

**Meeting of the Executive Member for Housing
and Adult Social Services and Advisory Panel**

8th December 2008

Report of the Director of Housing and Adult Social Services

Approval of the Private Sector Housing Strategy 2008 - 2013

Summary

1. To note the review of the private sector housing strategy and approve the contents of the new strategy that will cover the period between 2008 and 2013.

Background

2. The City of York Council Private Sector Housing Renewal Policy was published in 2003 and included objectives and action plans that took into account two key pieces of legislation, 2002 Regulatory Reform (Housing Assistance) (England and Wales) Order which gave general power to local authorities to provide financial assistance through grants, loans and equity release products, and the Housing Act 2004, which introduced a new test of housing fitness (HHSRS) and mandatory licensing. These along with PSA:7, which extended the requirement to achieve decent homes standard in the private sector informed the key outcomes of the strategy
2. Key objectives for 2003-07 strategy were:
 - Introduction of a new grants policy to include 3 categories of grants, disabled facilities grants, repair grants and landlords
 - Preparation on an empty homes policy
 - Setting up a Home Improvement Agency
 - Assessment of the impact of the Housing Act 2004 and the introduction of mandatory licensing
 - Establishment of a sub regional equity release scheme for owner occupier who are not eligible for grant assistance
3. There have been significant achievements in the last five years:

- A reduction in the overall proportion of Unfit¹ homes from 4.9 per cent in 2002 to 2.1 per cent, representing a net reduction of 1,793 dwellings. The national average in 2008 was 3.9 per cent.
- Less than 20 per cent of private sector homes failing the Decent Homes Standard² against a national average of 37.5 per cent.
- Less than 10 per cent of homes containing hazards detrimental to health or posing a serious risk to safety against a national average of 23.5 per cent.
- Almost 80 per cent of vulnerable private sector households living in homes classed as Decent, well ahead of the Government target of 70 per cent by 2010.
- A significant increase in the overall energy efficiency of dwellings to levels well above the national average.³
- Very low rates of long term empty properties⁴ and low rates of overcrowding.
- Good use of partnership working particularly with the Energy Savings Trust Advice Centre, Safer York Partnership and Home Improvement Agency. Regular forms of engagement with key stakeholders through landlords conference, focus groups and Voluntary Code of Practice for student landlords.

Private Sector Housing Condition Survey

4. During 2008 consultants, David Adamson, undertook a condition survey of the private housing in York. This included owner occupied and private rented housing. This survey provides the evidence base for the development of the strategy and informs the priorities.
5. A sample of 1721 houses were surveyed, and concluded that housing conditions in the city are better than the national average and have continued to improve since the last survey undertaken in 2002. However, although significant progress have been made, and this needs to continue, in addressing poor housing conditions, some underlying problems remain and will be addressed in any future strategy
6. Specifically the issues highlighted were:

¹ An Unfit home is one that fails to meet Section 604 of the Housing Act 2005

² The Decent Homes Standard has now replaced the Fitness Standard and prescribes a minimum standard for domestic dwellings.

³ Energy efficiency is measured using the Standard Assessment Procedure (SAP). SAP is expressed on a scale of 1 to 100 – the higher the number, the more energy efficient the dwelling. Average SAP levels for the city have increased from 47 in 2002 to 65 in 2008, against a national average of 47.

⁴ Less than 1 per cent of the private sector housing stock in York is empty for more than six months.

- Above average rates of poor condition in the Micklegate, Guildhall and Hull Road areas
 - Poor performance in the private rented sector especially in shared multi occupation properties
 - Concentration of poor conditions in pre 1919 housing and converted flats
 - Association of poor housing conditions and vulnerable households
 - Levels of equity owner occupiers have in their properties
8. Although the key messages from the survey are that the housing stock is generally in a good condition it should be recognised that significant resources are required to bring all the homes in York up to decent homes standard. However, it must be emphasised that the majority of this cost will be met by owner occupiers and landlords improving and repairing their homes. The focus of the strategy is to these owners to maintain their properties, and to provide a safety net for vulnerable households. A copy of the Private Sector House Condition Survey report executive summary is attached as Appendix 1. A full copy of the survey is available on request.

Consultation

9. The strategy has been developed by the Private Sector Partnership group and it is this group that will ultimately monitor the action plan. The membership of this group reflects the fact that the majority of the housing in York (83%) is privately owned, and with increasing pressure on the city's affordable housing stock we must ensure that the private sector plays a full part in meeting the city's housing need. Membership includes Primary Care Trust (PCT), Safer York Partnership, Learning, Culture and Children Services, Age Concern, Older Peoples Services, Home Improvement Agency, Energy Savings Trust, Executive Member for Housing and Adults Social Services, City Strategy Local Development Framework and Housing Services. The steering group signed off the final draft strategy and action plan in November 2008.
10. As well as the partnership group, views on the strategy and priorities for the future have been sought from landlords at the landlords conference and through individual mail outs, and with landlord representative bodies. The key messages from the landlords is that they would like to have more training and information, and work with the council to improve the overall image of the private rented sector.
11. A short questionnaire was sent out to individual home owners, who were a representative sample of households across the city who participated in the stock condition survey. The key messages from these individuals is that awareness of services across the city is low and therefore we need to increase

public awareness to encourage and support owner occupiers, as well as targeting the most vulnerable

12. Further details of the consultation responses are available on request.
13. Feedback from stakeholders has been incorporated within the strategy and action plan.

