS**

<b>I Council Values</b>	Focusing on our customers' needs; being honest, open and accountable; providing equality of opportunities; developing employees; making best use of our resources; working in partnership.
<b>II Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)</b>	Reports on the HRA and Housing Capital Investment Programme are required to comply with the Housing (Scotland) Act 1987 and the council's Financial Regulations.
<b>III Implications for Scheme of Delegation to Officers</b>	None.
<b>IV Impact on performance indicators</b>	The Service reports performance against the Scottish Housing Quality Standards (SHQS).
<b>V Relevance to Single Outcome Agreement</b>	We make the most efficient use of our resources by minimising our impacts on the built and natural environment.

	We live in resilient, cohesive and safe communities.
<b>VI Resources - (Financial, Staffing and Property)</b>	Council Executive approved a revised capital programme of £46.055 million for 2022/23 on 21 June 2022.
<b>VII Consideration at PDSP</b>	None
<b>VIII Other consultations</b>	

## **D. TERMS OF REPORT**

### **D.1 BACKGROUND**

The council has made significant investment in council housing stock to achieve compliance with the Scottish Housing Quality Standard, and continues to invest in works that contribute to maintaining the SHQS.

There are three types of dampness that can appear in a property:

- Condensation
- Rising dampness
- Penetrating dampness

Whilst it is possible to get more than one type of dampness in a property, each type requires to be treated in a different way, therefore it is important to know what type of dampness is affecting a property.

- Condensation occurs when warm moist air comes into contact with a cool surface and water droplets form. It typically appears on cold surfaces particularly on windows, mirrors and outside walls. Areas with poor ventilation are also prone to condensation. This includes surfaces behind furniture such as beds or in or behind wardrobes and cupboards, especially where they are placed against an outside wall. If left unchecked it can lead to damp and mould growth occurring which is often the first sign of a serious condensation problem.
- Rising damp is caused by ground water moving up through a wall or floor. Walls or floors will naturally soak up water from the ground, but usually it is stopped from causing damage by a barrier called a damp-proof course or damp-proof membrane. Newer properties will have a damp-proof course or a damp-proof membrane. But older buildings may not or they may be worn or damaged. If this is the case the walls or floor may suffer from rising damp. Rising damp can also happen when there is a lack of drainage or the level of the ground outside the property is higher than the damp-proof course allowing water to get above it.
- Penetrating damp is caused by water leaking through walls or roofs. This type of damp may expand across walls, ceilings or work its way down, but will not travel up the walls like rising dampness. Penetrating damp is usually caused by structural problems in a building such as faulty guttering or roofing or cracks in the walls or render which means walls or roofs are regularly soaked with water.

In order to ensure a robust review of these elements, and in preparation for the future Housing Capital Investment Programme Housing Customer and Building Services has been undertaking stock condition surveys to collect more information about the type, location and potential causes of damp.

The council received a letter from the Scottish Housing Regulator on 1<sup>st</sup> December 2022 which can be found in Appendix 1, that requested “all governing bodies to consider the systems they have in place to ensure tenants’ homes are not affected by mould and dampness and that they have appropriate, proactive systems to identify and deal with any reported cases of mould and damp timeously and effectively.”

## **D.2 APPLICABLE LEGISLATION AND COUNCIL PROCEDURES**

This report provides information on the council’s housing stock and procedures in place in relation to dampness, ventilation and air quality, and considers these against the applicable legislation.

### **D.2.1 The Scottish Housing Quality Standard**

In March 2003 the Scottish Government consultation paper “Modernising Scotland’s Social Housing”, established proposals for a national housing standard based on a minimum set of quality measures for all houses in the social rented sector. The national standard has since been updated and amended to produce the Scottish Housing Quality Standard (SHQS).

The SHQS is consistent with what constitutes acceptable, modern, good quality, housing. It is however different to the Statutory Tolerable Standard (a very basic standard of acceptability) and the Building Standards (which only apply to new buildings).

The SHQS is based on a number of broad quality criteria. To meet the standard a house must be:

- Compliant with the Tolerable Standard;
- Free from serious disrepair;
- Energy efficient;
- Fitted with modern facilities and services;
- Healthy, safe and secure.

Across the social rented sector, Local Authorities and Registered Social Landlords (RSL’s) had to submit their Standard Delivery Plans by 29 April 2005 to demonstrate how their stock would meet the standard by 2015.

The guidance was previously updated in 2013 and again in 2020 and the council was able to report compliance with the standard in 2015, and ranks 4<sup>th</sup> in the 2021/22 Local Government Benchmarking Figures for compliance with SHQS.

In relation to the risk identified by the coroner there are some key distinctions between the Decent Homes Standard (DHS) and the SHQS, notably it is stated that the DHS does not give any consideration to the issue of damp and mould. Nor does it provide any guidance as to the need for a property to be adequately ventilated.

The SHQS is distinct in this respect and requires assessment of dampness and ventilation under several criteria namely:

#### **ANNEX A: MUST BE COMPLIANT WITH THE CURRENT TOLERABLE STANDARD**

- Tolerable standard Element 2 – Rising and Penetrating Damp: A House Must be free of both
- Tolerable standard Element 3 – Lighting, ventilation and Heating: A House must

have adequate lighting heating and ventilation.

A failure of either of the criterion is a failure of the SHQS. The Council has no properties failing either of these criterions.

#### ANNEX B: MUST BE FREE FROM SERIOUS DISREPAIR

- Serious Disrepair – Secondary Element – Element 23 Damp Proof Course: Assessment is made on a linear basis following an internal inspection which may have uncovered the presence of rising damp.

Whilst 2 or more secondary elements need to fail to equal an SHQS failure, damp proof course problems often mean failure of element 2.

#### ANNEX E: MUST BE HEALTHY, SAFE AND SECURE

- Healthy, Safe and Secure: Mechanical ventilation in kitchen and bathroom (under a limited range of circumstances) – Element 42: Mechanical ventilation may be present in the kitchen and the bathroom but it is only required to be installed where there is evidence of persistent condensation and/or mould. The definition of 'persistent' is when more than 5% of the combined surface area of the ceiling and walls is visibly affected by condensation or mould.

A failure of this criterion is a failure of the SHQS.

The requirements of the SHQS are wide ranging and require assessments of various forms of dampness and ventilation issues, the presence of which would result in a failure of the SHQS.

### D.2.2 Property Inspections

Table 1 below details the number of requests for inspections since 2019. It should be noted that there may be multiple requests for the same address within the numbers as each request is dealt with individually, therefore the number of requests will be higher than the number of properties.

Year	2019	2020	2021	2022
No of dampness/condensation inspection requests	796	623	694	557

Table 2 below details the number of complaints received by the service regarding dampness or condensation since 2019.

Service Area	2019	2020	2021	2022
Building Services	43	39	62	62
Housing Need	0	2	0	4
Housing Operations	6	9	10	5
Housing Strategy and Development	0	2	3	1
<b>Total</b>	<b>49</b>	<b>52</b>	<b>75</b>	<b>72</b>

Initial repair requests are handled by the area Team Coordinator from Building Services. The Team Coordinator will investigate the complaint, carry out a property inspection to determine the cause of the problem, provide an outcome letter to the tenant detailing the survey results and where appropriate arrange for the necessary remedial works.

Where the problem is determined as one of condensation, then appropriate advice will be provided to the tenant, together with an information leaflet on condensation, and tenants signposted to the council's website <https://www.westlothian.gov.uk/article/44316/Condensation>

### **D.2.3 Advice and Support to Council Tenants**

#### **Current Measures**

In addition to the assessments carried out in terms of meeting the SHQS, West Lothian Council Building Services offers help to council tenants who experience problems relating to condensation and mould growth through the repairs service.

The Building Services Team may take the following actions depending the circumstances;

- Carry out a Property Inspection to determine any actions required;
- Provide expert guidance on condensation and how this can be managed;
- Provide a hygrometer to support tenants in managing the temperature and humidity level within the property. This also allows tenants to track and understand how lifestyle changes can assist in managing condensation;
- Provide anti-mould kits to allow the tenants to wash and treat the affected area;
- Review of existing ventilation within the property and the potential installation of extractor fans in kitchen and bathroom or whole house ventilation systems dependant on property needs;
- Help tenants to find the right advice on heating, ventilation, and condensation as well as energy efficiency measures including loft and cavity wall insulation through an energy advice referral;
- Surveying of existing radiator sizes to ensure these are sufficient for the room size, and;
- In certain cases, they may install insulated plasterboard to rooms which may be prone to high condensation levels and low room temperatures.

This proactive approach by the council seeks to address any areas of concern relating to dampness and condensation.

#### **Further Measures**

The council is also planning to deploy sensor technology into a number of our properties. The sensors will be installed to measure temperature, humidity and CO2, the Environmental Sensors provide actionable insights into conditions such as mould risk, draught risk, excess cold, heat loss and indoor air quality.

The data will be available to council tenants via a resident's app and they will be provided with personalised, user friendly data and insight into their home health through an overall rating and handy advice on the measures they can take to improve the quality of their home.

The council will also be able access information via a dashboard, which will assist the council with a better understanding of any issues and will inform actions including campaigns, staff resource deployment and property investment in a proactive way.

A pilot of 100 properties, will be fitted with the sensors in early 2023 at a cost of £420 per property. The service will develop a monitoring strategy that is aligned to

our tenants needs and use the data the service holds already to support our tenants in improving the quality of their homes.

### D.3 HOUSING CONDITION SURVEY PROGRAMME

The council has recently completed condition surveys of 431 void properties and 240 pre-war four in a block property. From the 671 properties surveyed (431 void and 240 four in a block), 35 properties (5% of the sample group) were regarded as category C or below. The sample group represents 5% of the stock with those regarded as being category C or below representing 0.2% of the overall housing stock.

Due to the variability of the stock surveyed thus far it is not possible to project the results on to the remainder the of stock at present, however the findings of the pre-war survey stock were consistent with pre-survey desktop analysis of reported repair issues.

Defects identified were common across all wards mainly rainwater goods issues, isolated roof repairs, re-pointing and defective windows.

The survey of void properties, whilst a low sample group is a varied group of house types and again supports the previously completed desktop analysis of the reported repairs information.

A core stock condition survey programme is underway and co-ordinated by an in-house surveying team, and priorities will include streets or estates where there are historical or increasing trends of damp problems.

### D.4 AWAAB ISHAK CASE

The Coroner's report into the death of Awaab Ishak identified that Awaab Ishak had died as a result of a severe respiratory condition due to prolonged exposure to mould in his home environment. The Coroner also identified matters of concern and of the risk that future deaths will occur unless action is taken.

The matters of concern raised and any required actions are set out below:

Coroner Matter of Concern	Required Action
1. <i>The 2006 document, "A Decent Home: Definition and Guidance for Implementation" does not give any consideration to the issue of damp and mould. Nor does it provide any guidance as to the need for a property to be adequately ventilated.</i>	None - The standard referenced by the Coroner is not applicable in Scotland and applies to English and Welsh Housing Providers. The applicable standard is SHQS.
2. <i>The HHSRS data sheet relating to damp and mould, is used to calculate risks of the incident and the spread of harm is not reflective of the current known risks of damp and mould and harm to health.</i>	The HHSRS is a not applicable under the Housing (Scotland) Act. However, as set out in Section D.2.3, in addition to the assessments carried out in terms of meeting the SHQS the council offers help to council tenants who experience problems relating to condensation and

	mould growth through the repairs service.
3. <i>There was no evidence that up to date relevant health information pertaining to the risks of damp and mould was easily accessible to the housing sector.</i>	<p>The report refers to the evidence that the impact on health from damp and mould is a widespread national issue. Of particular importance is the fact this is not simply a social housing issue.</p> <p>It was acknowledged that updated information regarding the current health risks relating to damp and mould are not widely available or known to the housing sector, compared to the information sharing, campaigns and primary legislation which surround gas safety and legionnaires which have been hugely beneficial. In comparison there is a lack of the same information or legislation in respect of damp and mould.</p> <p>The council's web pages on condensation make some reference to linkages between health and mould.</p>
4. <i>The evidence highlighted a "policy" amongst the housing associations, in cases where a disrepair claim has been brought of waiting for agreement from the claimant (or their legal representative) before rectifying any recognised disrepair.</i>	The council has no such policy, and provides extensive advice and assistance to tenants reporting issues with dampness or condensation as detailed above in Section D.2.3.
5. <i>The private landlord sector does not have access to the Housing Ombudsman for their complaints to be investigated.</i>	This is not applicable to council housing stock, as tenants have the right to have their complaints investigated via the Scottish Public Services Ombudsman (SPSO) and this is embedded in the council's complaints procedures.

## E. CONCLUSION

Social housing landlords are required to meet stringent criteria regarding standards of houses through the Scottish Housing Quality Standards, including specific standards relating to dampness and ventilation.

It is recognised that increasing legislative standards relating to insulation and energy efficiency of housing stock, in tandem with modern day lifestyles can create challenges relating to air quality and ventilation.

As such, the council actively engages with tenants regarding matters of dampness or condensation, and in development of the future housing capital investment programme air quality and ventilation measures will be included along with energy

efficiency measures including boiler replacements, double glazing and increased insulation.

The continuation of the stock condition survey programme will also ensure the council can respond to any particular areas of concern should any be identified.

**F. BACKGROUND REFERENCES**

None

Appendices/Attachments: Scottish Housing Regulator letter to all governing bodies.

Contact Person: Marjory Mackie, Housing Strategy & Development Manager

[Marjory.Mackie@westlothian.gov.uk](mailto:Marjory.Mackie@westlothian.gov.uk)

**Julie Whitelaw**

**Interim Head of Housing, Customer and Building Services**

**26 January 2023**



**To:** Chief Executives/ Directors of Registered Social Landlords  
and Chief Housing Officers/ Directors of Housing of Local Authorities

01 December 2022

Dear colleague,

I am sure you will have seen the recent media coverage of the coroner's report on the tragic death of Awaab Ishak who died of a respiratory condition caused by mould in his home. This case has highlighted the clear link between mould and damp in houses and serious health conditions. I would encourage you to read the full coroner's report [here](#).

Ensuring tenant and resident safety is a critical part of the work of social landlords in Scotland. The Scottish Housing Quality Standard was developed by the Scottish Government and requires that the homes provided by social landlords:

- Meet the Tolerable Standards;
- Be free from serious disrepair;
- Be energy efficient;
- Have modern facilities and services; and
- Be healthy, safe and secure.

I am writing to ask all governing bodies and committees to consider the systems they have in place to ensure their tenants' homes are not affected by mould and dampness and that they have appropriate, proactive systems to identify and deal with any reported cases of mould and damp timeously and effectively.

The current cost of living crisis, and in particular rising energy costs, will mean that many tenants face difficulties in heating their homes. So it is now more important than ever that all social landlords have robust procedures for managing reports and instances of mould and dampness.

We are working with the Scottish Federation of Housing Associations and ALACHO to identify and promote good practice in the management of mould and dampness. In the meantime, you may find it helpful to look at the [Housing Ombudsman's report on damp and mould](#) which was published last year.



If you identify any concerns with your current systems please contact your lead regulator to discuss how you will plan to make necessary improvements.

Regards

A handwritten signature in black ink that reads "Helen Shaw". The signature is fluid and cursive, with a long horizontal stroke extending from the end of the name.

**Helen Shaw**  
**Director of Regulation**

DATA LABEL: PUBLIC



## **HOUSING SERVICES POLICY DEVELOPMENT AND SCRUTINY PANEL**

### **QUICK BUILD TEMPORARY ACCOMMODATION**

#### **REPORT BY INTERIM HEAD OF HOUSING, CUSTOMER AND BUILDING SERVICES**

##### **A. PURPOSE OF REPORT**

The purpose of the report is to provide the Panel with an update on concepts and funding regarding quick build solutions, including the use of cabins and containers, to assist with the homeless situation and as an alternative to B&B/Hotel accommodation.

##### **B. RECOMMENDATION**

It is recommended that the Panel;

1. Notes the council's proactive approach to reducing homelessness;
2. Notes the current temporary accommodation provision;
3. Notes the position on funding of temporary accommodation;
4. Notes the key findings of a review of quick build concepts and the work being undertaken to reduce the use of B&B/Hotel accommodation; and
5. Notes the next steps.

##### **C. SUMMARY OF IMPLICATIONS**

<b>I</b>	<b>Council Values</b>	Focusing on our customers' needs; being honest, open and accountable; providing equality of opportunities; making best use of our resources; working in partnership
<b>II</b>	<b>Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)</b>	The Housing (Scotland) Act 1987 as amended in accordance with the Homelessness (etc) (Scotland) Act 2003, Housing (Scotland) Act 2001, Housing (Scotland) 2014. Homeless Persons (Unsuitable Accommodation) (Scotland) Order 2014
<b>III</b>	<b>Implications for Scheme of Delegations to Officers</b>	None
<b>IV</b>	<b>Impact on performance and performance Indicators</b>	The RRTP activities are aimed at early intervention and prevention. Where homeless does occur, the aim is to provide housing as quickly as possible to reduce the need for temporary accommodation.
<b>V</b>	<b>Relevance to Single Outcome Agreement</b>	Outcome 6: People most at risk are protected and supported to achieve improved life chances. Outcome 7: we live longer, healthier

lives and have reduced health inequalities

<b>VI</b>	<b>Resources - (Financial, Staffing and Property)</b>	<p>Housing Need General Fund 2022/23 budget is £4.114million, consisting of:</p> <ul style="list-style-type: none"> <li>• Base budget of £3.349 million</li> <li>• RRTP resource of £315,000</li> <li>• Prevention one off funding £400,000</li> </ul> <p>One off funding for B&amp;B pressures £450,000</p>
<b>VII</b>	<b>Consideration at PDSP</b>	n/a
<b>VIII</b>	<b>Other consultations</b>	Property Services, Financial Management Unit

## **D TERMS OF REPORT**

### **D.1 BACKGROUND**

The report sets out the work undertaken by officers to consider quick build solutions, including the use of containers/cabins by the council to provide temporary accommodation, to assist with reducing the use of B&B/Hotels accommodation. The report also details other concepts which have been taken forward to alleviate the use of B&B/Hotel accommodation.

