

20 November 2013		ITEM: 7
Housing Overview and Scrutiny Committee		
Private Sector Housing Strategy		
Report of: Councillor Val Morris Cook		
Wards and communities affected: All	Key Decision: Non key	
Accountable Head of Service: Richard Parkin, Head of Housing		
Accountable Director: Barbara Brownlee, Director of Housing		
This report is Public		
Purpose of Report: to recommend the new Private Sector Housing Strategy, ask for support for the approach and support it being a priority for funding. It is proposed that certain wards are a priority for pilot intervention.		

EXECUTIVE SUMMARY

Over 80% of homes in Thurrock are in private ownership. The number of private tenants in Thurrock almost doubled from 8% in 2001 to 14% in 2011; a trend that is likely to continue. Ensuring that there is a provision of high quality housing in the private sector is becoming increasingly important.

Current pressures include poor supply and rising homelessness, rising house prices, rents and fuel costs, benefit restrictions and decreasing council funds and green grants.

There is likely to be a continued increase in the number of houses in multiple occupation (HMOs), increased homeless placements in private rented homes (ours and other boroughs) and increased demand driven by proximity to London and the regeneration within Thurrock.

Increased pressure on the private sector stock and the need for the council to ensure that people are living in decent conditions is accompanied by further spending cuts for all of local government excluding the NHS budgets.

Improvements to private sector housing are framed within the council's new statutory responsibility for 'Health and Wellbeing'.

A new Private Sector Housing Strategy for Thurrock has been drafted to start to tackle and investigate some of these issues.

1. RECOMMENDATIONS:

- 1.1 That the committee notes the content of the draft private sector housing strategy**

- 1.2 That the committee supports the approach to improving private sector housing
- 1.3 That the committee supports the strategy as being a priority for funding
- 1.4 That the committee agrees the pilot wards for initial intervention as set out in paragraph 2.6

2. INTRODUCTION AND BACKGROUND:

- 2.1 The new private sector housing strategy is intended to improve the quality of existing homes and neighbourhoods and increase the supply of housing in the borough.
- 2.2 The intention is that this is done using less overall resource but instead through partnership working with teams with the same priority (the wellbeing of residents) as the Housing department and, for the first time, focusing on priority geographical areas.

Improving Existing Homes and Neighbourhoods

- 2.3 We have created a 'Well Homes' index which uses twelve data sets to show which Lower Super Output Areas (LSOAs) are likely to have the lowest standard of living conditions combined with poorest related health outcomes in the borough.

The data sets we used are:

- Income (IMD¹ 2010)
- Health Deprivation and Disability (IMD 2010)
- Barriers to Housing and Services (IMD 2010)
- Living Environment (IMD 2010)
- % Housing Benefit (DWP 2013)
- % Households in Fuel Poverty (DECC 2011)
- Years of Potential Life Lost (IMD 2010)
- % Non Decent Homes (BRE 2012)
- % Category 1 hazards- All (BRE 2012)
- % Category 1 hazards- Falls (BRE 2012)
- % overcrowding (Census 2011)
- Rate of Burglary (UKcrimestats.com, 2012-13)

- 2.4 The overall priority scores indicated by the LSOA scores will drive a programme of holistic intervention. Individual data sets will also be used to

