



Corporate and Scrutiny Management Policy and Scrutiny Committee

9th May 2016

Report of the Assistant Director, Housing and Community Safety

Review of the Private Sector Strategy

Summary

1. This report presents information on the ongoing work to revise the Private Sector Housing Strategy in support of the recent pre-decision call-in.
2. In reviewing the Private Sector Strategy two key areas of work has been taken into account:
 - a. The new evidence base for private sector stock from the Building Research Establishment (BRE); and
 - b. The recent government consultation on extending Houses in Multiple Occupation (HMO) licensing, our response to the consultation and our proposed approach towards future HMO licensing and the review of the city wide accreditation scheme.

Background

3. Since 2003 York has had a Private Sector Strategy, developed with the input of a Steering Group of internal and external partners, which focuses on the largest housing sector in the city and uses the evidence base provided by stock condition surveys to identify areas of work. The key outcomes from the 2008-13 strategy were:
 - For home owners: a focus on expanding the role of the AgeUK York Home Service Directory and the provision of advice and assistance to the most vulnerable homeowners to help them maintain their homes including the provision of a limited number of loans funded through the recycling of grant/loans. The most recent being the development of the new Energy Repayment Loan due to be launched in Summer 2016.

- For landlords and tenants: the implementation of Article 4 to help control and manage the number of Houses in Multiple Occupation (HMOs) across the city and the renewal of the Mandatory HMO licence scheme to ensure that the HMOs are safe to live in. The introduction of the innovative accreditation scheme **YorProperty** towards the end of 2015 which aims to raise standards throughout the private rented sector by recognising landlords who provide well managed and well maintained properties. The introduction and growth of the **YorHome** Social Lettings Agency to help residents access the private rented sector.
- For the most vulnerable residents: an increasing number of residents have been helped to access the disabled facilities grant. A direct comparison of the same period under the previous strategy (2003- 2008) saw nearly 37.8% more residents helped to remain safe and independent at home, this was complimented by the expansion of the York Handyperson scheme.
- For all residents: the introduction of the separate Empty Property Strategy has enabled the council to reduce the number of empty homes and at the same time maximise the amount of funding through the New Homes Bonus and resulted in the council obtaining its first compulsory purchase order.
- Partnership work has resulted in a number of successful funding bids, for example;
 - a) Two successful Warmer Homes Healthy People Fund bids (AgeUk York/Yorkshire Energy Partnership/Public Health)
 - b) Fuel Poverty Fund bid led by York on behalf of York and North Yorkshire enabled more than 200 energy efficient boilers to be installed, by the Yorkshire Energy Partnership, in vulnerable residents homes across York And North Yorkshire
 - c) There have been several schemes in York which have seen an improvement in the energy efficiency of private sector homes with the aim of reducing carbon emissions and fuel poverty in the city. The most significant recent ones being:
 - More than 1600 private homes insulated under the 'Wrapping up York' Scheme 2012-13;

- 2012/13 also saw the completion of the Community Energy Saving Programme (CESP) in the Hull Road area of the city. The following measures were installed across all tenures

Scheme	Loft	Cavity	Solid Wall	Heating	PV panels
CESP	221	19	30	47	32

- The Warming up York scheme (DECC funding) helped 31 homeowners to install external solid wall insulation.
 - Launch of the collective switch in spring 2013 helped over 1000 residents to switch to energy suppliers offering cheaper tariffs. This has helped more than 1000 households in York save an estimated £200,000 off their energy bills.
4. The refresh of the 5 year Private Sector Housing Strategy was delayed to enable a refreshed evidence base to be developed to ensure that any new strategy was able to respond to any newly arising issues.
 5. In February 2015 Cabinet approved the commissioning of research as part of a wider tender with other local authorities within the Leeds City Region to ensure economies of scale in tender price and to develop a consistent evidence base with our near neighbours. In addition, it was agreed that a Health Impact Assessment would be carried out as part of the research and that the data would be linked to the Local Property Gazetteer. The total cost of the research was £46k.
 6. In July 2015 the council commissioned the BRE to provide two key reports:
 - a. On the condition of the private sector housing stock;
 - b. A Health Impact Assessment of poor housing conditions in terms of their effect on occupiers and visitors.
 7. The BRE reports were received in December 2015 and the new evidence base has been used to draft the new strategy and action plan with Partners (see appendix A and B). As a result of this work there is a now a stronger emphasis of the impact of poorer housing on the health of occupants.