### **D.2 COUNCIL MOTION**

At a meeting of West Lothian Council on the 22 November 2022 a composite motion was agreed for a report to be brought to Housing Services PDSP with officers' concepts regarding quick build provision to assist with the homeless crisis. The Composite Motion highlighted the use of container/cabin houses, as well as the Social Bite model in Granton, Edinburgh as a potential solution for temporary housing while homeless people wait for permanent housing. A copy of the composite motion set out in Appendix 1.

### **D.3 WEST LOTHIAN RAPID RE-HOUSING TRANSITION PLAN (RRTP) AND TEMPORARY ACCOMMODATION PROVISION**

The imbalance between supply and demand for permanent social rented accommodation continues to be a key challenge in West Lothian. There remains a high number of people applying to the council for permanent housing through the council's allocations policy, as well as permanent and temporary accommodation required for homeless applicants to enable the council to discharge its statutory homeless duty.

The council's approach to reducing homelessness is set out in the West Lothian RRTP 2019/20 - 2023/24 which is updated on an annual basis.

Appendix 2 provides detail on the range of temporary accommodation provision within West Lothian. Excluding B&B/Hotel accommodation, the council has a total of 632 one to four-bedroom properties including homeless supported accommodation, dispersed temporary tenancies owned by the council, Registered

Social Landlords (RSLs) and Private Sector Leases (PSLs) leased from the private rented sector.

To meet the statutory duty to provide emergency and temporary accommodation the council must adhere to the requirements of the Unsuitable Accommodation (Scotland) Order (UAO) 2014 as well as best practice guidance. The UAO sets out the physical requirements as well as location of temporary accommodation. Appendix 3 provides detail on the design and site location criteria.

The composite motion identifies the Cabinet Secretary for Housing having invited councils to come up with innovative ideas for the homeless crisis as regards quick build provision. The Scottish Government has confirmed that there is no funding provision for the capital costs of temporary accommodation including quick build solutions. RRTP funding allocations to local authorities also cannot be used for the capital costs associated with temporary or permanent accommodation.

#### **D.4 QUICK BUILD HOUSING**

The term, 'quick build housing' can encompass a wide range of temporary and permanent structures including cabin/container housing and modular construction.

##### **Cabin and Container housing**

These vary in size, configuration, quality and life span depending on cost but are self-contained units and are generally of a temporary nature. Short to medium term use of cabin/container housing may be more effective where there are longer lead in times for finding permanent housing options due to affordable housing supply challenges. The homeless village at Granton developed by Social Bite uses caravan style units to reduce rough sleeping, is an example of this and is discussed further in Section D.5.

##### **Modular Housing Construction**

This term is used for a unit manufactured off site, designed and built to be used for permanent occupancy and set on a permanent foundation. Modular housing can be used to provide a potentially quicker solution to more traditional build methods for permanent affordable housing due to homes being almost complete when leaving the factory which, in theory, reduces waste, negates the impact of adverse weather and can allow for overlap of site preparation and build phases.

The sector has until very recently favoured traditional construction methods for larger scale affordable housing. There is one example of a recent modular affordable housing development in West Lothian. Places for People Housing Association completed a modular constructed affordable housing development in May 2021 consisting of 18 flats at Quentin Court, Livingston. The overall costs and delivery timescales were comparable with traditional construction mainly due to component delays which impacted on the overall programme.

There are other examples of more recent larger scale modular affordable housing construction providing permanent accommodation. The Wee House Group has recently completed 63 affordable modular houses in Dundonald Ayrshire the Riverside Housing Association.

There is a 101-unit modular affordable housing development currently on site which is being delivered by Cunninghame Housing Association in Kilmarnock, Ayrshire with the expected date of occupancy of the first homes being summer 2023. The Housing Association acquired the site from the contractor on 31 March 2022 and had been working with the contractor on designs for some months prior to this date. The projected cost is £17million and attracted Scottish Government funding.

## **D.5 CONCEPTS AND SOLUTIONS**

The council has considered and taken forward a number of different concepts and quick solutions for the current supply and demand challenges in West Lothian for permanent and temporary accommodation. These concepts have been developed in accordance with new legislation. This section outlines the work undertaken to date on each concept.

### **D.5.1 Permanent Housing Supply**

The council, along with RSLs, partners and the Scottish Government are undertaking a number of actions to ensure a continued supply of permanent housing.

- Completion of the balance of the 3,000 new build affordable houses targeted over the period 2012 – 2022 and seeking Scottish Government Grant for future developments;
- The use of modular housing construction affordable housing delivery continues to be explored as an option by the council and its RSL partners;
- 65% of all council properties, and 56% of social rented properties collectively with RSL's, are let to homeless applicants to reduce the backlog of open homeless cases waiting for permanent accommodation, and;
- The council is establishing a West Lothian Empty Homes Partnership to identify and bring back into use empty homes in West Lothian.

### **D.5.2 Temporary Accommodation**

The council is in the process of delivering a number of sustainable and affordable concepts for temporary accommodation which meet the UAO while services transition to a rapid rehousing approach.

- Mainstreamed sharing spaces which created 2 spaces within 1 property for letting to 2 individual homeless applicants with a total of 52 spaces with a further 2 currently being set up.
- On 4 October 2022 the council agreed to the purchase of up to a further 30 two-bedroom houses through the Open Market Acquisition Scheme (OMAS) to provide a further 60 sharing spaces

- Increased the use of Private Sector Leases (PSL) as temporary accommodation. At the end of December 2022 there were 98 properties with a target of 110 to be achieved by end of 2022/23.
- Delivery of the approved supported housing for young people project young person – 28 units with onsite support at Almondvale Crescent, Livingston. The housing is estimated to be completed by November 2024 and will meet the requirements of the UAO.

### **D.5.3 Cabin/Container and Modular Housing**

There is potential for housing to be delivered more quickly through the provision of cabins/container and permanent modular housing provision, but it depends on community resistance, site availability and conditions, preparation and having the units delivered quickly when the site is ready.

- Property Services have approached a range of suppliers including construction companies, companies that provide prefabricated units and providers of static caravans. There is relatively little difference in costs due to the UAO requirements. Statutory consents (Planning and Building Warrant) are also required whatever the type of development and the timescales for these remain the same whether a development is short/medium term or permanent.
- Officers have examined the model used for the homeless village at Granton, developed by Social Bite which is small scale and includes on site staff, with 24-hour waking support, providing intensive support to residents. The village was completed in 2018 and comprises 10 caravan style units, housing up to 20 people. The design of the village and the units were developed with people with lived experience of homelessness and rough sleeping. The land was leased from City of Edinburgh Council at nil cost to Social Bite, and the cost of the development was in the region of £1.5million which equates to £150,000 per unit. The cost excludes site acquisition and is comparable to the average cost per unit for one-bed new build permanent houses but more than the cost per unit for houses purchased through the Open Market Acquisition Scheme.
- The former Travelling People's site in Bathgate could accommodate around 30 detached temporary homes (single storey), however, the site location and costs had ruled this out due to it not being close to amenities, public transport and essential services with the costs being similar to permanent housing.

### **D.5.4 Repurposing of Existing Assets**

Officers are working with Property Services and partners to consider possible quick solutions through the repurposing of existing assets. These include the following;

- Repurposing a specific block of current houses for homeless people requiring intensive support. Due to high demand there are no areas suitable for this purpose and it would require rehousing existing tenants making timescales uncertain.

- Rock Trust have worked in partnership with Almond Housing Association to implement the Live and Work Programme for 7 young people through the repurposing of a former adult care home in Livingston. The council is also working with Rock Trust to establish if there are any further empty assets available which can be repurposed and may attract external funding out with the council.

## **D.6 NEXT STEPS**

Given there is no cost advantage of using cabin or container housing for homeless temporary accommodation, the lack of funding, challenges such as community resistance, finding a suitable site and the need to meet the UAO, it is not recommended that any further work is undertaken on this concept.

The increase in dispersed sharing spaces and the new build housing for young people project will provide an additional 58 units (88 spaces) to ensure those who require temporary accommodation have sustainable and long-term solutions. These measures will provide more suitable options of temporary accommodation as an interim measure in advance of the completion of future new build housing and ultimately represents a more effective solution in addressing homelessness.

Officers will continue however, to follow best practice and benchmark modular housing construction in the delivery of larger scale affordable new build housing and work in partnership with the Scottish Government, RSLs as well as colleagues in procurement to identify the potential for a permanent modular housing project. Officers will also consider all opportunities for the use of modular construction in the development of future affordable housing, to ensure timescales are minimised for delivery whilst also maintaining quality standards.

Officers will also continue to engage with the Scottish Government to determine if there are any other opportunities to lever in additional funding for temporary accommodation for homelessness and will bring a report back to Housing Services PDSP before summer recess with an update on progress.

## **E. CONCLUSION**

The report outlines the work undertaken to date to consider quick build solutions through the use of cabin/container and modular construction for both the provision of temporary and permanent housing to assist with the homeless crisis in West Lothian. It also outlines other concepts which officers have worked on and considered.

Due to the statutory requirements for homeless temporary accommodation, as well as the high costs for relatively short-term accommodation, it is not proposed to take this concept forward as a viable, sustainable and cost-effective solution. Officers will continue to keep up to date with best practice examples and costs of both cabin/container housing and modular housing construction in the supply of permanent affordable housing.



**F. BACKGROUND REFERENCES**

West Lothian RRTP Update 2022/23, Council Executive 21 June 2022

Appendices/Attachments: 3

Contact Person: Marjory Mackie, Housing Strategy and Development Manager

**Julie Whitelaw**

**Interim Head of Housing, Customer and Building Services**

**26 January 2023**

## Appendix 1

### **Composite Motion for the Council meeting on 22nd November 2022 Item 9 – Homelessness**

West Lothian has over 1400 homelessness application, too many people in Scotland are becoming homeless because of the housing emergency, this demand is growing and will continue to grow.

There are too many people in West Lothian being accommodated within B&B or having to move away to another areas for example Falkirk, Edinburgh and even further afield, leaving family support networks behind.

We need to find solutions quickly, to save West Lothian Council money but more importantly, to improve people's lives.

One solution, which can be introduced speedily and cost effectively is in the introduction of container/cabin houses. These can be installed in more locations across West Lothian and be a short-term solution before enough houses are built.

Council is asked to note that container/cabin houses have been used to meet specific housing need in certain circumstances within the United Kingdom, it represents a very small element of addressing homelessness. Generally, elements of off-site prefabrication and delivery have, to a certain extent, been utilized within West Lothian Council's new build programme by mainly focusing on open timber kit supplies and prefabricated stairs, doors and windows.

#### Social Bite village – Granton

Council is also asked to note that Officers have examined the model used for the homeless village at Granton, developed by Social Bite which was completed in 2018 and comprises 10 caravan style units, housing up to 20 people, the land being leased from City of Edinburgh Council at nil cost to Social Bite, and the cost of the development was in the region £150k per unit.

Council is also asked to note that no Scottish Government grant is available at present to build/provide prefabricated/container houses, but does agree that a report on the topic be brought to the Housing Services PDSP covering building/maintenance cost, life span, speed of delivery and impact on housing capital programme.

However, in view of the comments in Scottish Parliament made by Shona Robison, Cabinet Secretary for Housing, whereby she invited Councils to come up with innovative ideas on the homelessness crisis as regards quick build provision, Council calls for an urgent report to Housing Services PDSP with officer's concepts to allow the Chief Executive to put such case to the Cabinet secretary for decision. Also, that her response be brought back to full council.

**Councillor Angela Doran-Timson**

**Councillor George Paul**

**Appendix 2****Table 1: Temporary Accommodation Provision in West Lothian**

<b>Property Type</b>	<b>Number of Properties</b>
West Lothian Council Dispersed Temporary Tenancies	354
West Lothian Council Sharing Spaces	52
West Lothian Council Supported Accommodation (Blackburn Homeless Unit, Strathbrock Homeless Unit, Quentin Court and Open Door)	84
Registered Social Landlord Temporary Tenancies	44
Private Sector Leases	98
<b>Total</b>	<b>632</b>

**Appendix 3****Table 2: Temporary Accommodation (UAO) – Site Criteria**

	<b>Site Criteria</b>	<b>Comments</b>
a	Within the main settlements of West Lothian, preferably within a community to enable integration	Accommodation provided should be located so that the main essential services used by a household can be reached by foot, by public transport or by transport provided by a local authority. Services to include education/school/nursery, supermarket or convenience store, doctors, dentists, support or other health providers and advice agencies (where applicable). Therefore, the site needs to be in the main settlements of West Lothian, close to amenities and in walking distance to public transport.
b	Must be usable by the household for 24 hours a day	Site cannot have restricted access to homeless households who will need to have secure land rights for usage of the site and good access routes to and from the site.
c	Be in the locality of the place of employment of a member of the household	The location of the property should also consider the needs of all household members in terms of reasonable access to place of employment and formal or informal support networks. Therefore, must have reasonable access to good public transport. Parking spaces should also be provided for homeless households with access to a car.
d	Social and economic needs	The location of the accommodation also needs to consider the social and economic needs of the household.
e	Personal safety	An assessment of personal safety of the household, specifically households fleeing domestic abuse, predominately women, and whether the temporary accommodation being offered is in an area that is close to the perpetrator's family and/or is too far from children's school, social network etc.
f	Small scale	To avoid hostel type/congregate accommodation and high-density accommodation due to risk of stigmatisation.
g	Adjacent to existing buildings with services and support or, Site which can be easily serviced.	Access to good and reliable sources of water and electricity. Connection to mains surface and foul water drainage.
h	Site topography and environmental impacts	To ensure effective surface water drainage and no impact on local environment - bat/trees/badgers.
i	Cultural or religious needs	Cultural or religious need should also be identified and met through the location of accommodation where possible.

**Table 2 (contd.): Temporary Accommodation - Design Requirement**

	Design Criteria	Comments
a	Toilet and Washing facilities	Adequate toilet and personal washing facilities for the exclusive use of the household.  Must have access to on site laundry facilities if not provided within the accommodation.
b	Living Space	Must have the use of adequate cooking facilities and the use of a living room. Have adequate communal living space for the household which includes, for example, space for children to play or do homework.
c	Bedrooms	Adequate bedrooms for the exclusive use of the household. Have sufficient bedroom space to meet the needs of the household in line with the overcrowding and HMO standards. Link to overcrowding standards <a href="http://www.legislation.gov.uk/ukpga/1987/26/part/VII/crossheading/definition-of-overcrowding">http://www.legislation.gov.uk/ukpga/1987/26/part/VII/crossheading/definition-of-overcrowding</a>
d	Space for visitation	Be suitable for visitation by a child who is not a member of the household but whom a member of the household has parental rights. For example, space for children to play or do homework.
e	Scale and Layout of units	To avoid hostel type/congregate accommodation and high density accommodation as due to risk of stigmatisation.
f	Accessible	Be accessible and able to meet the needs of any disabled person within the household.
g	Housing quality standards compliance	Comply with relevant housing quality standards including health and safety, hygiene, fire, furniture and electrical equipment legislation and regulations.
h	Security	Provide units that are secure with individual locks so people feel that their belongings are safe; Provide a facility to secure personal mail, where appropriate.
i	Digital Access	Allow access to digital technologies (e.g. via WiFi), where possible, so households can access online facilities e.g. welfare benefits, choice based letting systems.
j	Pets	Have the means to support people to maintain relationships with their pets.
k	Heating system	Have a sufficient and affordable heating system at an acceptable efficiency rating in line with those published in the <a href="#">Energy Efficiency Standard for Social Housing</a> and those for <a href="#">Private Rented Property</a>





## **HOUSING SERVICES POLICY DEVELOPMENT AND SCRUTINY PANEL**

### **RENT CONSULTATION 2023/24 TO 2027/28**

### **REPORT BY INTERIM HEAD OF HOUSING, CUSTOMER AND BUILDING SERVICES**

#### **A. PURPOSE OF REPORT**

To provide the Panel with the outcome of the rent consultation conducted with West Lothian Council tenants from 27 October 2022 to 12 December 2022.

#### **B. RECOMMENDATION**

It is recommended that the Panel notes the outcome of the rent consultation.

