

**REPORT TO:** Cabinet

**DATE:** 20 September 2006

**REPORTING OFFICER:** Director of Community Services  
*Contact officer : J. Newbegin*

**SUBJECT:** **REVIEW OF PRIVATE SECTOR HOUSING POLICY - SUMMARY**

**WARD/S AFFECTED:** ALL

**FORWARD PLAN REF:** 07/05/DCS115

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## **1.0 PURPOSE OF REPORT**

- 1.1 Following a comprehensive review of the council's role in private sector housing in 2003 a new policy was adopted in June of that year. This was the first time that the Council had published its private sector housing policies together in one policy document.
- 1.2 There was a commitment at that time to revisit the policy once it had been fully operational and recommend any amendments that may be deemed to be necessary.
- 1.3 During the interim period Government announced plans to introduce new housing legislation (Housing Act 2004) which brought in important new provisions. The bulk of these provisions commenced in April this year.
- 1.4 It was therefore considered timely to review policy in the light of these changes and the experience gained from the operation of the policy over the last three years.

## **2.0 RECOMMENDATIONS**

- 2.1 That the policy outlined in the substantive report is approved.

- 2.2 That Council's Private Sector Housing Policy document is amended to take account of the legislation prescribed in the Housing Act 2004.
- 2.3 That in respect of the Council's Repair Assistance Scheme the following changes to eligibility are introduced :
- that a 3 year residency requirement is added to the qualification criteria.
  - eligibility is amended to exclude an applicant if they have an owner's interest in another property, and that if the property in question is owned jointly (excludes husband/wife or partners) then all owners must be on qualifying benefits and live at the property.
  - Where an applicant resides in a flat within a building and the works requested will benefit other occupants within the building then Repairs Assistance is limited only to those works which directly benefit the applicant (i.e. within the applicant's individual unit of accommodation. The only exception to this is where prior written agreement has been secured to apportion costs between flat owners deriving benefit from the works.

### **3.0 RECOMMENDED REASON/S FOR DECISION/S**

- 3.1 There was a commitment to review current policy to ensure that it remains aligned with local needs and Government objectives. It is considered that policy continues to be very effective in delivering these subject to a few amendments to the Repairs Assistance Scheme detailed in 2.3 above, and editing to take account of the new legislative provisions contained in the Housing Act 2004.

### **4.0 ALTERNATIVE OPTION/S CONSIDERED AND RECOMMENDED FOR REJECTION**

- 4.1 Not to undertake a review – this was rejected on the grounds that it is essential to ensure that policy addresses local housing conditions and Central Government's agenda for private sector housing

### **5.0 THE REPORT**

- 5.1 The Director of Resources has been consulted in the preparation of this summary report and the substantive report.

### **6.0 MAIN INTERVENTIONS**

- 6.1 **Repair Assistance Scheme** – this will continue to be the primary method of providing financial assistance (in the form of an interest free loan) to vulnerable households to undertake essential, predominantly repair, work to their property.

- 6.2 **Home Appreciation Loan** - Government recognise that equity release schemes may be the best method of assisting low income homeowners if there is substantial equity value in their homes. In Harrogate it is acknowledged that there are likely to be numerous homeowners that are income poor but equity rich where this type of assistance would be appropriate.

Whilst the Council's Repair Assistance Scheme is a simplistic interest free loan arrangement, the Home Appreciation Loan (HAL) based upon the increase in property values over time, is now available to complement the Repair Assistance Scheme. Both interventions are targeted at vulnerable households and aim to help bring properties up to the Decent Homes standard.

- 6.3 **Energy Efficiency Grant** – One of the most effective methods of helping meet the Decent Homes standard is by increasing the energy efficiency of properties. As such policy response to this area of work has been to develop a separate energy efficiency grant, as the majority of non-decent homes fail under one category only (82.0%). Out of those failing on one criterion only, 63.8% failed due to thermal comfort.

The Council will therefore continue to work closely with The Energy Partnership to deliver increased thermal comfort to the over 60's in the Harrogate District.

- 6.4 **Empty Property Work** - Empty properties within the District remain a priority. Empty homes within the District continue to be a wasted asset. They are a cost to the owner, are frequently the cause of problems for neighbours and do not meet any housing need. For these reasons work to bring them back into use continues to be a priority.

Persuasion, the threat of enforcement and the availability of grant assistance continue to be the main tools used to bring about the renovation and re-use of empty properties.

