

LOCAL GOVERNMENT AND HOUSING COMMITTEE

MINISTER'S REPORT

Funding of Care and Repair agencies 2001/02

1. On the 8 March I announced the annual funding award for Care and Repair agencies in Wales.
2. A total of £1.33 million is being distributed amongst the 26 agencies and their parent body Care and Repair Cymru. This represents a 2.3% increase over the current year. Details of the allocations for each agency are on the Assembly's website.
3. This money will consolidate the 'All-Wales' Care and Repair cover that we currently have. It will also ensure that Care and Repair Cymru and individual agencies continue to play an important role in supporting social care policies by enabling groups, such as the elderly and those with disabilities, to receive the help they need to stay in their own homes.

Crime Reduction

4. In the last few weeks I have had useful meetings with the Welsh Chief Constables; the Police Authorities for Wales and the Probation Service. I raised the Committee's interest in the allocation of income derived from police charges at both meetings with the police. The consistent line across the forces is that charges are levied for police presence at public events unless there is a perceived threat to law and order. Income from these charges and from fines goes to the Treasury, with the exception of an hypothecated allocation from speeding fines in the case of South Wales police which is one of the force areas piloting a new system which allows forces to plough back some of their income from speeding fines into road safety related projects.
5. The Committee will welcome the news that Welsh crime and disorder reduction partnerships are to benefit from the £220 million new money announced in the Budget for projects to tackle drug related crime. We expect a Barnett share which the Crime Reduction Director will pass to the partnerships to fund projects which complement agreed strategies from the police and DAATs.

Support for Voluntary and Community Groups

6. On 1 March I approved Local Regeneration Fund voluntary support for 20 voluntary and community groups across Wales who will share £5.6m over the next 3 years. The money approved will be used for community capacity building and community regeneration initiatives. Most applications were for general grant schemes that will provide support for voluntary and community organisation to access and undertake local projects which will involve and benefit local communities.

Social Risk Capital Fund

7. I also approved £1.5m Local Regeneration Fund support to match fund £2m Objective 1 and 3 funding towards the setting up of a new Social Risk Capital Scheme.

8. The new scheme will be formally launched in April and managed by the Wales Council for Voluntary Action. It will enable small voluntary sector and community groups to have simple and rapid access to European Social Fund support to develop projects combating social exclusion.

9. The money I have approved will help meet the commitment to provide direct support to benefit voluntary and community organisations, who otherwise, may find it difficult to raise funds which can make a real difference to the lives of people in most need.

Additional funding for rural homebuy

10. At the meeting of 28 February concern was expressed that the additional funding of £1.5m for rural homebuy would be more than offset by the reduction in Social Housing Grant for Gwynedd and Ynys Mon. I undertook to investigate this and am now able to reassure the committee on this point.

11. The table at **Annex 3** shows that for 2001-2002 SHG has been distributed in two stages. 80% of available resources were distributed as basic SHG allocations in November. 10% of available resources were distributed according to population and 70% according to the authorities' current share of the programme. In order to damp fluctuations between years current share was taken as the average for the last two years. For 2001-2002 this produces a programme share of 32.1% for predominantly rural authorities compared with 33.3% in 2000-2001 and 30.9% in 1999-2000. The remaining 20% of available resources have been distributed as supplementary allocations in response to bids received in December and January. The bids were assessed on the extent to which the proposals would contribute to community sustainability. The positions in Gwynedd and Ynys Mon are as follows.

Gwynedd

11.1 The basic SHG allocation was £1,860,000, or 4.3% of the total. This may be compared with 4.5% in 2000-2001 and 4.2% in 1999-2000. The council's bids for supplementary allocations totalled £445,000 of which £415,000 were successful. This brings the total allocation to £2,275,000, which is £30,000 less than requested.

Ynys Mon

11.2 The basic SHG allocation was £930,000, or 2.2% of the total. This may be compared with 2.73% in 2000-2001 and 1.6% in 1999-2000. The council's only bid for supplementary allocation was for a supported housing scheme with a SHG requirement of £121,000. It was not successful, as it did not meet the published bidding criteria. The total allocation therefore remains at £930,000.

12 I note that any underspend of available SHG resources in the current year in Gwynedd seems likely to be taken up by Ynys Mon. This is a welcome improvement on 1999-2000 when there was a

combined underspend for these authorities of just over £1.4m.

13. If the additional £1.5m is oversubscribed I will consider augmenting it using any slippage that may occur elsewhere in the programme as the year proceeds.

14. At the meeting of this committee on 28 February I agreed to provide the committee with guidance on the Homebuy scheme. A copy of the guidance issued to local authorities and Registered Social Landlords, together with a copy of the accompanying letter, is at **Annex 4**.

Impact of stock transfer on the Right to Buy (RTB)

15. During the discussion of the draft report on the Policy Review of Stock Transfer at the Committee on the 28th February, clarification was sought as to when the cut-off for RTB applications occurred.

16. The position is that tenants are free to exercise the Right to Buy, or Preserved Right to Buy at any time before, or after transfer of their homes to a new landlord. The valuation of the stock to be transferred is fixed very close to the transfer date in order to take account of late applications for RTB. How the proceeds from late RTB sales are distributed is a matter for negotiation between the local authority and the new landlord.

Community Fire Safety

17. At my regular meeting with the representatives of the Fire Services in Wales I agreed to set up a Task & Finish Working Group to consider the following matters:

- Hard wired smoke detectors in social housing
- Sprinkler systems in Houses in Multiple Occupation
- Arson

18. The Group will be chaired by the Director of Housing and representatives of organisations involved with or affected by these issues will be invited to participate. I will arrange for the Committee to receive a copy of the Terms of Reference as soon as these are finalised.

Transfer of Newport's prefabs

19. I am pleased to confirm that following an overwhelming mandate from the authority's tenants I have been able to approve the transfer of Newport County Borough Council's stock of prefabricated bungalows to the Newport Housing Trust. The authority established the Trust last year and adopted the concept of 'community ownership' for its board of management, to ensure that it is accountable to both its tenants and elected members of the authority. The Trust has now achieved Assembly registration as a Registered Social Landlord and some 483 dwellings or their cleared sites were transferred on 19 March, contained within seven groups of properties or estates.

20. The properties were constructed as temporary housing just after World War II and have become increasingly difficult and expensive to maintain, particularly as serious corrosion of the structural steelwork has been discovered in a number of bungalows. The transfer will enable funding to be provided towards the comprehensive redevelopment of the estates, and every resident, including the 159 former tenants who exercised the right to buy, will have the opportunity to move to a new bungalow built to 'Lifetime Homes' standards, with energy efficient designs and modern street layouts and lighting.

Flooding - Bellwin scheme

21. By the end of January, local authorities had provided estimates of Bellwin claims totalling some £6 million. Several authorities pointed out that they would have difficulty completing all the work by the end of March, therefore period for submitting claims has been extended to the end of June. This will also allow authorities to make the best use of contractors, temporary workers, and overtime to catch up with work which had to be set aside when staff were diverted to emergency duties during the severe weather and its immediate aftermath. A number of authorities have withdrawn their interim claims and will be resubmitting them in light of the extended claims period.

Flooding - Additional capital works

22. Authorities were also asked to provide details of longer-term capital works which they will have to undertake as a result of the severe weather. Schedules categorising and prioritising the proposed work were submitted by the end of February. The whole programme, excluding flood defence schemes, totals some £26 million. Officials are currently analysing these schedules and clarifying details with local authorities, and I hope to be able to announce shortly what level of extra financial assistance can be offered over a period of three to five years.

Edwina Hart

March 2001