#### **C. SUMMARY OF IMPLICATIONS**

<b>I</b>	<b>Council Values</b>	Focusing on our customers' needs; being honest, open and accountable; providing equality of opportunities; working in partnership.
<b>II</b>	<b>Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)</b>	<p>The Housing (Scotland) Act 2001 Section 25 places a duty on local authority landlords to consult with individual tenants and tenant groups on issues affecting them.</p> <p>An equality relevance assessment was conducted on the consultation approach.</p>
<b>III</b>	<b>Implications for Scheme of Delegations to Officers</b>	None.
<b>IV</b>	<b>Impact on performance and performance Indicators</b>	None.
<b>V</b>	<b>Relevance to Single Outcome Agreement</b>	None.
<b>VI</b>	<b>Resources - (Financial, Staffing and Property)</b>	None.
<b>VII</b>	<b>Consideration at PDSP</b>	N/A
<b>VIII</b>	<b>Other consultations</b>	Tenants and their representatives.

## **D. TERMS OF REPORT**

### **D.1 Rent Consultation**

As part of the Council's approach to financial and corporate planning, the Council agreed a five-year rent strategy and a five-year housing capital investment programme on 13 February 2018. As such, 2022/23 is the final year of the approved revenue and capital housing budgets. The current rent strategy will end in March 2023.

Council Executive agreed at its meeting on 25 October 2022 that officers should conduct a consultation with tenants on a 3.5% or 4% rent increase per annum over the next five years. The consultation was published and commenced on 27 October 2022 and closed on 12 December 2022.

Throughout the consultation, engagement with tenants has been undertaken using various methods, including using the Council's digital social media platforms and face-to-face sessions, as set out below.

#### Special Tenants News

A special edition of Tenants News covering the consultation was published online to all tenants and a paper copy was delivered to tenants over the age of 65. The four-page special edition allowed tenants to complete the survey online using a QR code and also gave the option to return a paper copy of the survey by post to the civic centre.

#### Drop-In Sessions

Tenant drop-in sessions were arranged during the consultation period. Fifteen sessions were held in total, with a mix of evening and day sessions across five locations. Tenants with an interest or query on the consultation had the opportunity to attend one of these sessions to ask questions or clarify information provided in the special Tenants News edition. The dates and times for sessions were included in the special Tenants News.

#### Wider Communication

An online form was developed to enable digital responses to be submitted. This was promoted through regular social media posts (including the Housing Tenants Facebook Group) to encourage responses. A reminder article was included in the usual winter edition of Tenants News (issued in early November). A text reminder was also issued to tenants where this facility was available.

This approach has increased the number of respondents compared to previous years.

In 2012, the council received 516 responses. In 2017, there was an increase of 640 responses from the previous consultation, taking the overall responses to 1,156. In 2022, there was an increase of 609 from the previous consultation, bringing this year's overall responses to 1,765. An additional 11 responses were received, but it was not possible to verify if the respondents were tenants, therefore these were not included in the consultation results.

### **D.2 Survey Outcome 2022**

Of the 1,765 responses to the consultation, 1,312 (74%) of those tenants responding expressing a preference for a 3.5% per annum rent increase over the five-year period 2023/24 to 2027/28.

The profile of respondents was as follows:



- 50% indicated that they do not receive any assistance towards their rent
- 47% indicated that that they receive some or all of their rent paid through Housing Benefits or Universal Credit
- 3% preferred not to answer

Of the respondents who indicated that they do not receive any assistance towards their rent, 82% indicated that their preference was for a 3.5% per annum rent increase.

Further information on the profile of respondents in the receipt of assistance towards their rent and the location of respondents is set out in Appendix 1.

### **D.3 Next Steps**

After consideration of this report by the Panel, the Council will meet to set the Housing Revenue Account budget and rent levels from April 2023.

### **E. Conclusion**

In accordance with legal requirements, consultation has taken place with individual tenants and tenant groups on the issue of the rent strategy that affects them. The survey response indicates that tenants responding favour a 3.5% rent increase per annum over the five-year period to 2027/28.

### **F. Background References**

[Special Tenants News Edition November 2022](#)

Appendices/Attachments: 1.

Contact Person:

Jodie Fullerton, Service Development Officer, [Jodie.Fullerton@Westlothian.gov.uk](mailto:Jodie.Fullerton@Westlothian.gov.uk)

**Julie Whitelaw**

**Interim Head of Housing, Customer and Building Services**

26 January 2023

## Appendix 1

### Location (Ward)

Graph 1

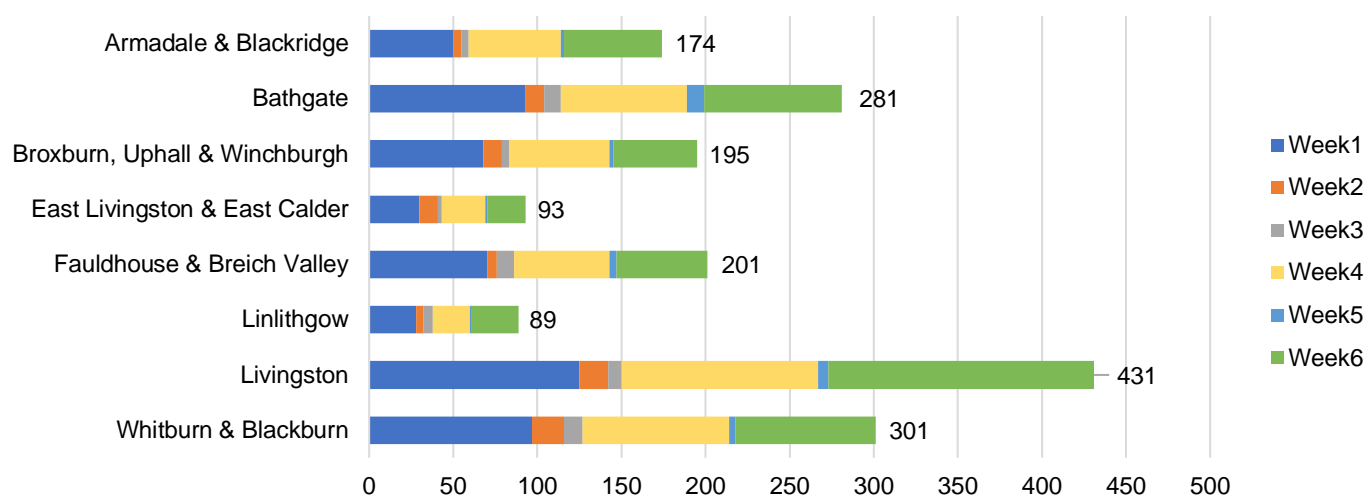


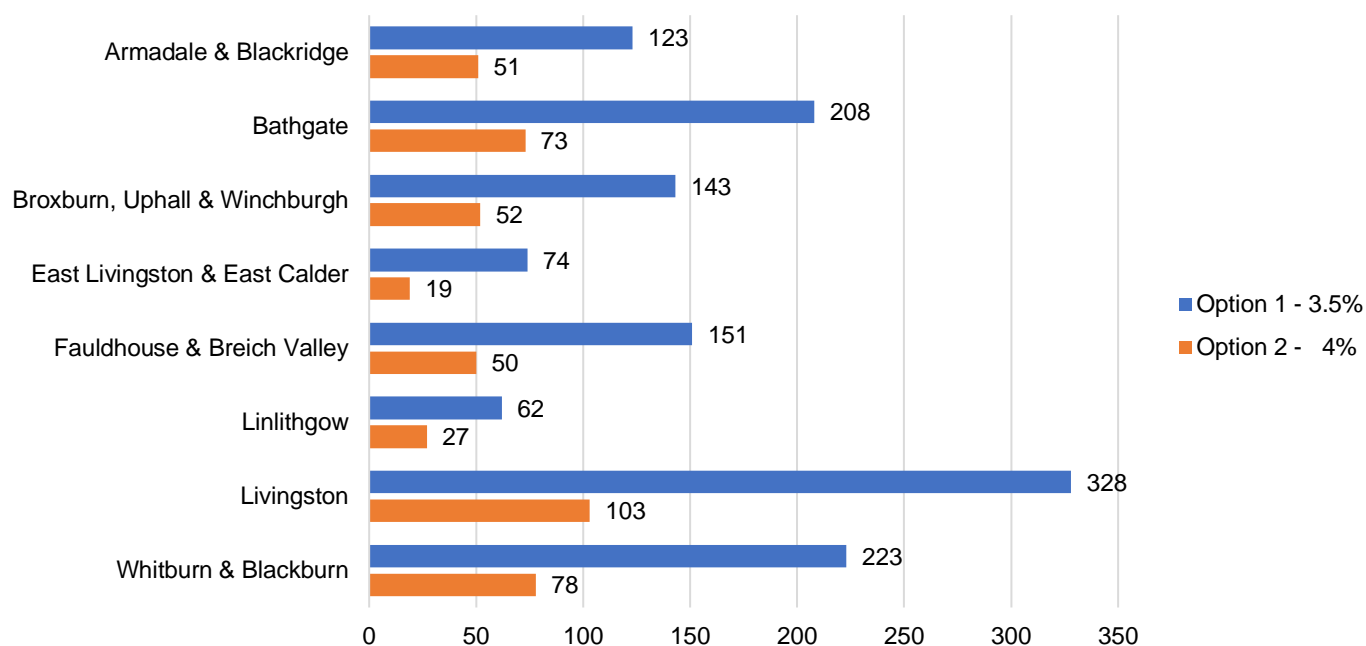
Table 1

	Armadale & Blackridge	Bathgate	Broxburn, Uphall & Winchburgh	East Livingston & East Calder	Fauldhouse & Breich Valley	Linlithgow	Livingston	Whitburn & Blackburn
Week 1	50	93	68	30	70	28	125	97
Week 2	5	11	11	11	6	4	17	19
Week 3	4	10	4	2	10	6	8	11
Week 4	55	75	60	26	57	22	117	87
Week 5	2	10	2	1	4	1	6	4
Week 6	58	82	50	23	54	28	158	83
Total	174	281	195	93	201	89	431	301

- The highest number of responses:
  - Livingston Ward - 431 (24.50%).
- The lowest number of responses:
  - Linlithgow Ward – 89 (5.06%).
- The largest increase (week over week):
  - Livingston Ward – 158.
- Smallest increase (week over week):
  - East Livingston & East Calder – 23.

## Rent Increase Preference By Location

Graph 2



Graph 2 above shows the cumulative percentage response per ward. The accompanying table provides a detailed breakdown of the number of customers who selected each rent increase option in weeks one to six.

Table 2

Week	Ward Area	Armada & Blackridge	Bathgate	Broxburn, Uphall & Winchburgh	East Livingston & East Calder	Fauldhouse & Breich Valley	Linlithgow	Livingston	Whitburn & Blackburn	Grand Total
Week 1	3.5%	32	64	48	26	57	20	92	74	413
	4%	18	29	20	4	13	8	33	23	148
	<b>Total</b>	<b>50</b>	<b>93</b>	<b>68</b>	<b>30</b>	<b>70</b>	<b>28</b>	<b>125</b>	<b>97</b>	<b>561</b>
Week 2	3.5%	3	7	7	5	3	2	15	10	52
	4%	2	4	4	6	3	2	2	9	32
	<b>Total</b>	<b>5</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>6</b>	<b>4</b>	<b>17</b>	<b>19</b>	<b>84</b>
Week 3	3.5%	2	8	4	0	7	4	8	8	41
	4%	2	2	0	2	3	2	0	3	14
	<b>Total</b>	<b>4</b>	<b>10</b>	<b>4</b>	<b>2</b>	<b>10</b>	<b>6</b>	<b>8</b>	<b>11</b>	<b>55</b>
Week 4	3.5%	39	61	44	21	39	16	92	65	377
	4%	16	14	16	5	18	6	25	22	122
	<b>Total</b>	<b>55</b>	<b>75</b>	<b>60</b>	<b>26</b>	<b>57</b>	<b>22</b>	<b>117</b>	<b>87</b>	<b>499</b>
Week 5	3.5%	2	7	1	1	3	0	3	4	21
	4%	0	3	1	0	1	1	3	0	9
	<b>Total</b>	<b>2</b>	<b>10</b>	<b>2</b>	<b>1</b>	<b>4</b>	<b>1</b>	<b>6</b>	<b>4</b>	<b>30</b>
Week 6	3.5%	45	61	39	21	42	20	118	62	408
	4%	13	21	11	2	12	8	40	21	128
	<b>Total</b>	<b>58</b>	<b>82</b>	<b>50</b>	<b>23</b>	<b>54</b>	<b>28</b>	<b>158</b>	<b>83</b>	<b>536</b>
<b>Grand Total</b>		<b>174</b>	<b>281</b>	<b>195</b>	<b>93</b>	<b>201</b>	<b>89</b>	<b>431</b>	<b>301</b>	<b>1765</b>



DATA LABEL: PUBLIC



## **HOUSING SERVICES POLICY DEVELOPMENT AND SCRUTINY PANEL**

### **HOUSING REVENUE ACCOUNT BUDGET 2023/24 TO 2027/28 AND RENT LEVEL 2023/24**

#### **REPORT BY DEPUTE CHIEF EXECUTIVE**

##### **A. PURPOSE OF REPORT**

To advise the Panel of the updated Housing Revenue Account (HRA) financial plan for 2023/24 to 2027/28, as well as the proposed HRA budget, rent and service charges for 2023/24.

##### **B. RECOMMENDATION**

It is recommended that the Panel:

1. Notes the proposed 3.5% per annum rent strategy and financial plan for 2023/24 to 2027/28, which will fund service needs and a five year housing capital investment programme;
2. Notes the proposed rent increase of 3.5% for 2023/24 and the associated HRA budgets for 2023/24, as set out in the report;
3. Notes the proposed 3.5% rent strategy for Sheltered Housing and Homelessness properties, as well as related service and support charges, for 2023/24.

##### **C. SUMMARY OF IMPLICATIONS**

- |  |  |
|--|--|
| <b>I. Council Values</b>   | Focusing on customers' needs, being honest, open and accountable, making best use of our resources, working in partnership.  |
| <b>II. Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)</b> | <p>This report complies with legal requirements under the Housing (Scotland) Act 1987. The HRA budget and associated rent increase is reported to the Council annually for approval.</p> <p>The equality impact of the budget has been assessed in compliance with public sector duty requirements, as set out in the Equality Act 2010, the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012 and Fairer Scotland Duty, Part 1 of the Equality Act 2010.</p> <p>An Integrated Relevance Assessment has been undertaken and is included in Appendix 1.</p> |
| <b>III. Implications for Scheme of Delegations to Officers</b>   | None.  |
| <b>IV. Impact on performance and performance Indicators</b>  | None.  |

<b>V. Relevance to New Single Outcome Agreement</b>	Outcome 10 – We live in well designed, sustainable places where we are able to access the services we need.
<b>VI. Resources - (Financial, Staffing and Property)</b>	The proposed 3.5% per annum rent strategy will deliver a balanced HRA budget and capital investment programme for the period 2023/24 to 2027/28.
<b>VII. Consideration at PDSP</b>	Not applicable.
<b>VIII. Other consultations</b>	A formal rent consultation has taken place with all tenants. Discussion with the Head of Finance and Property Services.

## **D. TERMS OF REPORT**

### **D.1 GOVERNANCE**

The Housing Revenue Account (HRA) budget setting process is subject to statutory, regulatory and governance requirements. Section 25 of the Housing (Scotland) Act 2001 requires landlords to give tenants at least four weeks' notice of any increased rent due to be paid, while section 53 of the Act requires a tenant participation strategy to be in place. The council's financial regulations state that the Depute Chief Executive (Corporate, Operational and Housing Services) is responsible for presenting the HRA Revenue Budget to a meeting of the full council.

The HRA Revenue Budget, alongside the Housing Capital Investment Programme, forms part of the council's integrated approach to financial strategy, corporate planning, delivery of outcomes and performance monitoring. The activity budget, along with service management plans, links activities, resources, outputs and outcomes which enables the council to demonstrate Best Value in the use of resources. The activity budget is published on the council's intranet.

The council has continued to build a resilient culture of effective planning and governance, with strong evidence to demonstrate how the council meets the defined best value characteristics. The council's Best Value Framework was originally approved on 10 June 2014, with a review and update approved by Council Executive on 22 February 2022. The updated framework ensures that the council complies with the provisions contained within the Local Government in Scotland Act 2003, and the updated Scottish Government guidance issued in March 2020. The legislation requires the council to:

- Secure best value in the performance of its functions;
- Balance the quality and cost of the performance of its functions and the cost of council services to service users;
- Have regard to efficiency, effectiveness, economy and the need to meet equal opportunity requirements in maintaining that balance;
- Fully discharge its duty to secure best value in a way which contributes to the achievements of sustainable development.

The Public Sector Equality Duty (PSED) (often referred to as the 'general duty') requires public bodies in the exercise of their functions, to have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other prohibited conduct;
- Advance equality of opportunity between those who share a protected characteristic and those who do not;
- Foster good relations between those who share a protected characteristic and those who do not.

Supplementary legislation (the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012), requires the council to be proactive in meeting the general duty of eliminating unlawful discrimination, advancing equality and fostering good relations. In addition, the Fairer Scotland Duty, part 1 of the Equality Act 2010, places a legal responsibility on councils to pay due regard to how they can reduce inequalities of outcome, caused by socioeconomic disadvantage, when making strategic decisions. The Fairer Scotland Duty came into effect from 1 April 2018, therefore it is not a retrospective duty and does not apply to decisions taken before that date.