- 6.5 **Houses in Multiple Occupation(HMO's)** – In addition to ensuring that all HMO's subject to mandatory licensing are inspected and followed through, others will continue to be priority rated and action taken, using the new enforcement provisions, to ensure that they meet required standards. Grant assistance will still be available for works associated with means of escape from fire in line with current policy.

- 6.6 **Disabled Facilities** – The main intervention is the availability of a mandatory Disabled Facilities Grant which is delivered through close joint working between Social Services, the Council and its partner Home Improvement Agency. This form of grant assistance remains subject to regulation, particularly in respect of the means testing of applicants.

## 7.0 CONCLUSION

- 7.1 The Private Sector Housing Policy sets out the nature and extent of assistance that is available to clients within available resources. Interventions are evidence based and are both realistic and achievable and a means of effectively delivering the Government's strategic aims in a local context.
- 7.2 The majority of the policy introduced in July 2003 remains relevant, the main policy document will be amended to reflect legislative changes, detailed in this report, brought about by the Housing Act 2004.
- 7.3 The policy will also be amended to include specific eligibility issues recommended in this report in respect to the Repairs Assistance Scheme.

### Background papers - None

**OFFICER CONTACT:** Please contact Jon Newbegin, Private Sector Renewal Manager if you require any further information on the contents of this report. The officer can be contacted at Dept. Community Services, Springfield House, Kings Road, Harrogate and by telephone on 01423-556887 or by Email – [jon.newbegin@harrogate.gov.uk](mailto:jon.newbegin@harrogate.gov.uk)

### SUSTAINABILITY ASSESSMENT / POLICY CONSIDERATIONS

|      |  | Implications are |         |          |
|------|--|------------------|---------|----------|
|      |  | Positive         | Neutral | Negative |
| A    | Economy                                  | ✓                |         |          |
| B    | Environment                              | ✓                |         |          |
| C    | Social Equity                            | ✓                |         |          |
| i)   | General                                  |                  | ✓       |          |
| ii)  | Customer Care / People with Disabilities |                  | ✓       |          |
| iii) | Health Implications                      | ✓                |         |          |
| D    | Crime and Disorder Implications          |                  | ✓       |          |

If all comments lie within the shaded areas, the proposal is sustainable.

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## **1.0 PURPOSE OF REPORT**

- 1.1 In June 2003 a report examining the Council's role in private sector housing was presented to Cabinet. The background to this was the introduction of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 which repealed much of the existing private sector housing grants legislation and set a new more flexible framework for the delivery of private sector renewal policies. The legislation required that local authorities publish their new private sector renewal strategies by 18<sup>th</sup> July 2003.
- 1.2 There were also other major changes being proposed to national housing policy outlined in the draft Housing Bill published at the end of March 2003. At the same time a new private sector house condition survey was being conducted throughout Harrogate District. For these reasons the Council's private sector housing policy was considered to be an interim one and it was envisaged that it should be subject to review once it had been fully operational and include any further major legislative changes.
- 1.3 This report therefore reviews current policy, aimed at providing a decent home for all, against the backdrop of the results of the house condition survey and in light of new requirements and practice contained in the Housing Act 2004.

## **4.0 RECOMMENDATIONS**

2.3 That the policy outlined in this report is approved.

2.4 That Council's Private Sector Housing Policy document is amended to take account of the legislation prescribed in the Housing Act 2004.

2.3 That in respect of the Council's Repair Assistance Scheme the following changes to eligibility are introduced :

- that a 3 year residency requirement is added to the qualification criteria.
- eligibility is amended to exclude an applicant if they have an owner's interest in another property, and that if the property in question is owned jointly (excludes husband/wife or partners) then all owners must be on qualifying benefits and live at the property.
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## **5.0 RECOMMENDED REASON/S FOR DECISION/S**

3.1 There was a commitment to review current policy to ensure that it remains aligned with local needs and Government objectives. It is considered that policy continues to be very effective in delivering these subject to a few amendments to the Repairs Assistance Scheme detailed in 2.3 above, and editing to take account of the new legislative provisions contained in the Housing Act 2004.

## **4.0 ALTERNATIVE OPTION/S CONSIDERED AND RECOMMENDED FOR REJECTION**

4.1 Not to undertake a review – this was rejected on the grounds that it is essential to ensure that policy addresses local housing conditions and Central Government's agenda for private sector housing.