Options

Option one

14. To endorse the review of the Private Sector Strategy and the objectives and priorities identified to 2013.

Option two

15. Not to endorse the review of the Private Sector Housing Strategy and the objectives and priorities identified to 2013.

Analysis

16. The strategy sets out how the council and its partners will work to help improve and maintain the condition and management of owner occupied and privately rented homes in York.
17. Investing in private sector homes and ensuring standards are maintained goes a long way in delivering a wider range of positive outcomes for local residents .
18. The partnership group has agreed five strategic aims that will contribute towards the outcomes:
 - Encourage and support owner occupiers to maintain and repair their homes and introduce energy efficiency measures
 - Encourage private landlords to provide good quality and well managed properties for their tenants
 - Help people whose independence may be at risk remain in or return to their homes
 - Maximise use of existing housing stock to increase the supply of decent affordable homes
 - Strengthen existing and develop new partnerships to support the private housing sector
19. The action plans focus on the outcomes we would like to achieve and will be developed, updated and monitored regularly with an annual review to ensure that it keeps pace with changing needs. The monitoring will be against the objectives as it is recognised that the actions might change depending on circumstances.

Council resolution on Fuel Poverty and Energy Conservation

20. In September 2008 Council made the following resolution:

'Request officers to prepare a report within 3 months outlining options for a Council led area based insulation scheme (as proposed by the LGA) to urgently address fuel poverty within the City for both public and private housing'.

21. In response to this resolution, officers approached the CERT (carbon energy reduction target) utility providers earlier this year regarding a possible 'Warm Zone'⁵ scheme in York. The initial response from the utility companies was unenthusiastic, given the good overall energy efficiency of both the public and private sector housing stock in York. However, officers are actively pursuing this line of enquiry and, along with the Energy Savings Trust, have made a further approach to the utility companies with a more robust base of evidence derived from the private sector house condition survey 2008. We are aiming for a definitive response from CERT providers by the end of this year.
22. The CERT funding is linked to clear targets on carbon reduction. However, the issue for many York residents is not necessarily the condition of their home (although we recognise that there are some areas and property types that need targeting) but fuel and actual poverty.
23. It is proposed in the strategy that these issues be addressed by working with partners to develop a dedicated fuel poverty action plan for the city. This would include links to the Inclusive York Forum and their work on anti poverty initiatives, as well as awareness raising with owner occupiers, tenants and landlords on fuel reduction measures. We anticipate this action plan will be completed and ready for consideration by Members by April 2009.
24. The action plan will specifically show how the Council and its partners will work towards delivering National Indicator 187 - Tackling fuel poverty – Percentage of people receiving income based benefits living in homes with a low and high energy efficiency rating. This is a key target in the Sustainable Community Strategy Local Area Agreement.

Corporate Priorities

25. The Private Sector Strategy is linked to various strategies and priorities. In terms of the corporate priorities it is critical to the following:

- Improve the quality and availability of decent affordable homes in the City

⁵ Warm Zones aim to identify all households that need help (in particular the vulnerable and fuel poor) in a given area and give them all available help in a concentrated, cost-effective way. Much of the work to deal with fuel poverty is about installing measures - thermal insulation, draught-proofing and heating to improve comfort in the home. At the same time, sound advice on energy efficiency and benefits entitlement can help to reduce the amount spent on energy and maximise household income.

- Improve the actual and perceived condition and appearance of the city's streets, housing estates and publicly accessible spaces
- Improve the economic prosperity of the people of York with a focus on minimising income differentials
- Improve the health and lifestyles of the people who live in York, in particular amongst groups whose level of health are the poorest
- Reduce the greenhouse gas emissions from council activities and encourage, empower and promote others to do the same
- Improve the life chances of the most disadvantaged and disaffected children, young people and families in the city

Financial Implications

26. There are no direct financial implications for the council, as planned activities will be delivered within existing budgets. We recognise that the responsibility for repairing and maintaining homes rests primarily with the owner of the property. There is significant equity potential within the owner occupied sector estimated at over £9 billion. A key challenge will be to help owners release some of this money, or to draw on other private resources, to fund the necessary repairs.
27. The limited public grant funds available to support delivery of the strategic aims and objectives will be targeted to help vulnerable households who are not in a position to maintain their homes or where it is a cost effective way of meeting broader objectives e.g. increasing the amount of affordable homes in York. The majority of this funding (£900,000 per annum) comes from the Regional Housing Board and the level of this investment is set to continue for the foreseeable future.
28. The strategy sets out our intention to explore the feasibility of a number of new approaches to help meet our strategic aims and objectives. It may not be possible to deliver these within the existing resources allocated to housing services, so these approaches will remain subject to approval of elected Members at the appropriate time.

Equalities Implications

29. As part of the process of reviewing the private sector strategy an equalities impact assessment has been completed.

Legal Implications

30. There are no immediate legal implications

Risk Management

31. In compliance with the Council's risk management strategy, there are no risks associated with the recommendations of this report.

Recommendations

32. That the Advisory Panel advise the Executive Member to endorse the strategy and recommend it's approval.

Reason : To ensure that the housing in York continues to be maintained and managed to a high standard.

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Report Approved Date 19th Nov 2008

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Report Approved Date 24th Nov 2008

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

All

For further information please contact the author of the report

Background Papers:

Private Sector Housing Renewal Strategy 2003 – 2008
Private Sector Stock Condition Strategy 2008-11-03

Appendices

1. Executive Summary Private Sector Stock Condition Survey 2008
2. Draft Private Sector Housing Strategy
3. Draft Private Sector Housing Strategy Action Plan