8. In line with previous strategies we have outlined a number of aims and objectives which seek to maintain and improve the condition of private homes (across the owner-occupied and the private rented sector) which forms nearly 85% of the city's total housing stock. The new objectives are:
 - Encourage and support owner occupiers to maintain safe homes, free from category 1 hazards;
 - Encourage, support and regulate private landlords and agents to provide safe and well managed properties, free from category 1 hazards. Inform and support tenants around what they can expect;
 - To enable people whose independence may be at risk safely remain in or return to their home;
 - Maximise use of the existing housing stock to increase the supply of decent affordable homes;
 - Enable more sustainable homes by increasing energy efficiency and reducing fuel poverty;
9. The second aim is of particular significance as it focuses on both the condition and the management of the Private Rented Sector, which forms 19% of the housing stock. As members are fully aware a significant part of the private rented stock is made up of HMOs and that the poorest conditions have been found in this tenure.
10. Our previous strategy and subsequent implementation policy papers approved an approach to ensure that we licensed all HMOs which are required to be licensed by the national mandatory scheme and to introduce a voluntary accreditation scheme not only to raise standards in HMOs not covered by the scheme but also in the wider private rented sector.
11. In 2012 the development of an accreditation scheme for private rented properties was approved and subsequently introduced in 2013. In 2014 the implementation of the accreditation scheme was reviewed following its first year. In February 2015 following a consultation exercise with tenants, landlords/letting agents and residents, the then Cabinet approved that we should continue with the accreditation scheme but to commission the BRE to provide an updated evidence base and then to carry out a more detailed consultation focusing on groups which didn't respond.

12. In the intervening period the government issued a consultation document in November 2015 asking for views from the sector about, amongst other things, extending HMO licensing to smaller HMOs. The government covering report advised that they were minded to extending licensing to two storey HMOs with 5 or more occupants. Our response was to simplify the process that all HMOs should be licensed. This would effectively bringing licensing and planning legislation in line.
13. Telephone discussions with government officials advise that there has been a good response to the consultation and that they will publish the response sometime in spring and, if they are “minded to”, that some legislation would be enacted towards the backend of this year.

Consultation

14. The steering group of Partners has met to consider the new evidence base to develop a new strategy. A wider consultation is now taking place which will end on the 20th May to capture views from others including the private rented sector e.g. Landlords, Landlord Association, tenants, other stakeholders and residents

Council Plan

15. The Private Sector housing Strategy ties in to the three key priorities for the council
 - **a prosperous city for all** - where local businesses can thrive and residents have good quality jobs, housing and opportunities
 - **a focus on frontline services** - to ensure all residents, particularly the least advantaged, can access reliable services and community facilities
 - **a council that listens to residents** - to ensure it delivers the services they want and works in partnership with local communities

Implications

16. The report is for information only and there are no other implications at this stage.

Risk Management

17. There are no risks associated with this report

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**Report
Approved**

Date 25th April 2016

Wards Affected: *List wards or tick box to indicate all*
All

For further information please contact the author of the report

Background Papers:

- February 2015 Cabinet Report and supporting papers.
<http://democracy.york.gov.uk/ieListDocuments.aspx?CId=733&MIId=8333&Ver=4>
- BRE Research
 (available with the online agenda papers for this meeting)
- Proposals Regarding the Introduction of a Voluntary Landlord Accreditation Scheme in York – report to Cabinet 4th December 2012
- “YorProperty” – The Introduction of a Voluntary Landlord Accreditation Scheme in York – report to Cabinet Member 13th June 2013
- Approval steps for additional and selective licensing designations in England – DCLG Guidance Document
- Relevant research documents and details relating to specific schemes – details available from the author on request
- Private Sector Stock Condition Survey 2008
- Findings of York Private Rented Sector Consultation Oct/Nov 2014
- Controlling the Concentration of Houses in Multiple Occupation Supplementary Planning Document Review – report to Cabinet 7th January 2014

Annexes

Annex 1 - Draft Private Sector Strategy

Annex 2 - Draft action plan

Abbreviations

Houses in Multiple Occupation (HMO)

Building Research Establishment (BRE)

Community Energy Saving Programme (CESP)