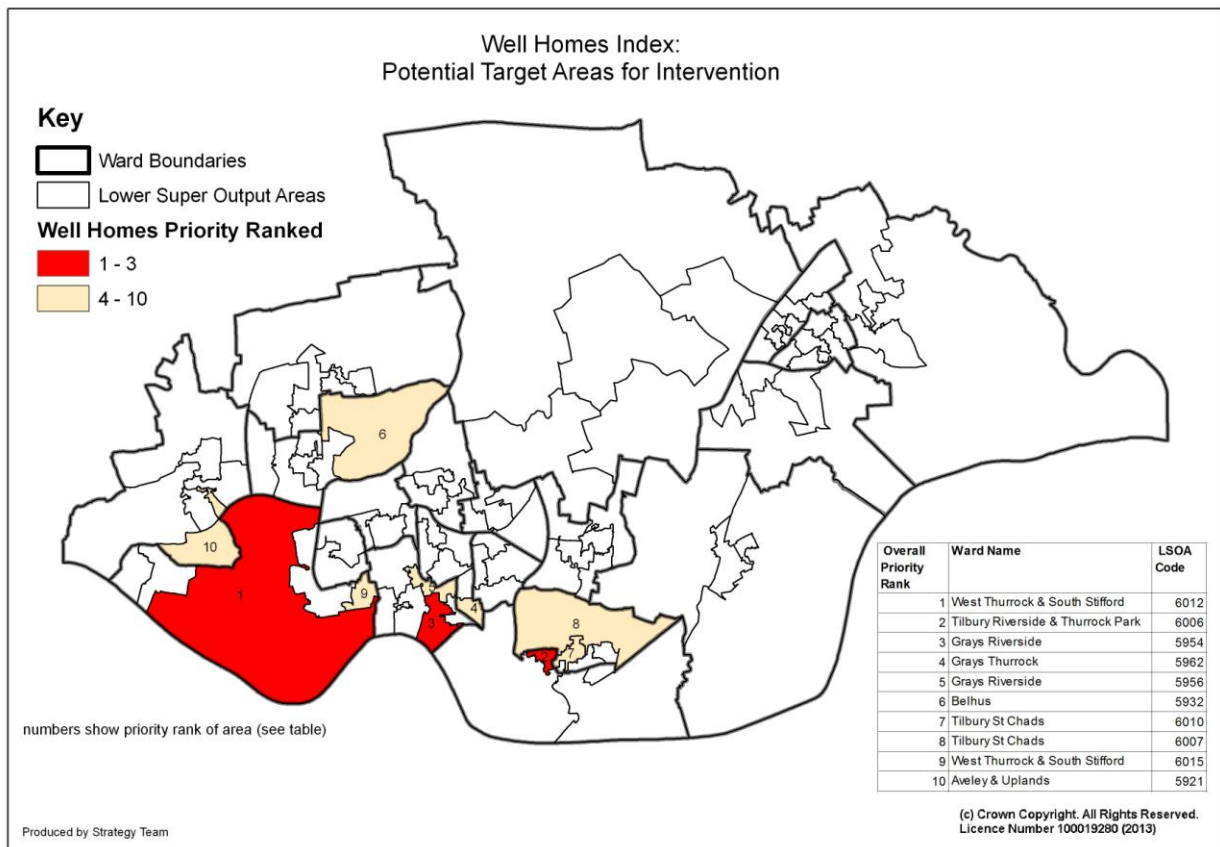
¹ Indices of Multiple Deprivation

drive some very specific focused action, for example our fuel poverty work can be marketed more heavily in target areas

2.5 We suggest that the three LSOAs with the poorest ‘Well Homes’ scores are used as pilot areas to test the plans described at 2.7. Below are the three LSOAs:

Ward Name & LSOA code	Priority Rank	% private sector housing	no. of private sector households	no. of private rental households
West Thurrock & S. Stifford- 6012	1	75	692	237
Tilbury Riverside & Thurrock Park -6006	2	31	201	49
Grays Riverside-5954	3	55	540	300

2.6 Well Homes Priority Areas



2.7 Each private rental household in a pilot area will be contacted, with the aim of booking a Well Homes appointment. The appointment will focus on:

- identifying hazards, damp, mould, cold etc

- identifying other environmental health issues
- identifying fuel poverty, potential for home energy efficiency improvements & better fuel tariffs
- identifying present or anticipated accessibility/adaptation issues
- identifying financial exclusion, problem loans, potential unclaimed benefits
- identifying obvious security weaknesses and problems with burglary, property marking need
- Employment or training need
- advice, signposting and referral on all of the above (e.g. booking the occupational minor repairs service for qualifying residents, Community Safety Partnership, arranging for Green Deal partners to get in touch or forwarding details to the credit union)
- referral for a dedicated independent living housing planning session
- follow-up with Environmental Health
- follow-up with landlords, including education, licensing and prosecution
- Referrals to local public health providers or projects e.g. healthy eating and smoking cessation

These visits will serve wider the aims of the strategy, discussed further later, for example identifying possible additional empty homes, households not known to the Council, rogue landlords, poor tenants and ASB. We will also be able to test the most effective ways of contacting private rental households and understand general take-up rates of our visits.