This report sets out a proposed five year rent strategy with a 3.5% rent increase each year, covering the period from 2023/24 to 2027/28.

## **D.2 RENT STRATEGY 2023/24 TO 2027/28**

Council previously approved both a five year rent strategy and a capital investment strategy in February 2018, following a consultation with tenants in December 2017 and, as such, 2022/23 is the final year of both approved programmes. A new five year strategy is now proposed for the period from 2023/24 to 2027/28.

In developing the new proposed five year financial plan, and in line with the Housing (Scotland) Act 2001, a formal tenants' consultation was undertaken from 25 October 2022 until 12 December 2022 on future housing rent and capital investment strategy. Council Executive agreed on 25 October 2022 to consult with tenants on the proposed rent options of a 3.5% or 4% annual rent increase. Specifically arranged drop in sessions were held and a special edition of Tenant News was produced. All tenants for whom the council has a mobile phone number also received a series of dedicated text messages directing them to the consultation document.

There were 1,765 responses to the consultation, with 1,312 (74%) of those tenants responding expressing a preference for a 3.5% per annum rent increase over the five-year period 2023/24 to 2027/28. The profile of respondents was as follows:

- 50% indicated that they do not receive any assistance towards their rent
- 47% indicated that they receive some or all of their rent paid through Housing Benefits or Universal Credit
- 3% preferred not to answer

Of the respondents who indicated that they do not receive any assistance towards their rent, 82% indicated that their preference was for a 3.5% per annum rent increase.

In accordance with statutory and regulatory requirements, Council approval will be sought for the proposed 2023/24 to 2027/28 HRA budget and an associated rent rise of 3.5% per annum. The proposed 3.5% increase will apply to all HRA properties, garages and garage sites, Sheltered Housing and Homeless properties, and associated service and support charges over the same period.

An Integrated Relevance Assessment has been undertaken on the proposed five year rent strategy and related budget for 2023/24. The assessment reflects the consideration of the three key general duties and it is deemed unnecessary that a full Integrated Impact Assessment (IIA) be carried out.

In terms of managing a disproportionate impact of rent levels on tenants, the council can demonstrate a sound approach to income management that is designed to be strongly preventative in terms of mitigating financial hardship at the earliest opportunity, and which also delivers a supportive and reactive service for tenants who may require individual assistance. The council has in place extensive and long-established financial monitoring arrangements, which pay particular attention to the impact of Universal Credit full service

on tenants' ability to pay rent. The combination of a strategic and operational approach to housing finance has led to changes in processes which are now designed to deliver earliest possible interventions to support tenant claimants. The monetary trigger for action on all arrears has been lowered to a level that enables a discussion on arrears between staff and tenants before the loss of two weeks rent is accumulated in most cases.

Work on automation of elements of the rent arrears process has been successful, with low balance arrears triggering an automatic engagement with the tenant, prompting early intervention with housing staff to take swift action before arrears balances accumulate any further.

Full service Universal Credit was introduced in May 2018, and there are currently 2,310 tenants claiming housing costs through Universal Credit. The self-directed, online only method of the claims process presents some difficulties for the council in identifying tenants who are in the process of making Universal Credit claims, and for tenants themselves in providing the exact amount of housing costs to claim for. The previous process of claiming Housing Benefit involved direct input from council officers to ensure all elements of the claim were correct, and enabled early interventions to be made to mitigate delays in the claims process, thus reducing delays and errors.

The council's programme of ongoing income management, including the comprehensive monitoring and reporting at committee and Local Area Committees, demonstrates that the claim process has had a positive impact on claimants' ability to avoid accumulating arrears. The Department for Work and Pensions (DWP) aim to process and make the first payment to claimants within five weeks of a new claim. However, difficulties and further delays can arise where applicants have a change in their circumstances, which results in the 'zeroing' of the process back to the start. This is not unusual for households in temporary accommodation, or when people are in crisis, and, historically, this has resulted in a minimum of five weeks' delay in rent payments. The resulting impact of this is that arrears balances accumulate during this delay and 65.4% of Universal Credit claimants carry some form of arrears balance, with an average value of £867.

The council's approach to managing this impact includes monitoring historical and new arrears for tenants in receipt of Universal Credit, however the lack of council involvement in the new process means that the data on the number of claimants is not reported in real time, and accuracy is reduced as a result. In order to mitigate this, all processes in relation to income management were reviewed in 2022 to lessen impact on tenants primarily, and on rental income. This work has become a priority in terms of housing staff operational activity, with workstreams dedicated to wide communication of processes and support, early interventions as the council becomes aware of new or potential claims, and specific multi-service processes have been created to provide financial and individual support to tenants navigating the claims journey.

The move to ensure that monies paid directly to the council for those on managed payments are credited to tenants' accounts more quickly is a positive step in reducing technical rent arrears. The previous system would show tenants in arrears due to processing delays and payments being made on a fixed cycle that did not match rent due dates, which causes avoidable distress. The new process has accelerated the application of payments to accounts, and gives a more accurate view of current arrears with payments reaching tenants' rent accounts closer to rent due dates.

Any additional budgetary proposals or amendments to the rent strategy or rent levels will be screened for IIA relevance where required, or where data indicates any significant shift in income management levels or tenants struggling to pay.



### D.3 HRA PROPERTIES AND GARAGE AVERAGE RENT

A 3.5% per annum rent strategy will enable delivery of a balanced HRA revenue budget for 2023/24 to 2027/28 and ensure continued investment in housing infrastructure, improving existing homes and creating new affordable homes.

If the proposed rent increase is approved, and based on the latest stock report as at 1 January 2023, the average weekly rental for homes will be £83.22 in 2023/24, increasing from £80.41 in 2022/23. The equivalent weekly figure for garages is £6.26 in 2023/24, increasing from £6.05 in 2022/23.

In recognition of the cost of living crisis, COSLA has recently committed to keeping the rental and fee increases to an average of less than £5 a week across the country in the next financial year. The current average weekly rent in West Lothian is £80.41 in 2022/23 and the proposed 3.5% increase will result in an average weekly rent increase of £2.81 which will be below the cap proposed by COSLA.

The indicative rent level for HRA properties and garages across the five year period is detailed in the table below:

*Table 1: Average Weekly Rent*

Average Weekly Rent	2023/24 (£)	2024/25 (£)	2025/26 (£)	2026/27 (£)	2027/28 (£)
HRA Properties	83.22	86.13	89.14	92.26	95.49
Garages	6.26	6.48	6.71	6.94	7.18

If council rents go up by 3.5%, the eligible rent on which the Housing Benefit calculation is based will also go up by 3.5%, so those on full benefit will not suffer further financial detriment. Over 77% of tenants on Universal Credit and/or Housing Benefit receive full housing costs.

The council's focus on rent arrears from a preventative standpoint should assist those who are negatively impacted by the 3.5% raise as Housing officers continue to work in partnership with the Advice Shop to maximise income and improve budgeting skills.

### D.4 RENT LEVELS AND AFFORDABILITY

The average weekly rent level in West Lothian for 2022/23 is £80.41, which is comparable to the average rent charged by Scottish Local Authorities of £80.71 and below the average rent charged by local Registered Social Landlords of £96.41.

Affordability of rent remains a priority for the council in a bid to ensure the rent level remains good value when compared to the wider housing sector. It is also a council objective to ensure those most at risk of financial hardship are supported in maintaining their rent payments and avoiding the risk of poverty.

There is no formal guidance on how to define rent affordability. As per Scottish Government guidance, landlords should determine the balance between affordability for the tenants and costs of delivering services and property management. The Scottish Social Housing Charter defined standards and outcomes that all social landlords should aim to achieve:

- Social landlords manage all aspects of their businesses so that: tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay;
- Social landlords set rents and service charges in consultation with their tenants and other customers so that: a balance is struck between the level of services provided, the cost of the services, and how far current and prospective tenants and service users can afford them;
- Tenants receive clear information on how rent and other money is spent, including

details of any individual items of expenditure above thresholds agreed between landlords and tenants.

In order to demonstrate the affordability of the proposed rent strategy, Table 2 below shows an average weekly council house rent in West Lothian and compares this to a gross household income based on a full-time employee who receives the minimum wage (£9.50 per hour for age 23 and over). It is suggested that when housing costs exceed 30%-35% of a household's income, the cost is judged to be unaffordable.

*Table 2 – Affordability Levels*

	<b>Current Rent Level</b>	<b>3.5% Increase</b>
Average weekly rent	£80.41	£83.22
Minimum wage (gross) – 36 hours/week	£342	£342
Percentage of income spent on rent	23.5%	24.3%

The table shows that current average weekly rent as a proportion of income is below 30%, and the effect of the proposed 3.5% per annum increase is that the rent level remains below 30% in the affordability test. It should be noted that the calculations do not include a national minimum wage increase beyond the current level.

## **D.5 HOUSING REVENUE ACCOUNT – FIVE YEAR STRATEGY**

In formulating the five year strategy, it is assumed that there will be a 3.5% rent increase each year from 2023/24 through to 2027/28, in line with the outcome of the tenants' consultation. This rental increase, along with an increase in housing stock numbers, rising from 14,075 in April 2022 to around 14,425 in 2022/23, will generate additional income to the Housing Revenue Account and enable a balanced budget to be delivered. It will also support capital investment over the medium term. Income assumptions also take into account estimates of mortgage to rent and open market acquisitions, as well as new build additions to the housing stock.

In line with legislative requirements, the council will consult with tenants annually on the rent strategy. However, historically, tenants have not deviated from their initial view in terms of the planned five year programme of planned annual rent increases. This provides the council with reassurance that, for the majority of tenants, their rent remains affordable and that, for those who may struggle, available support can then be more accurately targeted. This also demonstrates how the views of tenants continue to play a key element of key strategic decision making in the council.

Budget assumptions take account of latest information and circumstances, and Table 2 below shows the estimated allocation of revenue resources, and the associated funding generated through a 3.5% rent increase, throughout the five year period covered by the proposed HRA budget strategy.

*Table 3: Summary HRA Budget*

<b>Expenditure</b>	<b>2023/24 £'000</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>
Employee Costs	5,511	5,619	5,734	5,851	5,970
Premises Costs	23,735	25,099	26,629	28,217	30,096
Transport Costs	102	107	112	118	124
Supplies & Services	2,673	2,673	2,673	2,673	2,673
Third Party Payments	146	157	169	182	195
Transfer Payments	2,311	2,328	2,347	2,366	2,386
Support Services	2,552	2,552	2,552	2,552	2,552
Capital Financing	16,052	17,305	18,716	20,163	21,712
CFCR	8,098	7,599	7,050	6,376	5,211
<b>Total Expenditure</b>	<b>61,180</b>	<b>63,439</b>	<b>65,982</b>	<b>68,498</b>	<b>70,919</b>

<b>Funding</b>	<b>2022/23 £'000</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>
Housing Rents	(60,033)	(62,301)	(64,834)	(67,313)	(69,673)
Garage Rents	(650)	(673)	(697)	(721)	(746)
Miscellaneous	(497)	(465)	(451)	(464)	(500)
<b>Total Funding</b>	<b>(61,180)</b>	<b>(63,439)</b>	<b>(65,982)</b>	<b>(68,498)</b>	<b>(70,919)</b>

The key expenditure assumptions are as follows:

- A provision for increased staffing costs of 5% in 2023/24 and then 2% per annum;
- Inflation of 10% in 2023/24 for Repairs and Gas Servicing and then 6% per annum;
- A range of inflationary pressures of 2% to 3% per annum for insurance costs and void property costs;
- Capital financing charges will fund ongoing prudential borrowing required to support a core housing maintenance and refurbishment programme for existing stock and an increase in the housing supply.

## **D.6 HRA REVENUE BUDGET 2023/24**

The proposed HRA Revenue budget for 2023/24 is based on a 3.5% per annum rent strategy, which will enable high quality and responsive housing services to be maintained for tenants and allow key priorities to be delivered. The 2023/24 budget will enable financial resources to be directed towards the efficient management of the council's housing stock and tenancies, with customer focused services delivered by local housing teams. The council will continue to maximise rental income through effective management of council houses and will continue to work to mitigate the impact of the cost of living crisis.

The council continues to be responsive to social housing regulation and inspection, and the council remains in the lowest category of risk following the annual return to the Scottish Housing Regulator. The council will continue to work to improve the quality of life for tenants, assisting individual households and playing an important role in promoting strong and sustainable communities, especially during the cost of living crisis. Performance remains very high, with the collection rate increasing to 98% in 2021/22. Overall, performance in key areas remains stable, with areas of improvement continuing to be identified and progressed.

The council remains committed to providing high quality, value for money housing services. The programme of service development is focused on good outcomes for tenants, whilst also achieving value for money, best practice and identifying possible efficiencies. Building Services has continued to provide emergency and essential repairs throughout the challenges of recent years, prioritised getting empty houses available for re-let, and has maintained good performance despite ongoing challenges.

The summary HRA Budget for 2023/24 of £61.180 million is outlined below.

*Table 4: Summary HRA Budget*

<b>Expenditure</b>	<b>2023/24 £'000</b>
Employee Costs	5,511
Premises Costs	23,735
Transport Costs	102
Supplies & Services	2,673
Third Party Payments	146
Transfer Payments	2,311
Support Services	2,552
Capital Financing	16,052
CFCR	8,098
<b>Total Expenditure</b>	<b>61,180</b>

<b>Funding</b>	<b>2023/24 £'000</b>
Housing Rents	(60,033)
Garage Rents	(650)
Miscellaneous	(497)
<b>Total Funding</b>	<b>(61,180)</b>

The key expenditure assumptions are as follows:

- A provision for increased staffing costs of 5% in 2023/24;
- Inflation of 10% for Repairs, Gas Servicing and Transport costs;
- A range of inflationary pressures of 2% to 3% per annum for insurance costs and void property costs;
- Capital financing charges will fund ongoing prudential borrowing required to support a core housing maintenance and refurbishment programme for existing stock and an increase in the housing supply.

While the Housing Scotland Act 1987 requires local authorities to maintain a ring fenced HRA, the HRA revenue budget also forms part of the council's integrated approach to corporate planning and performance management. In setting a balanced budget, the council is committed to delivering a well maintained housing stock and efficient management services to support tenants and their communities.

## **D.7 RISKS AND UNCERTAINTIES**

In developing the 2023/24 HRA Budget, it is recognised that there are a number of risks and uncertainties that could impact on the level of financial resource required. This would include potential significant pressures on pay awards and price indexation as a result of the current cost of living crisis and potential recession, as well as capital borrowing requirements and associated interest rates. Recruitment and retention of skilled staff continues to be a major risk to delivery of planned works, with availability and cost of both material and subcontractors also remaining uncertain and subject to volatility. Resources for reactive repairs remain subject to demand for services and potential impact of winter weather.

The ongoing effect of Welfare Reform changes continue to present risk and uncertainty to all social landlords. While the council continues to actively pursue housing arrears as a priority activity, the value of current and prior year current tenant arrears as at 2 January 2023 was £4.305 million. Although the arrears position remains a challenging and uncertain factor, it should be noted that the in-year cash collection rate for rental income remains positive, at 97% in January 2023.

The council takes a proactive approach by contacting tenants already in arrears who are moving to Universal Credit to ensure they understand the system of claims, and to suggest the direct payment and increased frequency options may be a better option for them to assist in budgeting and ensuring payment of rent.

The increasing compliance demands for properties – with no additional grant available to achieve this – and increasing costs of goods and labour in a post-EU membership landscape presents a very real threat to the council's ability to continue to deliver value for money and the level of property investment enjoyed in previous years. This means that rent levels must reflect the councils' ambitions for the housing stock, the needs of tenants and their families, and factor in these growing strains on the HRA for coming years.

Appropriate steps will be taken to mitigate against risks and contain expenditure within available resources during the financial year. Quarterly monitoring reports will be provided to Council Executive during 2023/24 to provide updates on the financial position and actions to ensure risks are appropriately managed.

## **D.8 HOUSING RESERVES**

Local authority accounting standards require that, in setting budgets, the council receives details of reserves, their proposed use and an opinion as to the adequacy of the reserves for the forthcoming year.

As reported to Council Executive on 15 November 2022, within the month 6 monitoring report, a breakeven position is forecast for the HRA revenue budget for 2022/23. It is therefore projected that the HRA reserve at 31 March 2023 will remain at £926,000 and there is no provision to augment this during 2023/24.

Given the inherent risk associated with the impact of Universal Credit, the cost of living crisis, extreme weather conditions and other risks and uncertainties, it will be recommended that this balance be maintained and the level is considered adequate to meet with unforeseen demands on resources. The proposed budget for 2023/24 does not assume any use of this reserve.

## **D.9 PRUDENTIAL CODE IMPLICATIONS**

The Prudential Code provides the council with local discretion in investment levels for Housing, provided it ensures that capital spending and associated borrowing are at levels that are affordable, prudent and sustainable.

To demonstrate this, the Code sets prudential indicators that are designed to support and record local decision making. The Head of Finance and Property Services is responsible for reporting these indicators for both the General Fund and the HRA. For this reason, the Prudential Indicators will be reported in detail by the Head of Finance and Property Services in the 2023/24 General Fund Revenue Budget, presented to the Council budget setting meeting.