## **7.0 BACKGROUND**

### **5.1 The Housing Act 2004**

This legislation introduces some fundamental changes to the way in which housing conditions are assessed. It also amends the definition of a House in Multiple Occupation (HMO's) and brings in mandatory licensing for certain

categories of HMO's and selective licensing of certain other residential accommodation.

The Act received Royal Assent on 18<sup>th</sup> November 2004 and the majority came into force by way of commencement orders on 6<sup>th</sup> April 2006.

## **5.2 The Housing Health and Safety Rating System**

5.2.1 Prior to the 6<sup>th</sup> April the statutory standard for assessing housing conditions was the fitness standard. Under the provisions of Section 604 of the Housing Act 1985 a dwelling house was fit for human habitation unless it failed to meet one or more of nine specified criteria, for example, structural stability, freedom from serious disrepair, freedom from serious dampness etc, and as a result of that failure, was not reasonably suitable for occupation.

The standard had been criticised for failing to address many known hazards likely to give rise to harm in dwelling houses, such as poor fire safety, domestic energy efficiency and ergonomics e.g. poor internal arrangement or poor kitchen or bathroom layouts. The government has increasingly favoured a risk assessment approach to housing conditions in order that the most serious health and safety hazards in the housing stock could be addressed – notably cold, slip, trip, fall, fire and radon gas hazards. Because it was felt that the existing fitness standard could not tackle these issues adequately a new Housing Health and Safety Rating System has been introduced to replace the standard.

5.2.2 The Housing Health and Safety Rating System (HHSRS) is a means of identifying faults in dwellings and of evaluating the potential effect of any faults on the most vulnerable person who might occupy the property, not just who is actually living there.

5.2.3 The system grades the severity of any dangers present in the dwelling and provides a means of differentiating between dwellings that pose a low risk to health and safety (category 2 hazard) and those which pose a higher risk (category 1 hazard) such as an imminent threat of serious injury or death.

5.2.4 The system looks at 29 potential hazards and local authorities now have to calculate risk by way of a hazard score. The higher the hazard score the greater the risk to health and safety. Local authorities have a duty to take enforcement action on a category 1 Hazard and power to do so on a category 2 hazard. Enforcement action will include serving an improvement notice, making a prohibition order or emergency prohibition order or serving a hazard awareness notice.

5.2.5 The new inspection and enforcement procedures apply equally to both houses in multiple occupation and other private sector residential properties. Since restructuring the team now has the responsibility for investigation of complaints from tenants or owners in private sector housing. The first notice served under the new regime was an emergency prohibition order relating to an owner occupied property.

### **5.3 Licensing of Houses in Multiple Occupation**

5.3.1 Part 2 of the Act introduced a mandatory national system of licensing for all houses in multiple occupation of three storeys or more and five or more occupants. HMO licences normally last for five years. The new scheme replaces all HMO Registration schemes; certain HMOs that are currently registered will be automatically passported into licensing.

5.3.2 Local authorities are now able to refuse licences for the worst HMO's or impose conditions on the owner. A fine of up to £20,000 can be imposed for breach of a license or operating an HMO without a licence. Local authorities also have the power to extend licensing to all HMO's in all or part of their area if it will help in the development of a co-ordinated approach to homelessness, empty property, and anti-social behaviour. Any extension would however need the approval of the Secretary of State.

Part 3 of the Act enables local authorities to introduce selective licensing for other privately rented property. This provision is primarily aimed at areas of low demand where some private landlords fail to manage their properties. Again the Secretary of State's approval would be required.

Due to the nature of the housing stock in the District there are no plans at present to seek additional approvals for the extension of licensing.

### **5.4 Other additional controls**

5.4.1 These include the ability of a local authority to take empty private homes into management. The property would, however, have had to been empty for at least six months. This type of action must be approved by a Residential Property Tribunal (RPT). The RPT will also act as adjudicators of appeals against the decisions and actions of local authorities in respect of the new housing law procedures brought in by the 2004 Housing Act.

### **5.5 Decent Homes**

5.5.1 The Government's housing objective is 'to ensure that everybody has the opportunity of a decent home and so promote social cohesion, well being and self-dependence'. In 2000 the Government set a standard of 'decent homes' whereby housing should:

- Meet the current statutory minimum standard for housing
- Be in a reasonable state of repair
- Have reasonably modern facilities and services
- Provide a reasonable degree of thermal comfort

5.5.2 A public service agreement (PSA) was set out by the ODPM in 2002. Within this document is PSA target 7 which deals with decent homes. The PSA target is 'By 2010, bring all social housing into a decent condition with most of this improvement taking place in deprived areas, and increase the proportion of private housing in decent condition occupied by vulnerable groups.'