We will design a local marketing and outreach strategy to promote the appointments, and provide advice or signposting to those that will not accept an appointment.

2.8 To improve conditions for all tenants, we will introduce '10 Steps', which is a pledge to tenants, to ensure that the increased demand for rental property goes hand-in –hand with improvements in the sector.

1. **Thurrock standard for private rented housing.** This will include minimum standards for property condition based on the Decent Homes Standard
2. We will understand if there is a strong case for **compulsory selective or additional landlord licensing in selected areas** and consult on this. If licensing is not adopted, our **accreditation scheme will be improved and re-launched**. We will explore having different levels or star rating systems e.g. related to energy efficiency performance.
3. A voluntary, basic **Landlord Registration Scheme** through which all landlords would be listed along with the addresses of their properties will be introduced, in advance of any licensing. There will be a clear expectation that landlords will provide their details.

4. The above database will be expanded to include **'Trusted Landlord'** information so that prospective tenants can find out if a landlord is registered, accredited, licensed (if an HMO), conforming to minimum expectations or a member of a recognised landlords organisation.
5. **Incentives for accredited or 'good' landlords** will be improved and publicised more actively. Incentives could include access to funding, for example, for bringing empty homes back into use, access to a social lettings agency, availability of the tenancy bond scheme, a fast track HB service and positive publicity/marketing.
6. We will add a transaction to our website through which people can report unregistered or poor landlords. This would trigger an investigation from the enforcement team.
7. We will investigate whether a **social lettings** agency is viable and beneficial. If this is adopted, this will be promoted as the best way for tenants to ensure that they receive good management.
8. We will increase our **work with landlords**, supporting and educating them. However, we will accompany this with strict and prompt action if landlords do not comply with their statutory duties in reasonable time.
9. We will publicise successful prosecution of **rogue landlords**
10. We will develop a plan for making sure that the **letting agencies** in Thurrock are supporting our strategy and general good practice.

2.9 **HMOs** have been increasing in number in Thurrock; there is some feeling that certain areas are losing too much family-friendly housing in their favour, which is changing the nature of the neighbourhoods. We will be consulting on the development of plans for preventing any neighbourhoods becoming less pleasant places to live.

This plan will include:

1. Investigating additional licensing for HMOs with over 3 people in them (currently over 5 people), this would include no HMOs being adjacent to each other and no more than 10% of properties within an area being a HMO.
2. Investigating compulsory licensing for all HMOs in target neighbourhoods.
3. Resident consultation in targeted areas aimed at finding out the key problems in the neighbourhood.
4. Possible strategic approach to where HMOs can be encouraged (to meet needs) and the number that would be acceptable.

5. More publicity around random and routine HMO inspections and access to more support for residents with problems with their landlords.

Increasing housing supply

- 2.10 We have a good understanding of the **empty properties** in Thurrock following information gathering and a push to get them back into use during 2012/13. The easier wins in this process have been made, and the remaining empty properties need bespoke in-depth attention. We have identified twenty properties in noticeable disrepair which are a priority due to the negative impact that they are having on the neighbourhoods that they are in. We will look to work with the landlords of these twenty properties to bring them back into use using loans and grants available as well as considering our use of compulsory purchase orders in extreme situations.
- 2.11 We have secured HCA funding to work with the probation service to have ex-offenders bring private properties back into use. This will include purchase and refurbishment. The properties will be managed by the Council and let to the ex-offenders and their families if appropriate.
- 2.12 We have a **shortage of private lettings** to recommend to those at risk of becoming homeless. We also have a potential shortage of properties that we can use to discharge our homeless duty into the private sector. Other (London) local authorities are also incentivising landlords to rent Thurrock properties to their clients.