A key Prudential Indicator is affordability, which assesses the incremental impact of capital spending on rent levels. Under the proposed budget, increases to loans charges arising from borrowing are fully funded within the HRA. This area will continue to be closely monitored, particularly in relation to affordability of housing arrears and remaining procurement costs for the planned new build projects.

## **D.10 INTEGRATED EQUALITY IMPACT ASSESSMENT**

Following the key principles of relevance and proportionality within the Equality Act 2010, an integrated equality impact assessment of policies and decisions of the councils is a requirement of the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012. This process is well established within the council's budget setting process.

Prior to presentation of the five year financial plan to the Housing Services PDSP, an initial equality relevance assessment has been undertaken on the budget and rent proposals. This assessment identified if a full impact assessment was required to ensure appropriate consideration was given to the impact of proposals on protected groups, with judgements being undertaken regarding relevance and proportionality. The assessment determined that a full equality impact assessment is not required at this point.

The five year rent strategy was fully consulted on with council tenants, individually and via tenant representative groups. The council will continue to engage with tenants each year on the proposed annual increase to enable comment and feedback on any further potential impacts. Although it is not considered necessary for a full Integrated Impact Assessment to be carried out at this point, any material decline in income levels relating to the current cost of living crisis, or further budgetary proposals or amendments to the rent strategy or rent levels, will be screened for IIA relevance where required.

## **D.11 CONSULTATION**

Under Section 25 of the Housing (Scotland) Act 2001, the council has a statutory duty to inform and consult tenants on its rent policy. Formal consultation on the five year strategy took place from 25 October to 12 December 2022. During the consultation period, specifically arranged drop in sessions were held and a special edition of Tenant News was produced. All tenants for whom the council has a mobile phone number also received a series of dedicated text messages directing them to the consultation document. Annual statutory consultations will take place throughout the five year strategy period.

The Scottish Social Housing Charter sets the standards and outcomes that all social landlords should aim to achieve when performing their core housing activities. Indicator 25 requires all landlords to establish what percentage of tenants feel that the rent for their property represents good value for money. The council return rate for 2021/22 was good, with 80.63% of tenants answering the question regarding how they feel about the rent they pay responding that they are satisfied/very satisfied that rent levels represented good value for money.

## **E. CONCLUSION**

The proposed HRA Revenue budget strategy provides a balanced financial plan, incorporating a proposed 3.5% per annum rent increase, which will allow the council to continue to provide value for money services to tenants and to be responsive to customers' needs. It also enables continued investment in existing housing stock and infrastructure, as well as the expansion of new housing supply.

The balanced budget for 2023/24 includes continued investment and funding of housing infrastructure, to meet the needs of existing and future tenants, as well as enabling the delivery of key priorities and allowing the people of West Lothian to continue to be supported to find a suitable place to live and have quality housing options available to them.

## **F. BACKGROUND REFERENCES**

Housing Rent Consultation 2023/24 to 2027/28 – Report by Interim Head of Housing, Customer and Building Services to Council Executive on 25 October 2022

2022/23 Housing Revenue Account - Month 6 Monitoring Report - Report by Depute Chief Executive to Council Executive on 15 November 2022

Rent Consultation 2023/24 to 2027/28 – Report by Interim Head of Housing, Customer and Building Services to Housing Services Policy Development and Scrutiny Panel on 26 January 2023

Appendices/Attachments: One

Appendix 1 – Integrated Relevance Assessment Form

Contact Person: Pamela Bell, Senior Service Accountant  
Email: [pamela.bell@westlothian.gov.uk](mailto:pamela.bell@westlothian.gov.uk), Tel: 01506 281282

**Graeme Struthers**  
**Depute Chief Executive**  
**26 January 2023**

DATA LABEL: PUBLIC



## Integrated Relevance Assessment Form

<b>1. Details of proposal</b>																						
<b>Policy Title</b> (include budget reference number if applicable)		2023/24 Housing Revenue Account Budget and Rent Level																				
<b>Service Area</b> (detail which service area and section this relates to)		Housing, Customer and Building Services																				
<b>Lead Officer</b> (Name and job title)		Julie Whitelaw, Interim Head of Housing, Customer and Building Services																				
<b>Other Officers/Partners involved</b> (list names, job titles and organisations if applicable)		Kirsty Weir, Service Development Officer Mark Barnes, Service Development Officer Jodie Fullerton, Service Development Officer Alison Smith, Housing Operations & Community Safety Manager Pamela Bell, Senior Service Accountant Tenant participation group and CX surveyed tenants Tenants' Panel																				
<b>Date relevance assessed</b>		11/01/2023																				
<b>2. Does the council have control over how this policy will be implemented?</b>																						
YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>	<input type="checkbox"/>																		
<b>3. The General Duty of the Equality Act 2010 requires public authorities, in the exercise of their functions, to have due regard to the need to:</b> <ul style="list-style-type: none"> <li>• Eliminate unlawful discrimination, harassment and victimisation and other prohibited conduct</li> <li>• Advance equality of opportunity between those who share a protected characteristic and those who do not; and</li> <li>• Foster good relations between those who share a protected characteristic and those who do not</li> </ul> <p>NB: In this section you must also consider the Human Rights Act and the key PANEL (Participation, Accountability, Non-Discrimination, Empowerment and Legality) principles of Human Rights (further detail on what these are, are provided in the guidance document)</p> <p>Which groups of people do you think will be, or potentially could be, impacted upon by the implementation of this policy? You should consider employees, clients, customers and service users (Please tick below as appropriate)</p> <table border="1"> <tr> <td>Age – Older people, young people and children</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Disability – people with disabilities/long standing conditions</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Gender reassignment – Trans/Transgender Identity – anybody who's gender identity or gender expression is different to the sex assigned to them at birth</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Marriage or Civil Partnership – people who are married or in a civil partnership</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Pregnancy and Maternity – woman who are pregnant and/or on maternity leave</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Race – people from black, Asian and minority ethnic communities and different racial backgrounds</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Religion or Belief – people with different religions and beliefs including those with no beliefs</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Sex – Gender Identity - women and men (girls and boys) and those who self-identify their gender</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Sexual Orientation – lesbian, gay, bisexual, heterosexual/straight</td> <td><input type="checkbox"/></td> </tr> </table>					Age – Older people, young people and children	<input type="checkbox"/>	Disability – people with disabilities/long standing conditions	<input type="checkbox"/>	Gender reassignment – Trans/Transgender Identity – anybody who's gender identity or gender expression is different to the sex assigned to them at birth	<input type="checkbox"/>	Marriage or Civil Partnership – people who are married or in a civil partnership	<input type="checkbox"/>	Pregnancy and Maternity – woman who are pregnant and/or on maternity leave	<input type="checkbox"/>	Race – people from black, Asian and minority ethnic communities and different racial backgrounds	<input type="checkbox"/>	Religion or Belief – people with different religions and beliefs including those with no beliefs	<input type="checkbox"/>	Sex – Gender Identity - women and men (girls and boys) and those who self-identify their gender	<input type="checkbox"/>	Sexual Orientation – lesbian, gay, bisexual, heterosexual/straight	<input type="checkbox"/>
Age – Older people, young people and children	<input type="checkbox"/>																					
Disability – people with disabilities/long standing conditions	<input type="checkbox"/>																					
Gender reassignment – Trans/Transgender Identity – anybody who's gender identity or gender expression is different to the sex assigned to them at birth	<input type="checkbox"/>																					
Marriage or Civil Partnership – people who are married or in a civil partnership	<input type="checkbox"/>																					
Pregnancy and Maternity – woman who are pregnant and/or on maternity leave	<input type="checkbox"/>																					
Race – people from black, Asian and minority ethnic communities and different racial backgrounds	<input type="checkbox"/>																					
Religion or Belief – people with different religions and beliefs including those with no beliefs	<input type="checkbox"/>																					
Sex – Gender Identity - women and men (girls and boys) and those who self-identify their gender	<input type="checkbox"/>																					
Sexual Orientation – lesbian, gay, bisexual, heterosexual/straight	<input type="checkbox"/>																					

4. Do you have evidence or reason to believe that this policy will or may impact on socio-economic inequalities? Consideration must be given particularly to children and families				
Socio-economic Disadvantage			Impact – please tick below as appropriate)	
Low Income/Income Poverty – cannot afford to maintain regular payments such as bills, food, clothing			✓	
Low and/or no wealth – enough money to meet basic living costs and pay bills but have no savings to deal with any unexpected spends and no provision for the future				
Material Deprivation – being unable to access basic goods and services i.e. financial products like life insurance, repair/replace broken electrical goods, warm home, leisure and hobbies				
Area Deprivation – where you live (rural areas), where you work (accessibility of transport)				
Socioeconomic Background – social class i.e. parents education, employment and income				
5. Integrated impact assessment required? (Two <b>ticks (✓)</b> above = full assessment necessary)				
YES		NO	✓	
6. Decision rationale – if you have ticked no above, use this section to evidence why a full IIA is not required				
<p>The Equality and Human Rights Commission (EHRC) Non-Statutory Guidance on “Making Fair Financial Decisions” 2015 outlines a duty to consider the impact of fiscal planning decisions on equality. The impact for tenants of the ongoing UK Government Welfare Reform Act roll-out, Universal Credit in particular, places a duty of care and an ethical obligation as a responsible landlord on the council to consider the social-economic impact of financial decisions on the local economic climate. In particular, there is a duty to consider the needs of those vulnerable to financial hardship or poverty as a result of these decisions. It should be noted that a separate IIA has been conducted on the implementation of Universal Credit in West Lothian during May 2018.</p> <p>Previous related rent setting proposals seeking formal committee approval and IIA screened for relevance are as follows:</p> <ul style="list-style-type: none"> <li>Approval for the proposed rent strategy consulted on with tenants setting out 3.5% increases from 2023/24 to 2027/28.</li> <li>The proposed 2023/24 to 2027/28 HRA 3.5% rent strategy which will fund current service needs and a five-year housing capital investment programme.</li> <li>Approval for the proposed HRA budgets over financial years 2023/24 to 2027/28.</li> <li>Approval for the proposed rent and garage charge changes over financial years 2023/24 to 2027/28.</li> <li>Proposed changes to rents and service and support charges for Sheltered Housing properties and Homeless properties over financial years 2023/24 to 2027/28.</li> </ul> <p>This assessment deals with the proposals for 2023/24 which are as follows:</p> <ol style="list-style-type: none"> <li>A rent increase of 3.5% in 2023/2024 which will fund current service needs and the housing capital investment programme;</li> <li>A 3.5% increase in garage rents in 2023/24;</li> <li>An increase of 3.5% in rents and service and support charges for Sheltered Housing and Homelessness properties for 2023/24.</li> </ol>				



## Rent Levels

The five-year Rent Strategy has been fully consulted on with council tenants, individually and via tenant representative groups. The council engages with tenants each year on the annual increase to enable comment and feedback on any further impact. The HRA budgets and rent levels being proposed consists of a five-year rent strategy, with a 3.5% per annum rent increase covering the period 2023/24 to 2027/28. The council has undertaken significant investment in its housing stock over recent years. The 3.5% increase will enable delivery of a balanced HRA revenue budget, and will allow high quality and responsive housing services to be maintained for tenants and ensure continued investment in housing infrastructure, improving existing homes and new build programme all of which will have a positive impact on equality and support for those within various protected characteristics.

Delivering affordable, socially rented accommodation built to a high standard of specification helps the council meet some of the rising demand for such accommodation within the community and increases housing options for vulnerable people. By investing significantly in our existing stock to meet SHQS and EESSH standards, regenerating local communities, and investing in energy efficiency improvement works, the service will mitigate the effects of rent increases through improving the energy efficiency of older properties that cost more to heat – working towards the outcome of helping vulnerable tenants avoid the threat of fuel poverty.

If the proposed rent increase is approved, and based on the latest stock report as at 1 January 2023, the average weekly rental for homes will be £83.22 in 2023/24, increasing from £80.41 in 2022/23. The equivalent weekly figure for garages is £6.26 in 2023/24, increasing from £6.05 in 2022/23.

In recognition of the cost of living crisis, COSLA has recently committed to keeping the rental and fee increases to an average of less than £5 a week across the country in the next financial year. The current average weekly rent in West Lothian is £80.41 in 2022/23 and the proposed 3.5% increase will result in an average weekly rent increase of £2.81 which will be below the cap proposed by COSLA.

If council rents go up by 3.5%, the eligible rent on which the Housing Benefit calculation is based will also go up by 3.5%, so those on full benefit will not suffer further financial detriment. Over 77% of tenants on Universal Credit and/or Housing Benefit receive full housing costs. The council's focus on rent arrears from a preventative standpoint should assist those who are negatively impacted by the 3.5% raise as Housing officers continue to work in partnership with the Advice Shop to maximise income and improve budgeting skills.

The indicative rent level for HRA properties and garages across the five-year period is detailed in the table below:

*Table 1: Average Weekly Rent*

Average Weekly Rent	2023/24 (£)	2024/25 (£)	2025/26 (£)	2026/27 (£)	2027/28 (£)
HRA Properties	83.22	86.13	89.14	92.26	95.49
Garages	6.26	6.48	6.71	6.94	7.18

## Service and Support Charges

In line with previously agreed strategies, it is proposed that service charges for Sheltered Housing properties will be increased by 3.5% in 2023/24. A 3.5% increase for support charges in relation to Homeless Properties for 2023/24 is also proposed.

## Other Factors

As a result of either a freeze or minimal uprating for most working-age benefits from 2016 to 2020, the financial situation for benefit tenants has been challenging during the period of the Rent Strategy. A ministerial statement on Welfare was issued by the UK Government on 13 January 2020, which announced that this freeze would end in April 2020. Local Housing Allowance rates were increased in line with the Consumer Price Index (CPI). This increase meant the majority of people in receipt of housing support in the Private Rented Sector saw their housing support increase as of mid-2020, on average

benefiting by around £10 per month. This uplift exceeds the rent increase for the vast majority of tenants in receipt of LHA, and will therefore mitigate the impact of a rent increase for most.

Additionally, unlike rents in the private sector, through the Local Housing Allowance limits if council rents go up by 3.5%, the eligible rent on which the Housing Benefit calculation is based will also go up by 3.5%, so those on full benefit will not suffer further financial detriment. Someone entitled to full Housing Benefit with a £100 rent whose rent increases to £103.50 will see their benefit increase to £103.50.

While payment arrangements were impacted by the implementation of Universal Credit in West Lothian in May 2018, a range of initiatives were undertaken separately to manage and mitigate the impact of this. The council continues to monitor the impact of Universal Credit on tenants weekly as part of the income management approach. Affordability in terms of council tenants on benefits is unlikely to be affected, but rather the process for payment.

Increased pressure continues to be placed on Discretionary Housing Payment cash which the council utilises to mitigate the shortfall for those who are in receipt of part benefit. The council's focus on rent arrears from a preventative standpoint should assist those who are negatively impacted by the 3.5% raise as HCBS staff continue to work in partnership with the Advice Shop to maximise income and improve budgeting skills.

### **Consultation and Engagement**

Under Section 25 of the Housing (Scotland) Act 2001, the council has a statutory duty to inform and consult tenants on its rent policy. Formal consultation on the five-year strategy took place from 25 October 2022 until 12 December 2022. During the consultation period, meetings were held with Tenants Panels, as well as specifically arranged drop in sessions and through a special edition of Tenant News. Annual statutory consultations will also be undertaken throughout each year of the lifetime of the strategy. Additionally, the Tenants' Panel has dedicated half of the programme of its meetings each year (since 2016) to financial scrutiny of service activity budgets to ensure full understanding and transparency of how rent is spent.

### **Understanding Customer Experiences**

In light of the increasing pressures on households, and the need to design services and support around tenant need, the council launched the Customer Experience (CX) Affordability pilot in July 2021. Under the pilot, the service conduct one on one sessions with our tenants to understand their lived experiences of services. The team are building deeper understanding of our customers, their circumstances, pressures and aspirations through virtual sessions, in-depth conversations, and online data gathering. This is reshaping policy and practice to meet customer needs, improve outcomes and enables swift interventions. This is the new approach to collaboration, with ongoing feedback on the developments stemming from our work, building trust, real transformation and better services.

Ensuring affordable social housing in the current landscape of universal credit, food and fuel poverty is crucial. The council has entered into partnership with Housemark Scotland using their sector-leading Affordability Model to enable insight into tenant finance. This ensures future rents and budgets reflect tenants' real life experiences, and balances tenant incomings and outgoings to assess the affordability of the rent they pay.

The CX Affordability project is a key strand of this work. The objectives for the pilot are to undertake surveying activity on a one to one basis with our tenants to understand their experiences, pressures and aspirations. Understanding financial constraints and how affordable the current and planned future rent levels are is integral to achieving this understanding. The CX Affordability pilot will run for a two-year period, and many conversations are with tenants experiencing budget pressures and financial strain. CX officers make immediate referrals to supporting services to get help quickly. This has resulted in many referrals for financial support and further help.

