
REPORT TO:	Housing and Community Services Committee	AGENDA ITEM:
DATE OF MEETING:	9th June 2005	CATEGORY: Delegated
REPORT FROM:	Director of Community Services	OPEN
MEMBERS' CONTACT POINT:	Bob Ledger (ext 5775)	DOC:
SUBJECT:	Assistance with decoration on new tenancies and following major work	REF:
WARD(S) AFFECTED:	All	TERMS OF REFERENCE: HCS01

1. Purpose of Report

- 1.1 To review the decoration allowances payable to new tenants upon moving into their new home and following major work undertaken by the Council.

2. Recommendations

- 2.1 To agree new rates of decoration allowances on a three point scale of £75, £150 and £200.
- 2.2 To agree that following major internal work, such as a kitchen or bathroom renewal, a standard redecoration of allowance of £75 be paid.
- 2.3 To agree that in exceptional circumstances the Head of Housing has authority to vary the above amounts by upto 100%.

3. Detail

- 3.1 The cost of the Council redecorating a standard three bedroomed property before a new tenant occupies is in the order of £750. The Council took a decision a number of years ago to take a more cost effective approach to decoration and introduce a scheme of assisting tenants to undertake their own decoration. Although not intended to cover the full cost of decoration it was and is intended to assist in the purchase of decoration materials.
- 3.2 The Council has operated a decoration allowance policy for a number of years with a room by room allowance upto a maximum allowance per property of £90. The rates paid have not been updated since the scheme was first introduced.
- 3.3 An effective decoration allowance procedure can help in ensuring that properties are let timeously, that rent loss is kept to a minimum and that the properties are kept in good order.

- 3.4 The proposed amended scheme is attached as appendix 1 to this report.
- 3.5 It is also proposed to pay the lower amount of £75 as a standard allowance where one whole room has been substantially disturbed as a result of major works i.e. bathroom or kitchen renewal.
- 3.6 In a small minority of cases the standard of decoration is very poor or the extent of major work is extensive. In such exceptional circumstances it is proposed that the Head of Housing be given authority to vary the decoration allowance paid in a particular circumstance by upto 100%.
- 3.7 In other exceptional cases incoming tenants may be elderly or inform with no immediate family who are able to assist in decoration. In these cases assistance from the voluntary sector and/or community service is often sought.

4. Financial Implications

- 4.1 The cost of decoration allowances in 2004/5 was almost exactly on budget at £13,770 against a budget of £14,000. Due to the improvement in void performance and the decommissioning of long term void sheltered housing there was a higher than normal void activity within the year.
- 4.2 The new suggested rates of allowance will increase costs by at least 100% but these would still be substantially lower than the cost of the Council undertaking decoration works itself. Using the £750 per property full redecoration cost as an average and multiplying by the number of void properties let in the year the total cost of fully decorating properties in 2004/5 could have been as much as £200,000. A budget of £25,000 is proposed for void property decoration allowances for 2005/6.
- 4.3 The cost of the standard allowance paid on major works such as kitchen or bathroom replacements should be met from the MRA and again will be in the order of £25,000 in the current financial year.

5. Corporate and Community Implications

- 5.1 An effective decoration allowance procedure can help in ensuring that properties are let timeously and rent loss is kept to a minimum.
- 5.2 Maintenance of the housing stock in good condition extends the longevity of the property and ensures its future letting potential.

6. TACT Comment

- 6.1 The scheduling of TACT meetings has not coincided with the production of reports for this Committee. TACT meets on the 6th of June and any comments they have on this report will be given verbally to the Committee.