We are currently in the process of understanding our needs better and how they can be provided for within the best value for money. The timing for completing this analysis is by March 2014 and we will then create a plan, likely to include a stronger incentive package for landlords and a social lettings agency (see below).

- 2.13 With the anticipated continuation of rental price rises, we must ensure that there are incentives for landlords to rent to households on lower incomes. **Social lettings agencies** offer incentives such as tenant-finding, guaranteed rents, long leases, guaranteed vacant possession, free tenancy management, regular property checks and free minor repairs. As part of the review of our private sector needs we will look at the business case for creating a Social Lettings agency by March 2014.

3. ISSUES, OPTIONS AND ANALYSIS OF OPTIONS:

- 3.1 Issues which have been considered are:
 - How the wellbeing of priority Thurrock residents can best be supported and preventative measures be taken, to minimise reactive spending
 - How neighbourhoods can be improved in the context of an increasing number of private tenancies and demand for HMOs
 - How the Council can support tenants and landlords to know their rights and responsibilities and operate within them
 - How housing supply can be increased

4. REASONS FOR RECOMMENDATION:

- 4.1 Private Rented Housing is an increasingly important sector of our housing supply, in which disadvantaged people will increasingly live, due to social housing limits. Both because of this and as owners can benefit from the prices that our social housing procurement programmes can access through the ECO and Green Deal, it is an especially good time to increase focus on the quality of housing.
- 4.2 This strategy helps to address the Council’s key priorities around Health and Well Being.
- 4.3 Stakeholders have expressed concern at the state of some neighbourhoods, due to HMOs; a response is necessary
- 4.4 Housing supply must be increased to provide affordable homes and underpin the strategic regeneration plans

5. CONSULTATION (including Overview and Scrutiny, if applicable)

- 5.1 The draft strategy has not yet been submitted to Cabinet for ratification. The Housing Team decided to bring the draft to Overview and Scrutiny first for opinion.
- 5.2 This draft strategy has also been circulated to and supported by Adult Health and Social Care and Public Health colleagues.
- 5.3 The draft strategy will go to the Health and Wellbeing Board for comment and to Cabinet for agreement.

6. IMPACT ON CORPORATE POLICIES, PRIORITIES, PERFORMANCE AND COMMUNITY IMPACT

- 6.1 The aim is to positively impact the community by improving the standard of private sector housing. Such housing should meet good standards which support residents’ health and lower energy bills.
- 6.2 Supporting good tenant and landlord behaviour and relations should positively impact on anti-social behaviour.
- 6.3 Building new homes, getting empty properties into use and securing landlords to rent to Thurrock residents all increase the supply of homes for Thurrock residents and have a positive impact on the economy.

7. IMPLICATIONS

7.1 Financial

Implications verified by: **Sean Clarke**
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sclark@thurrock.gov.uk

Members are aware of the financial pressures that the Council is under at this time. As such, any strategy must be kept within existing budget parameters and every effort to maximise third party contributions should be made.

7.2 **Legal**

Implications verified by: **Maria Oshunrinade**
 Telephone and email: **0208 724 8461**
Maria.Oshunrinade@BDTLegal.org.uk

There could be future legal implications, with the need to take enforcement action against rogue landlords. The Landlord's repairing obligations should also be emphasised. Data protection issues should be considered and applied.

7.3 **Diversity and Equality**

Implications verified by: **Natalie Warren**
 Telephone and email: **01375 652186**
nwarren@thurrock.gov.uk

Information gathered through Well Home Pilots should try to capture strands of diversity to better understand if there are implications in the Private Rented Sector which may be particularly disadvantaging certain groups within Thurrock.

7.4 **Other implications (where significant) – i.e. Section 17, Risk Assessment, Health Impact Assessment, Sustainability, IT, Environmental**

- None

BACKGROUND PAPERS USED IN PREPARING THIS REPORT (include their location and identify whether any are exempt or protected by copyright):

- None

APPENDICES TO THIS REPORT:

- Private Sector Housing Strategy 2014-17

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