This approach breaks down barriers with historically non-engaging customers to source the support they need and joins up services in the council, and compliments the data driven income management work of the service with real-life experiences. In order to ensure equitable representation of the council's tenants, the approach has been to use a random sampling of all tenants, with parameters to ensure that a

proportionate number of those in arrears, those on Universal Credit, and those who use different methods of payment are included in the sample. This ensures that the views collected on affordability reflect the range of tenants' experiences. In the sample group, 100% of customers stated that, had the team not called, they would not have sought the help they needed due to stigma around mental health, debt and isolation. The team produce a comprehensive report to senior management team at the end of each quarter on the key elements of affordability, financial pressures and tenant views on their income vs outgoings.

Reflecting the recent Fairer Scotland duty, the integrated relevance assessment was refreshed. The council is mindful of the likely impact of Covid-19 on tenants' financial stability, however, to date, performance shows no indication of any significant impact. The council continues to monitor this closely; interventions and links with support continue to be in place for any tenants experiencing financial difficulty in terms of affordability.

The Scottish Social Housing Charter sets the standards and outcomes that all social landlords should aim to achieve when performing their core housing activities. Indicator 25 requires all landlords to establish what percentage of tenants feel that the rent for their property represents good value for money. The biennial tenant satisfaction survey was conducted between October 2019 and January 2020, combined with CX Survey data during 2021/22. 2215 tenants answered the question regarding how they feel about the rent they pay and 80.63% responding that they are satisfied/very satisfied that rent levels represented good value for money. This is attributable to the intensive work undertaken by the CX team through a continually running affordability project, designed to evaluate tenant financial profile, assess affordability of rents, and identify where interventions and support can be put in place.

The council enables complete transparency of rent and how it is spent each year, and presents this in a manner tenants have told us they prefer – showing what proportion is spent on running costs, and what is spent on investment and improvements to homes – linking into our capital investment plan. This enables tenants to see in practical terms what their rent pays for. The council also ensures that it benchmarks rent levels against other local RSL's, and the private sector, so tenants understand the range of rents in the local housing market.

The CX project will continue, and is projected to grow into more partnership working with our Advice Shop, to access earlier financial interventions and budget support sooner.

The ongoing effect of general economic conditions and Welfare Reform changes, including direct housing costs to tenants on Universal Credit and the cost of living crisis, continue to present risk and uncertainty to all social landlords. Pressure on rent collection will be closely monitored following the implementation of Universal Credit within West Lothian.

As a responsible landlord, the council continues to actively pursue housing arrears and there is a continued focus on reducing arrears balances. The council will continue to maximise rental income through effective management of council houses and work mentioned previously to mitigate the impact of welfare reform. The council is now in year four of the successful launch of a redesigned arrears approach, which involved a move to the automation of a proportion of the rent arrears process, where low balance arrears trigger an automatic engagement with the tenant, prompting early intervention with housing staff to act before the balance accumulates any further.

The first focus for council staff is to provide support, advice and interventions as soon as possible for any tenant experiencing arrears. The evidence to date this year is that this approach is seeing improved outcomes and is helping to mitigate the impact of Universal Credit (with non-UC related arrears being reduced) and support to tenants through arrangements and alternative payment methods proving beneficial in managing finances. A corporate approach to debt continues to be taken forward to ensure resources are most appropriately targeted and that services are working in partnership to break the cycle of debt in complex and high-level arrears cases where tenants have instances of multiple debts.

This planned programme of ongoing income management, including the comprehensive monitoring and reporting at committee and Local Area Committees, demonstrates that the claim process has had an impact on claimants' ability to avoid accumulating arrears. The processing time can vary as any change in circumstances results in further delays. The Department for Work and Pensions (DWP) aim to process and make the first payment to claimants within five weeks of a new claim. However, difficulties and further

delays can arise where applicants have to change their circumstances resulting in the 'zeroing' of the process back to the start. This is not unusual for households in temporary accommodation or when people are in crisis. Historically, this has resulted in a minimum of five weeks' delay in rent payments, with the impact that arrears balances accumulate during this delay and 65.4% of Universal Credit claimants carry some form of arrears balance, with an average value of £867.

This is not a process that the council has any control or influence over and the system effectively cuts the council out of the claims process where previously the council had the ability to assist and ensure information was accurate helping to minimise impact and delays. However, the strategy to mitigate the harshest impacts of UK Government welfare reforms on those most vulnerable to poor socio-economic effects has been to radically change the approach to arrears management, lowering trigger points, instigating much earlier interventions and signposting/referring those who need additional financial support and assistance. The council has worked with Anti-poverty partners as a key member of the Anti-Poverty board in planning and delivering activities to lessen impact on those most in need. Campaigns and communication have changed to encourage conversations as early as possible before arrears can accumulate. This has been a successful approach to date. The council has redesigned and reviewed the entire customer arrears journey to ensure critical interventions are aligned with the information available on when tenants begin to become worried about finances and when they retreat from communication with the service. By initiating a discussion early, we can prevent this from happening, maintain better contact, and ensure all possible steps are taken for tenants to get through the claims process as quickly as possible.

The move to ensure monies paid direct to the council for those on managed payments reach tenants' account more quickly is a positive step in reducing technical rent arrears. The previous system would show tenants in arrears due to processing delays and payments being made on a fixed cycle that did not match rent due dates, causing avoidable distress. The reviewed process has accelerated the application of payments to accounts, and gives a more accurate view of current arrears with payments reaching tenants' rent accounts closer to rent due dates.

The current income reporting and monitoring illustrates that there is still little evidence of any material impact on the collection levels as a result of the pandemic or cost of living crisis at this point. The extensive monitoring of revenue and impacts will continue to highlight any new threats to income and tenant finances posed by the wider cost of living situation.

As a result, it is not considered necessary for a full IIA to be carried out at this point, however, any notable decline in income or further budgetary proposals or amendments to the rent strategy or rent levels, will be screened for IIA relevance where required.

Housing, Customer and Building Services Senior Management Team, the Senior Service Accountant, income management staff and the service equality lead were involved in the consultation of this assessment. The details of the budget proposals within this report support these findings and it is unnecessary that a full Integrated IIA be carried out at this point.

<b>Signed by Lead Officer</b>	Julie Whitelaw
<b>Designation</b>	Interim Head of Housing, Customer and Building Services
<b>Date</b>	11/01/23
<b>Counter Signature</b> (Head of Service or Depute Chief Executive responsible for the policy)	Graeme Struthers, Depute Chief Executive
<b>Date</b>	11/01/23

DATA LABEL: PUBLIC



## **HOUSING SERVICES POLICY DEVELOPMENT AND SCRUTINY PANEL**

### **HOUSING CAPITAL INVESTMENT PROGRAMME 2023/24 TO 2027/28**

#### **REPORT BY DEPUTE CHIEF EXECUTIVE**

#### **A. PURPOSE OF REPORT**

To advise the Panel of the proposed Housing Capital Investment Programme for 2023/24 to 2027/28 and the proposed exemption for works under the terms of the Best Value Framework.

#### **B. RECOMMENDATION**

It is recommended that the Panel notes the proposed 2023/24 to 2027/28 Housing Capital Investment Programme and related funding as detailed in the report.

#### **C. SUMMARY OF IMPLICATIONS**

<b>I. Council Values</b>	Focusing on customers' needs, being honest, open and accountable, making best use of our resources, working in partnership.
<b>II. Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)</b>	<p>The report on the updated Housing Capital Programme complies with the Housing (Scotland) Act 1987 and the council's Financial Regulations.</p> <p>The equality impact of the budget has been assessed in compliance with public sector duty requirements, as set out in the Equality Act 2010, the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012 and Fairer Scotland Duty, Part 1 of the Equality Act 2010.</p> <p>An Integrated Relevance Assessment has been undertaken and is included in Appendix 3.</p>
<b>III. Implications for Scheme of Delegations to Officers</b>	None.
<b>IV. Impact on performance and performance Indicators</b>	An effective housing capital and asset strategy is vital to service performance.
<b>V. Relevance to Single Outcome Agreement</b>	Outcome 10 – We live in well designed, sustainable places where we are able to access the services we need.
<b>VI. Resources - (Financial, Staffing and Property)</b>	Proposed capital investment of £157.972 million for 2023/24 to 2027/28, with £26.592 million planned for 2023/24.

**VII. Consideration at PDSP** Not applicable.

**VIII. Other consultations** Consultation has taken place with the Tenants Panel and the Head of Finance & Property Services.

## **D. TERMS OF REPORT**

### **D.1 BACKGROUND**

The council previously approved a five year rent and capital investment strategy for 2018/19 to 2022/23 in February 2018 and, as such, 2022/23 is the final year of the approved programme. In developing a new proposed five year financial plan, and in line with the Housing (Scotland) Act 2001, a formal tenants' consultation was undertaken from 25 October 2022 until 12 December 2022 on future housing rent and capital investment strategy. The statutory consultation on the five year rent strategy with individual tenants and tenant groups indicated support for a future rent strategy with an annual rent increase to fund capital investment and to increase the housing stock. This report sets out the proposed Housing Capital Investment programme for 2023/24 to 2027/28.

### **D.2 2022/23 HOUSING CAPITAL OUTTURN POSITION**

An updated 2022/23 Housing Capital budget of £46.055 million was approved by Council Executive on 21 June 2022. The programme encompasses both new build housing and major investment in the existing housing stock, with a number of large scale housing projects undertaken by Building Services.

As reported to Council Executive on 15 November 2022, expenditure totalling £43.769 million is forecast for the 2022/23 programme. The month 6 projected expenditure represents a net slippage position of £2.286 million against the budgeted resources for 2022/23, mainly due to common good issues within two planned new build sites.

It is also now anticipated that there will be further slippage in the approved programme due to ongoing issues with the planned Westerinch new build site. Significant ground condition and access issues identified during site investigations have resulted in the site not being deemed affordable to develop at this time. Suitable replacement sites have been identified and are included in the proposed new supply budget outlined in this report. An updated month 9 forecast position will be reported to Council Executive in February 2023, and the final outturn position for the year will be reported to Council Executive in June 2023.

Any further slippage or acceleration on projects in the 2022/23 programme will be rolled forward into the proposed 2023/24 to 2027/28 programme, and an updated programme will be presented to Council Executive for approval in June 2023.

### **D.3 HOUSING CAPITAL INVESTMENT PROGRAMME 2023/24 TO 2027/28**

The proposed five year Housing Capital Investment Programme for 2023/24 to 2027/28 will see total investment of £157.972 million, with significant resources invested in the creation of new homes and a strong focus on the maintenance of quality standards across the housing stock. The proposed programme is based on recent reports to Council Executive on the Strategic Housing Investment Plan and Local Housing Strategy, as well as the Housing Rent Consultation and Capital Investment Strategy which outlined proposals to be taken forward in relation to new housing supply and housing infrastructure.

The proposed programme will see continued investment to increase housing supply, while external upgrading will continue in areas identified with greatest need and an increasing emphasis will be placed on the new requirements of the Energy Efficiency Standard for

## Social Housing (EESH2).

The proposed investment programme is summarised in the table below. Individual projects comprised within each project heading are listed in Appendix 1 and further detail on work to be encompassed within the programme is contained in Appendix 2.

*Table 1: Planned Capital Investment*

<b>Investment Area</b>	<b>2023/24 £'000</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>TOTAL £'000</b>
New Housing Supply	2,105	11,085	11,585	1,735	735	<b>27,245</b>
Major Refurbishment	182	0	0	0	400	<b>582</b>
Major Elemental Upgrades	5,492	6,781	5,025	6,368	6,873	<b>30,539</b>
Planned Programmes	7,906	8,302	8,716	9,153	9,610	<b>43,687</b>
Environmental Upgrading	275	289	303	319	334	<b>1520</b>
Statutory Compliance	10,542	10,062	10,566	11,093	11,649	<b>53,912</b>
Miscellaneous	90	94	97	101	105	<b>487</b>
<b>Total Expenditure</b>	<b>26,592</b>	<b>36,613</b>	<b>36,292</b>	<b>28,769</b>	<b>29,706</b>	<b>157,972</b>

### **New Housing Supply**

Significant resources will continue to be invested in the creation and acquisition of new homes, with budgeted resources of £27.245 million factored into the investment programme. This includes the continuation of the current approved new build housing programme and will deliver an additional 380 new houses from 2022/23 to 2027/28. This includes both new build and open market acquisition additions to the housing stock, and the council will continue to support applications that meet required criteria under the Scottish Government Mortgage to Rent Scheme.

### **Major Refurbishment**

Significant improvements will include the completion of major works at the Lochs Scheme in Whitburn, and windows, roof and render works at Almondell Road in Broxburn. A total of £582,000 of major refurbishment works are planned over the five year period.

### **Major Elemental Upgrades**

Major Elemental Upgrades consist of long term maintenance work, where structural elements such as roof and external walls are beyond economical repair by routine maintenance.

This work will continue to form an important part of the investment programme, with planned resources of £30.539 million to be invested in fifteen individual projects over the period from 2023/24 to 2027/28.

### **Planned Programmes**

Planned programmes cover a broad range of activities, including kitchens and bathroom replacements, window and door refurbishments, painting and fencing programmes. These works are of preventative maintenance in nature, and are prioritised based on condition.

It is recognised that increasing legislative standards relating to insulation and energy efficiency of housing stock, in tandem with modern day lifestyles can create challenges relating to air quality and ventilation. As such, planned programmes contain air quality and ventilation in addition to the energy efficiency measures included within statutory compliance works. Works to the value of £43.687 million are anticipated from 2023/24 to 2027/28.

### **Environmental / External Upgrading**

Planned work, to the value of £1.520 million, will continue on general environmental improvements and external upgrading, including tenant led street improvement projects. Although many works are of a small scale, these projects can have a substantial impact on local amenities and the community.

It is proposed that the tenants' environmental improvements budget continues to be included as part of the Community Choices programme. An update was presented to Council Executive in June 2021, which set out the progress on delivering the programme as well as obtaining approval for a number of process improvements and developments, including consideration of the future options to build West Lothian Community Choices into being a key process undertaken by the council to engage and deliberate with communities on the allocation of resources. A further update on progress was presented to Council Executive on 17 January 2023.

### **Statutory Compliance Works**

The Scottish Housing Quality Standard (SHQS) remains a key focus for investment in existing stock, however in addition there are range of legislative requirements that require to continue to be met including aids and adaptations, fire safety, electrical safety and management of asbestos.

Statutory compliance works include projects to deliver energy efficiency measures, central heating replacements, aids and adaptations, electrical testing and repair, external wall insulation upgrades and asbestos management projects. Works to the value of £53.912 million are anticipated from 2023/24 to 2027/28.

The introduction of Scotland's Energy Efficiency Standard for Social Housing (ESSH) regulations means that any house in Scotland under the management of social landlords should meet a minimum energy rating. ESSH continues to be a major focus for project work. There will be continuing investment in external wall insulation to target work in council houses in areas of mixed tenure, to maximise economies of scale where homeowners receive support through the Home Energy Efficiency Programme Scotland (HEEPS).

### **Miscellaneous**

Some of the most significant investment activities facing the service over the next year will require focus on the synergies between housing investment, repairs and the wider community regeneration agenda. A range of capital projects and measures to support the work of the Housing Revenue Account, totalling £487,000, are encompassed within this heading, comprising feasibility studies and a range of home security measures, which support tenants to live safely and independently within their homes.

## **D.4 HOUSING CAPITAL RESOURCES 2023/24 TO 2027/28**

The split of the £157.972 million resources to fund the proposed 2023/24 to 2027/28 capital programme is detailed in Table 2. Financing of the programme will continue to be met largely through borrowing, with £111.068 million of borrowing planned over the investment period.

It should be noted that capital financing costs in respect of monies borrowed for the purpose of improving the housing asset stock, or acquiring new stock through new build or open market acquisition, must be charged to the HRA account under Schedule 15 of the Housing (Scotland) Act 1987. As such, the level of sustainable capital expenditure is coterminous with the Housing Rent strategy over the budget period and must be deemed as prudent and affordable, based on the Prudential Indicators contained within the General Fund Revenue Budget report.

The level of capital financing charges and CFCR associated with the proposed programme are considered to be at an affordable level within the HRA Revenue Budget, based on an anticipated rent increase of 3.5% per annum. The projected ratio of gross rental income to capital financing charges is forecast to increase from 24.0% in 2022/23 to 30.8% by 2027/28, however there are ongoing risks around interest rates that can adversely affect



borrowing cost projections and these ratios are regularly reviewed to identify the impact of any increases in costs on the overall funding of the capital programme.

Updated assumptions on Scottish Government grants and other contributions have also been factored into funding sources, as the council completes the existing new build housing programme and enters into a new phase of funding. Scottish Government grant funding for all new build is assumed to be £75,000 per unit, and for open market acquisitions the grant available is assumed to be £40,000 per unit. A total of £9.170 million is anticipated for 2023/24 to 2027/28, to support both the new build programme and open market acquisitions.

With regards to other sources of financing, funding of £500,000 is expected from developer contributions and £400,000 from council tax on second homes, which will be directed towards the creation of new social housing, and £2.5 million is budgeted from capital receipts. In total, £3.4 million is anticipated from these income sources over the five-year period from 2023/24 to 2027/28.

Table 2 below summarises the updated capital resources available to fund the housing capital programme.

*Table 2: Capital Funding*

<b>Investment Area</b>	<b>2023/24 £'000</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>TOTAL £'000</b>
CFCR	8,098	7,599	7,050	6,376	5,211	<b>34,334</b>
Borrowing	17,494	24,583	24,588	20,588	23,815	<b>111,068</b>
Government Grants	320	3,750	3,975	1,125	0	<b>9,170</b>
Developer Contributions	100	100	100	100	100	<b>500</b>
Council Tax on 2 <sup>nd</sup> Homes	80	80	80	80	80	<b>400</b>
Capital Receipts	500	500	500	500	500	<b>2,500</b>
<b>Total Funding</b>	<b>26,592</b>	<b>36,612</b>	<b>36,293</b>	<b>28,769</b>	<b>29,706</b>	<b>157,972</b>

## **D.5 GOVERNANCE**

In setting the HRA capital budget, due cognisance must be made to the relevant statutory, regulatory and governance requirements. The Prudential Code requires the council to take into account a number of factors when agreeing capital spending plans. In overall terms, the proposed Housing Capital Investment Programme for 2023/24 to 2027/28 is considered affordable, relative to gross rent levels and subject to appropriate management of capital risks and housing arrears. The revenue implications are incorporated within the HRA Revenue budget and loan charge projections continue to indicate that the proposed Housing Capital Investment Programme is prudent, affordable and sustainable.

The council has continued to build a resilient culture of effective planning and governance, with strong evidence to demonstrate how the council meets the defined best value characteristics. The council's Best Value Framework was originally approved on 10 June 2014, with a review and update approved by Council Executive on 22 February 2022. The updated framework ensures that the council complies with the provisions contained within the Local Government in Scotland Act 2003, and the updated Scottish Government guidance issued in March 2020. The legislation requires the council to:

- Secure best value in the performance of its functions;
- Balance the quality and cost of the performance of its function and the cost of council services to service users;
- Have regard to efficiency, effectiveness, economy and the need to meet equal opportunity requirements in maintaining that balance;
- Fully discharge its duty to secure best value in a way which contributes to the achievements of sustainable development.

All aspects of the Housing Capital Investment Programme are geared toward securing best value. The Best Value Framework requires works over a pre-determined threshold to be subject to competitive tendering. Under the 2003 Act, exemptions are permissible and the Council Executive approved exemptions relating to a number of identified projects undertaken by Building Services on 10 June 2014. A review of the Housing Capital Investment Programme for 2023/24 to 2027/28 has been undertaken to determine works that will be carried out by external providers and works to be carried out in-house to ensure compliance with the Best Value Framework. It is therefore proposed that works on Energy Efficiency and Roof and Roughcasting continue to be carried out by Building Services, as well as Electrical Periodic Inspections. The list of projects for exemption therefore includes:

- Energy Efficiency – Gas Central Heating Upgrades
- Roofing and Roughcasting Works – various projects
- Electrical Periodic Inspections and installation of smoke detection upgrades

The Public Sector Equality Duty (PSED) (often referred to as the ‘general duty’) requires public bodies in the exercise of their functions, to have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other prohibited conduct;
- Advance equality of opportunity between those who share a protected characteristic and those who do not;
- Foster good relations between those who share a protected characteristic and those who do not.

Supplementary legislation (the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012), requires the council to be proactive in meeting the general duty of eliminating unlawful discrimination, advancing equality and fostering good relations. In addition, the Fairer Scotland Duty, part 1 of the Equality Act 2010, places a legal responsibility on councils to pay due regard to how they can reduce inequalities of outcome, caused by socioeconomic disadvantage, when making strategic decisions. The Fairer Scotland Duty came into effect from 1 April 2018, therefore it is not a retrospective duty and does not apply to decisions taken before that date.

## **D.6 INTEGRATED EQUALITY IMPACT ASSESSMENT**

Following the key principles of relevance and proportionality within the Equality Act 2010, an integrated equality impact assessment of policies and decisions of the councils is a requirement of the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012. This process is well established within the council’s budget setting process.

Assessment of the proposed five year housing capital investment programme has demonstrated that there is clear evidence that the council plans and delivers an ongoing co-productive approach to the design, timing, and delivery of the capital programme with tenants, tenant representatives and other stakeholders. This ensures that the views and preferences of stakeholders are factored in to shape the programme, and the ongoing reporting of progress and scrutiny of the delivery of the programme means that officers are accountable and performance is transparent. In previous years, changes implemented throughout the period of the capital investment programme have reflected the changing needs of tenants, and have been made in response to feedback from customers.

Reflecting the recent Fairer Scotland duty, an integrated relevance assessment has been carried out for the updated programme and is attached as Appendix 3. The assessment gave consideration to the three key general duties and it is deemed unnecessary that a full Integrated Impact Assessment (IIA) be carried out. Any further budgetary proposals or amendments to the Housing Capital Investment Programme will be screened for IIA relevance where required.

## **D.7 CORPORATE ASSET MANAGEMENT AND FUTURE CAPITAL INVESTMENT**

The current Corporate Asset Management Strategy was agreed by the council in February 2018. Asset management provides appropriate structures and governance arrangements to ensure that the council's assets are utilised appropriately in support of service delivery. It is important that resources are prioritised on an ongoing basis to ensure investment has the maximum impact on the core assets required to sustain existing service delivery.

The Housing Capital Programme forms a key part in the longer term approach to asset investment and planning, and considers expenditure required to improve and extend the council's assets for future years. Looking forward, investment plans will be updated annually to demonstrate best value, continuous improvement, sound performance management, partnership working and sustainable development.

## **E. CONCLUSION**

This report sets out the proposed Housing Capital Investment Programme for 2023/24 to 2027/28, with proposed investment of £157.972 million over the five year period, and anticipated expenditure of £26.592 million in 2023/24. It builds on, and consolidates, local housing needs identified within the Strategic Housing Investment Programme and Local Housing Strategy. The investment proposals are framed on the outcome of the Housing Rent and Consultation Strategy which will be reported to the Housing Services Policy Development and Scrutiny Panel on 26 January 2022, which indicated that the majority of responses from tenants supported a 3.5% rent increase per annum.

There is a strong focus within the programme on the creation of additional social housing including continuation of the approved new build programme and continuing with a programme of open market acquisitions. These measures will increase the availability of social housing within communities for both existing residents and future generations.

Alongside investment in new and additional housing stock, there will be continued significant investment in existing council housing stock and the environment, to improve homes and local amenity. Energy efficiency is recognised as a continuing priority, with an emphasis on meeting the requirements of the Energy Efficiency Standards for Social Housing legislation.

Through the Housing Capital Investment Programme, the council continues to maintain quality standards and invest in the suitability and sufficiency of its housing stock to improve the environment within communities and meet the needs of existing and future tenants across West Lothian.

## **F. BACKGROUND REFERENCES**

Best Value Framework - Report by Chief Executive to Council Executive on 10 June 2014

Best Value Framework Review – Report by Head of Finance and Property Services to Council Executive on 22 February 2022

Housing Rent Consultation 2023/24 to 2027/28 – Report by Interim Head of Housing, Customer and Building Services to Council Executive on 25 October 2022

2022/23 Housing Capital Programme – Month 6 Monitoring Report – Report by Depute Chief Executive to Council Executive on 15 November 2022

Rent Consultation – Report by Interim Head of Housing, Customer and Building Services to Housing Services Policy Development and Scrutiny Panel on 26 January 2023

Housing Revenue Account Budget 2023/24 to 2027/28 and Rent Level 2023/24 – Report

by Depute Chief Executive to Housing Services Policy Development and Scrutiny Panel on  
26 January 2023

Appendices/Attachments: Three

Appendix 1: Housing Capital Investment Programme 2023/24 to 2027/28

Appendix 2: Housing Capital Investment Programme 2023/24 to 2027/28 – Further Information

Appendix 3: Integrated Relevance Assessment Form

Contact Person: Pamela Bell, Senior Service Accountant

Email: [pamela.bell@westlothian.gov.uk](mailto:pamela.bell@westlothian.gov.uk), Tel: 01506 281282

**Graeme Struthers**

**Depute Chief Executive**

**26 January 2023**

## DATA LABEL: PUBLIC

## Housing Capital Investment Programme 2023/24 to 2027/28

	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Total £'000
<b>NEW SUPPLY</b>						
New Build	990	9,060	9,560	1,660	660	21,930
Open Market Acquisition Scheme	1,040	1,950	1,950	0	0	4,940
Mortgage to Rent	75	75	75	75	75	375
<b>TOTAL NEW SUPPLY</b>	<b>2,105</b>	<b>11,085</b>	<b>11,585</b>	<b>1,735</b>	<b>735</b>	<b>27,245</b>
<b>REFURBISHMENT AND INVESTMENT</b>						
<b>Major Refurbishment</b>						
Almondell Road, Broxburn	0	0	0	0	400	400
Harrison Houses, Lochs Scheme, Whitburn	182	0	0	0	0	182
	182	0	0	0	400	582
<b>Major Elemental Upgrades</b>						
Auldhill Cottages, Bridgend	0	446	0	0	0	446
Belvedere/ Dundas, Bathgate	0	0	0	0	1,241	1,241
Brown Street, Armadale	0	776	0	0	0	776
Craiginn Terrace, Blackridge	0	0	0	302	0	302
Croftmalloch, Whitburn	800	821	0	0	0	1,621
Dedridge, Livingston	3,250	3,413	3,583	3,762	3,950	17,958
Eldrick Avenue, Fauldhouse	0	0	0	231	0	231
Harestanes, Armadale	0	0	1,021	0	0	1,021
Heights, Blackridge	0	0	0	880	0	880
Hillside Place, Longridge	0	0	0	0	682	682
McLeod, Ferguson, Greendykes, Broxburn	180	0	0	0	0	180
McNeil/ King Street, Armadale	0	0	0	1,021	0	1,021
Preston Area, Linlithgow	382	401	421	172	0	1,376
School Place, Broxburn	0	0	0	0	1,000	1,000
Seafield	880	924	0	0	0	1,804
	5,492	6,781	5,025	6,368	6,873	30,539
<b>Planned Programmes</b>						
Air Quality, Dampness and Ventilation	150	158	165	174	182	829
Common Access Door Upgrades	100	105	110	116	122	553
Common Stair Upgrades	42	44	46	49	51	232
Fencing	200	210	221	232	242	1,105
Kitchens and Bathrooms	3,996	4,196	4,406	4,626	4,857	22,081
Painting	150	158	165	174	182	829
Planned Reactive/ HIO Investment	500	525	551	579	608	2,763
Rainwater Goods Testing and Upgrading	140	147	154	162	171	774
Windows & Doors Refurbishment / Renewal	2,628	2,759	2,898	3,041	3,195	14,521
	7,906	8,302	8,716	9,153	9,610	43,687
<b>Environmental / External Upgrading</b>						
Aerial Upgrades	25	26	28	29	30	138
Play Areas	50	52	55	58	61	276
Programmed Drainage	50	52	55	58	61	276
Tenant Environmental Projects	150	159	165	174	182	830
	275	289	303	319	334	1,520
<b>Statutory Compliance Works (Direct and Assistive)</b>						
Aids and Adaptations - Building Services	850	600	630	661	695	3,436
Aids and Adaptations - Occupational Therapists	200	210	221	231	243	1,105
Asbestos Management	400	420	441	463	486	2,210
Central Heating	2,801	2,941	3,088	3,242	3,405	15,477
Energy Efficiency/Carbon Zero Works	4,000	4,200	4,410	4,631	4,862	22,103
Orlit Remedial Upgrades	680	0	0	0	0	680
Periodic testing and Electric Upgrades	841	883	927	974	1,022	4,647
Smoke and Heat Detector Upgrades	560	588	617	648	681	3,094
Stock Condition Surveys/Energy Performance Certificates	200	210	221	231	243	1,105
Water Safety	10	10	11	12	12	55
	10,542	10,062	10,566	11,093	11,649	53,912
<b>Miscellaneous</b>						
Feasibility Surveys	20	20	20	20	20	100
Home Safety Service	70	74	77	81	85	387
	90	94	97	101	105	487
<b>TOTAL REFURBISHMENT &amp; INVESTMENT</b>	<b>24,487</b>	<b>25,528</b>	<b>24,707</b>	<b>27,034</b>	<b>28,971</b>	<b>130,727</b>
<b>TOTAL HOUSING CAPITAL INVESTMENT PROGRAMME</b>	<b>26,592</b>	<b>36,613</b>	<b>36,292</b>	<b>28,769</b>	<b>29,706</b>	<b>157,972</b>

**HOUSING CAPITAL INVESTMENT PROGRAMME 2023/24 TO 2027/28****FURTHER INFORMATION****1. New Build Supply**

Major investment is to continue, providing new houses in areas across West Lothian of different sizes and style; many are designed to support occupation by people with limited movement ability, including wheelchair users. Built to modern standards, they are well insulated and will substantially reduce heating bills of tenants while ensuring warmth and stable heat levels. Existing tenants are given priority to move into the new housing supply. Rents are slightly higher but should be more than offset by the reduction in heating costs.

Details of indicative sites included as part of the new supply programme are provided below. It is anticipated these units will be constructed during the period of the programme. The list of sites is at present indicative and updates on new build council housing will be reported as part of the overall affordable housing programme updates.

Site	Units
Houston Road, Livingston	30
Simpson Parkway, Livingston	32
Almondvale Crescent, Livingston	21
Mossend, West Calder	19
<b>Total</b>	<b>102</b>

The council will also add to its stock by purchasing houses, and resources for the acquisition of 38 former council houses through the Open Market Acquisitions Scheme are included in the planned programme. Provision has been made to continue with the Mortgage to Rent scheme, which is a Scottish Government subsidy scheme to allow owners in extreme financial difficulty to sell their properties to the council and become council tenants.

**2. Scottish Housing Quality Standard (SHQS) and Energy Efficiency Standard for Social Housing (EESH)**

One of the main objectives of the Housing Capital Programme is to invest in the existing housing stock to maintain the Scottish Housing Quality Standard (SHQS) and achieve compliance with the Energy Efficiency Standard for Social Housing (EESH). The first part of EESH has now been subsumed within the Scottish Housing Quality Standard Energy Efficiency criteria.

The Scottish Government recognises that the current economic climate with rising inflation leading to increased costs for construction and maintenance, rising energy bills and the moratorium on rent increases has added pressure to the need for investment and has had an impact on landlords and tenants. The Zero Emissions Social Housing Taskforce (ZEST) recommended that the Scottish Government bring forward its review so it better aligns with the Net Zero strategy and the ZEST transition. The Scottish Government agreed to bring forward and accelerate the review. The review commenced in September 2022 and should take nine months to complete. Whilst the review is underway, the 2025 and 2032 EESH2 milestones are on hold. EESH1 continues to apply during this period.

Whilst social landlords are not required to meet or show progress towards EESSH2 milestones in reporting their performance for 2023/2024, Social Landlords should however continue to collect data for their own use, including:

- The number of properties in each EPC band at the end of the year;
- The value of investment in energy efficiency improvements in each reporting year.

Whilst the review is under way social landlords are also advised to continue to invest in energy efficiency measures and zero direct emissions heating where appropriate. Investment should be driven by a cost-effective investment policy. During this time the priority remains:

- Fabric first approach using measures to improve thermal efficiency and ventilation;
- Measures that use zero emissions heating;
- Reducing energy use;
- Projects for district heating/communal heating systems;
- Projects that make a significant difference to hard-to-treat properties;
- Projects that help to model the actual performance of new technologies and their impact.

The review will develop new targets for domestic dwellings which will meet the aims outlined in the ZEST Report and the Scottish Government's response to it. The timing of this presents a risk to the programme in that the precise statutory requirements and timescales remain unknown at this time, however by following the principles above the council can ensure positive outcomes for tenants and make best use of tenants' rent money.

A review of stock condition survey data has been undertaken, to provide an up to date assessment of stock condition and to inform the type and level of investment required. Investment in the existing housing stock has been categorised as Major Refurbishment or Major Elemental Upgrades, as well as Planned Programmes, Environmental Upgrading, Compliance and other Miscellaneous works.

It is anticipated that the investment programme will ensure that all stock continues to meet with the SHQS and will also ensure that the stock moves toward Net Zero whilst maintaining the SHQS.

#### **a) Major Refurbishment**

The Major Refurbishment group of projects involves renewal and reconfiguration of multiple elements such as roof, render, stairs, balconies and external areas in a single project.

##### **Almondell Road, Broxburn**

This project will include extensive external works across 1-45 Almondell road, involving roofs, windows and new and more secure stairwells as well as remedial external wall repairs.

##### **Harrison Houses, Whitburn**

This project will comprise final phases to ongoing maintenance issues with high cost roof repairs at the Whitburn Harrison Houses in Gareloch Way, Loch Awe Way, Loch Earn Way, Loch Fyne Way, Loch Maree Way and Loch Trool Way, which have been receiving both

external and structural upgrades.

## b) Major Elemental Upgrades

The work involves long term maintenance work, where structural elements such as roof and external walls are identified as beyond economical repair through routine maintenance.

The work planned from 2023/24 to 2027/28 is detailed below:

	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	TOTAL £'000
Auldhill Cottages, Bridgend	0	446	0	0	0	446
Belvedere/ Dundas, Bathgate	0	0	0	0	1,241	1,241
Brown Street, Armadale	0	776	0	0	0	776
Craiginn Terrace, Blackridge	0	0	0	302	0	302
Croftmalloch, Whitburn	800	821	0	0	0	1,621
Dedridge, Livingston	3,250	3,413	3,583	3,762	3,950	17,958
Eldrick Avenue, Fauldhouse	0	0	0	231	0	231
Harestanes, Armadale	0	0	1,021	0	0	1,021
Heights, Blackridge	0	0	0	880	0	880
Hillside Place, Longridge	0	0	0	0	682	682
McLeod, Ferguson, Greendykes, Broxburn	180	0	0	0	0	180
McNeil/ King Street, Armadale	0	0	0	1,021	0	1,021
Preston Area, Linlithgow	382	401	421	172	0	1,376
School Place, Broxburn	0	0	0	0	1,000	1,000
Seafield	880	924	0	0	0	1,804
<b>TOTAL</b>	<b>5,492</b>	<b>6,781</b>	<b>5,025</b>	<b>6,368</b>	<b>6,873</b>	<b>30,539</b>

## c) Planned Programmes

### Air Quality, dampness & ventilation

This programme supports required individual upgrades and investment in ventilation systems.

### Common Access Door Upgrades

This budget undertakes work which keeps the properties in compliance with the SHQS. This requires Secure Door Entry System upgrades or replacements in order to keep them in compliance with the SHQS. The budget funds around 7 communal blocks each year.

### Kitchens and Bathrooms

This category incorporates work which keeps Kitchens and Bathrooms in compliance with the SHQS. The budget funds around 216 full kitchen and bathroom installations in 2023/24 and 314 each year thereafter.



### **Cyclical Maintenance (CM)**

CM work involves external and communal parts of the council housing stock and undertakes the required preparatory repairs and minor external upgrades. The work is done on a five year rolling programme. The programme plays a significant role within the council's capital programme planning processes linking key conditions information to overall investment planning.

All properties within the council stock are to be surveyed externally by the service as part of the five year rolling programme. The survey programme is pre-determined as shown in the table below:

<b>Year</b>	<b>Areas</b>
<b>2023/24</b>	Broxburn, Uphall, Winchburgh & Linlithgow
<b>2024/25</b>	Armada & Blackridge
<b>2025/26</b>	Fauldhouse & Breich
<b>2026/27</b>	Blackburn, Whitburn & Bathgate
<b>2027/28</b>	Livingston South/North, East Livingston & East Calder

The CM Programme is primarily made up from the following Capital Planned Maintenance Budgets:

- Painting
- Common Stair Upgrades
- Rainwater Goods Testing and Upgrading
- Fencing

### **Planned Reactive/HIO Investment**

This programme supports required individual upgrade investment out-with the named current capital projects and is commissioned by the Housing Investment Manager and Building Services Manager to ensure compliance with the Scottish Housing Quality Standard.

### **Windows and Doors**

Windows and Door upgrades to keep them in compliance with the SHQS and contribute towards meeting EESSH. This funds around 389 full Window and Door Upgrades each year.

#### **d) Environmental and External Upgrading**

This category supports local environmental programmes which include; Tenant Led Environmental Projects, Programmed Drainage, Play Area, and Aerial Upgrades. These projects are delivered in consultation with NETS, Roads, Local Housing Offices, tenants and elected members.

For example, the drainage programme supports the design and implementation of large works to multiple homes to prevent the flooding of homes and the damage to access paths, while the Tenant Led Environmental Projects support the council's Community Choices works.

	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	TOTAL £'000
Aerial Upgrades	25	26	28	29	30	138
Play Areas	50	52	55	58	61	276
Programmed Drainage	50	52	55	58	61	276
Tenant Environmental Projects	150	159	165	174	182	830
<b>TOTAL</b>	<b>275</b>	<b>289</b>	<b>303</b>	<b>319</b>	<b>334</b>	<b>1,520</b>

## e) Compliance Works

### Aids and Adaptations

Aids and adaptations for both council housing and private sector housing are assessed by Occupational Therapists in Social Policy and are carried out based on individual need.

### Asbestos Management

This budget funds surveys and removal work arising from those surveys.

### Central Heating

The central heating upgrades are in order to keep the properties in compliance with the SHQS and meet EESSH. The budget funds around 700 full central heating systems each year.

### EESH2 / Carbon Zero Additional Works

Local energy efficiency schemes will continue to be carried out, prioritising households in fuel poverty, in consultation with the local housing offices and the Advice Shop. It will also include works required to meet EESSH.

### Orlit Remedial Upgrades

The final phase of structural work to the Orlit houses in Armadale is planned which will ensure these houses meet SHQS.

### Periodic Testing and Electric Upgrades

There is an obligation on the council as a landlord to electrically test each house at least every five years and additionally at the point of re-letting after a house is empty.

These surveys identify any potential problems. The most important of these are electrical faults, earthing issues and asbestos in consumer units. This includes full electrical upgrading where required.

### Smoke and Heat Detector Upgrades

The original smoke detector programme, which commenced in 2010/11, concentrated on upgrading battery operated smoke detectors to hard wired smoke detectors.

On 5 May 2020, the Scottish Government published updated guidance on the SHQS. The

amendment included changes to bring the guidance in line with changes to the tolerable standard for fire and smoke alarms and carbon monoxide detectors. A review of the programme has taken place and all properties are now compliant with the new standard. The proposed budget will ensure continued compliance with the standard.

### **Stock Condition Survey/Energy Performance Certificates (EPC)**

This budget funds stock condition survey work and EPCs that are required for circa 9,000 of the council's properties in order to ensure the council meets its legal requirements when renting a property, as well as updating our Asset Management Database.

To date 1,550 properties have been surveyed, with the remainder of the stock to receive a full house condition survey by 2027/28.

This will also help focus investment measures required to ensure the council complies with the SHQS and EESSH.

## **f) Miscellaneous**

### **Feasibility Surveys**

This budget will support the Stock Condition Programme aimed at updating the council's stock conditions information and providing cost information for future capital planning. The budget also supports detailed engineering reports on structural issues.

### **Home Safety Service**

This provides an upgraded package of smart technology primarily for older people in their own homes. This technology can help in providing a safer and more secure long-term home environment.

DATA LABEL: PUBLIC



## Integrated Relevance Assessment Form

<b>1. Details of proposal</b>																					
<b>Policy Title</b> (include budget reference number if applicable)	Housing Capital Investment Programme 2023/24 to 2027/28																				
<b>Service Area</b> (detail which service area and section this relates to)	Housing, Customer and Building Services																				
<b>Lead Officer</b> (Name and job title)	Julie Whitelaw, Interim Head of Housing, Customer and Building Services																				
<b>Other Officers/Partners involved</b> (list names, job titles and organisations if applicable)	Marjory Mackie, Housing Strategy & Development Manager Grant Walker, Development Manager Robert Smith, Housing Investment Manager Kirsty Weir, Service Development Officer Pamela Bell, Senior Service Accountant Tenants Panel Capital Programme Working Group																				
<b>Date relevance assessed</b>	11/01/2023																				
<b>2. Does the council have control over how this policy will be implemented?</b>																					
YES	X	NO																			
<p><b>3. The General Duty of the Equality Act 2010 requires public authorities, in the exercise of their functions, to have due regard to the need to:</b></p> <ul style="list-style-type: none"> <li>• Eliminate unlawful discrimination, harassment and victimisation and other prohibited conduct</li> <li>• Advance equality of opportunity between those who share a protected characteristic and those who do not; and</li> <li>• Foster good relations between those who share a protected characteristic and those who do not</li> </ul> <p>NB: In this section you must also consider the Human Rights Act and the key PANEL (Participation, Accountability, Non-Discrimination, Empowerment and Legality) principles of Human Rights – (further detail on what these are, are provided in the guidance document)</p> <p>Which groups of people do you think will be, or potentially could be, impacted upon by the implementation of this policy? You should consider employees, clients, customers and service users (Please tick below as appropriate)</p> <table border="1"> <tr> <td>Age - Older people, young people and children</td> <td></td> </tr> <tr> <td>Disability - people with disabilities/long standing conditions</td> <td></td> </tr> <tr> <td>Gender reassignment - Trans/Transgender Identity – anybody who's gender identity or gender expression is different to the sex assigned to them at birth</td> <td></td> </tr> <tr> <td>Marriage or Civil Partnership – people who are married or in a civil partnership</td> <td></td> </tr> <tr> <td>Pregnancy and Maternity – woman who are pregnant and/or on maternity leave</td> <td></td> </tr> <tr> <td>Race - people from black, Asian and minority ethnic communities and different racial backgrounds</td> <td></td> </tr> <tr> <td>Religion or Belief – people with different religions and beliefs including those with no beliefs</td> <td></td> </tr> <tr> <td>Sex - Gender Identity - women and men (girls and boys) and those who self-identify their gender</td> <td></td> </tr> <tr> <td>Sexual Orientation – lesbian, gay, bisexual, heterosexual/straight</td> <td></td> </tr> </table>				Age - Older people, young people and children		Disability - people with disabilities/long standing conditions		Gender reassignment - Trans/Transgender Identity – anybody who's gender identity or gender expression is different to the sex assigned to them at birth		Marriage or Civil Partnership – people who are married or in a civil partnership		Pregnancy and Maternity – woman who are pregnant and/or on maternity leave		Race - people from black, Asian and minority ethnic communities and different racial backgrounds		Religion or Belief – people with different religions and beliefs including those with no beliefs		Sex - Gender Identity - women and men (girls and boys) and those who self-identify their gender		Sexual Orientation – lesbian, gay, bisexual, heterosexual/straight	
Age - Older people, young people and children																					
Disability - people with disabilities/long standing conditions																					
Gender reassignment - Trans/Transgender Identity – anybody who's gender identity or gender expression is different to the sex assigned to them at birth																					
Marriage or Civil Partnership – people who are married or in a civil partnership																					
Pregnancy and Maternity – woman who are pregnant and/or on maternity leave																					
Race - people from black, Asian and minority ethnic communities and different racial backgrounds																					
Religion or Belief – people with different religions and beliefs including those with no beliefs																					
Sex - Gender Identity - women and men (girls and boys) and those who self-identify their gender																					
Sexual Orientation – lesbian, gay, bisexual, heterosexual/straight																					

4. Do you have evidence or reason to believe that this policy will or may impact on socio-economic inequalities? Consideration must be given particularly to children and families				
Socio-economic Disadvantage			Impact – please tick below as appropriate)	
Low Income/Income Poverty – cannot afford to maintain regular payments such as bills, food, clothing			✓	
Low and/or no wealth – enough money to meet basic living costs and pay bills but have no savings to deal with any unexpected spends and no provision for the future				
Material Deprivation – being unable to access basic goods and services i.e. financial products like life insurance, repair/replace broken electrical goods, warm home, leisure and hobbies				
Area Deprivation – where you live (rural areas), where you work (accessibility of transport)				
Socioeconomic Background – social class i.e. parents education, employment and income				
5. Integrated impact assessment required? (Two <b>ticks (✓)</b> above = full assessment necessary)				
YES		NO	✓	
6. Decision rationale – if you have ticked no above, use this section to evidence why a full IIA is not required				
<p>The proposed 2023/24 to 2027/28 Housing Capital Investment Programme details where the council intends to spend its capital resources. The justification for this expenditure is on house (stock) condition as outlined by the Scottish Housing Quality Standard (SHQS), new build council houses, as well as other additional non SHQS upgrades and improvements including externals, environmental work to aid in achieving energy efficiencies (in support of Energy Efficiency Standard for Social Housing (EESH) compliance) and equipment and adaptations.</p> <p>The focus on meeting the SHQS will improve the condition of older stock to make it more secure, safe, accessible and energy efficient by design. The new build homes are being built to an exceptionally high specification and the selection of the designs were made in partnership with members of the local equality groups to ensure the service had considered the needs of potentially vulnerable tenants from the formative stages of the project.</p> <p>External upgrading will continue in areas identified as in greatest need and an increasing emphasis will be placed on the EESH over the course of the investment programme. Demographically, the communities in greatest need of housing improvements tend to include people who may face fewer life choices and decreased social mobility – these tenants benefit most from improvement projects. By improving the appearance and overall quality of stock in these areas as a priority the life chances of those living there are significantly improved, with benefits to education, health and wellbeing and community safety.</p> <p>EESH is intended to continue investment in external wall insulation to target work in council houses in areas of mixed tenure, where homeowners benefit from support through the Home Energy Efficiency Programme Scotland (HEEPS).</p> <p>The funding is to help tenants achieve energy efficiency and keep fuel bills as low as possible will obviously aid those in most danger of fuel poverty and deprivation. There is funding commitment within the Housing Capital Investment Programme allocated for improvements include boiler and heating system replacements, the installation of energy efficient loft and cavity wall insulation, and double/triple glazing window and door replacements. The council intends to continue to focus on this area in recognition of the importance of tackling poorly insulated and heated homes to mitigate the threat of fuel</p>				

poverty for those tenants most vulnerable to this threat. Improving the energy efficiency of our stock most in need of this work is a priority for the service.

A key focus in the direction of capital funding is new housing supply. The new supply programme seeks to address the gap in supply and demand issues for good quality and affordable socially rented housing in the area. Provision of modern housing, exceeding the SHQS standard that is well supported by robust local infrastructure and services will benefit those most in need of housing and increase housing options for tenants and potential tenants. There is significant housing demand pressure on all local registered social landlords; the capital programme priorities are directed towards alleviating some of this pressure and increasing the supply of affordable, socially rented accommodation.

This type of combined approach to meeting demand of increasing housing supply through new homes and improving older stock is continued in the proposed capital programme through the environmental upgrade works in communities, and the energy efficiency measures through the provisions made for increased spend on improving energy efficiency of properties. External environmental improvement projects support regeneration of communities most in need of works to improve the local environment.

The proposed capital programme specifically budgets for needs based improvements to aid active living through provision of funding projections for adaptive equipment and adaptations to the council's housing stock as determined by the health assessment process. Improvements made to meet the SHQS also ensures all stock is more accessible at a basic level. This portion of the programme remains need-based and reactive in terms of service delivery in order to deliver improvements at the point of need to the tenant. A needs based investment approach prevents areas from becoming undesirable places to live, increases choice for potential tenants and encourages social mobility for existing residents, thereby increasing the social diversity of communities while seeking to prevent socio-economic deprivation.

The approach of making general structural and fixture/fittings improvements combined with specific adaptations where required enables tenants with mobility issues to remain independent in their own homes for longer and ensures that the adaptations that are made are tailored to the individual. By budgeting for and recognising the importance of this type of improvement work to properties the proposals ensure the provision of needs based solutions for those who require it most. The policy on equipment and adaptations is centred on qualification via a set criteria applied by Occupational Therapy professionals; this has led to a straightforward process that is transparent and easy to access. Most requests meet the criteria and are approved. By designing new build properties with the capacity for future aids and adaptations future proofs the supply of accommodation types in order to meet the needs of a diverse range of tenants. The decision to build more accessible housing is a result of responding directly to the needs of our local communities as expressed during consultation activity.

Housing, Customer and Building Services Senior Management Team, the Senior Service Accountant, the Housing Development Manager, the Housing Investment Manager, Housing Strategy Officers and the service equality lead were involved in the consultation of this assessment. The details of the budget proposals within this report support these findings and it is unnecessary that a full IIA be carried out. It is recommended that any further budgetary proposals or amendments to the Housing Capital Investment Programme be screened for IIA relevance where required.

<b>Signed by Lead Officer</b>	Julie Whitelaw
<b>Designation</b>	Interim Head of Housing, Customer and Building Services
<b>Date</b>	11/01/2023
<b>Counter Signature</b> (Head of Service or Depute Chief Executive responsible for the policy)	Graeme Struthers, Depute Chief Executive
<b>Date</b>	11/01/2023

Item		Purpose	Responsible Officer
2023			
Housing Services PDSP-26/01/23 (AGENDA SETTING 17th January)			
1	Homeless Position	Homeless Position	Sarah Kelly
2	Finance	Month 6 Financial Performance Report	Pamela Bell
3	Housing Strategy & Development	Air Quality & Dampness	Marjory Mackie
4	Housing Strategy & Development	Homeless Container Villages	Marjory Mackie
5	Performance & Change	Rent Consultation Outcome	Julie Whitelaw
6	Corporate Services	HRA Revenue Budget	Graeme Struthers
7	Corporate Services	2023/24 to 2032/33 Housing Capital Investment Strategy	Graeme Struthers
Housing Services PDSP- 28/03/23 (AGENDA SETTING 14/03/23)			
1	Performance & Change	Q3 Performance Report	Kirsty Weir
2	Housing Need	Q3 Turnover Report	Sarah Kelly
3	Housing Strategy & Development	2023/24 to 2032/33 Housing Asset Management Plan	Marjory Mackie
4	Housing Strategy & Development	West Lothian Local Housing Strategy 2023/24 to 2027/28	Marjory Mackie
5	Housing Strategy & Development	HEEPS:ABS Programme update and 2023/24 programme	Marjory Mackie
Housing Services PDSP- 23/05/23 (AGENDA SETTING 09/05/23)			
1	Housing Need	Update on Sharing Spaces	Sarah Kelly
2	Housing Need	Q4 Turnover Report	Sarah Kelly
3	Housing Strategy & Development	Affordable Housing Delivery Programme Update	Marjory Mackie