5.5.3 In terms of the private sector, the PSA has set targets for the proportion of

vulnerable households achieving the decency standard by 2005, 2010 and beyond. Government data states that the baseline for 2001 is 57% and that current targets are to increase this to 63% by 2005, to 70% by 2010 and to 75% by 2015/20.

5.6 The Director of Resources has been consulted in the preparation of this report.

## **6.0 TRENDS IN PROPERTY CONDITION**

### **6.1 Cost of Repair**

6.1.2 The 2003 private sector stock condition survey found that the average cost per dwelling of urgent repairs (i.e. those needing to be done within a year) was £1,154 – totalling £72.5M Borough-wide, and for basic repairs (i.e. all work needing to be done within the next 5 years) was £1,639 – totalling £103.1m Borough-wide. The main problem areas, in terms of the amount needing to be spent, were external doors and windows and bathrooms.

6.1.3 For dwellings requiring urgent or basic repairs the great majority require an expenditure of less than £5000. Nearly a quarter of dwellings required no urgent repairs at all.

6.1.4 If repair costs and household characteristics are tabulated together the data shows that single pensioner and lone parent households have higher urgent repair costs. The data also suggests that vulnerable households have significantly higher repair costs for all categories.

### **6.2 Unfitness**

6.2.1 In terms of unfitness it was estimated that there were 2,723 unfit private sector dwellings (4.3% of the private sector stock). It was found that the most common reasons for unfitness were disrepair (51.0%) and food preparation (31.0%). Whilst it must be remembered that surveys are a snap shot of property condition at the time and that any two surveys do not compare the same properties some general comparisons can be made. In the 1995 survey it was estimated there was an unfitness level of 6.5% (3,561 dwellings) , the trend therefore indicates a reduction in levels of unfitness across the District.

6.2.2 In 1995 the main reason for unfitness was dampness (34%), however this was followed by disrepair and food preparation (30%) each. Dampness accounted for just 8.6% of unfit dwellings in 2003 which is significantly lower than previously recorded levels. This suggests that there has been investment in the private sector stock to tackle, particularly, dampness within properties.

6.2.3 In both surveys the majority of unfit dwellings fail the fitness standard due to a single reason. In 1995, 70% of unfits exhibited single item failure compared to 55.2% in 2003.

### **6.3 Energy Efficiency**

- 6.3.1 Regarding energy efficiency both surveys calculated the average SAP rating. The problem is that in the intervening period the Government changed the SAP calculation and the scale of ratings. Whilst the SAP rating was expressed as a number between 1 and 100 in 1995, it is currently expressed on a scale of 1 to 120. The SAP rating in 1995 was estimated at 28 and in 2003 it was calculated to be 46, which is still below national and regional averages.
- 6.3.2 In general the 1995 and 2003 surveys demonstrated similar stock characteristics. Taking account of the time period between the two surveys and changes in calculations, in general the characteristics of unfit dwellings were broadly similar, whilst dwellings' energy efficiency appear to have improved.

#### **6.4 Housing Health and Safety Rating System**

- 6.4.1 The 2003 survey also looked at the implications of the new Housing Health and Safety Rating System on the stock. Ten hazards were looked at out of the 29 potential hazards in the rating system. The majority of the hazards chosen account, nationally, for over 90% of all occurrences of hazardous dwellings.
- 6.4.2 The results indicate that the two hazards that are most likely to lead to a mandatory response are fire and falls on stairs. In total 6.9% of dwellings have at least one hazard described as requiring a mandatory response. Again vulnerable households are more likely than average to be in the mandatory category.
- 6.4.3 The survey compared the private sector stock against the Government's decent homes standard. Within the district it was estimated that 16,831 dwellings, representing 26.8% of the private sector stock would be categorised as non-decent. In other words some 73.2% of homes in the district are decent, this is much higher than the overall national level of 57% in 2001 and almost as high as the target of 75% for 2015/20.

#### **6.5 Decent Homes**

- 6.5.1 Thermal comfort was found to be the main reason for dwellings failing the decent homes standard (66.1%) followed by disrepair (35.3%). The majority of non-decent homes fail under one category only (82.0%). Out of those failing on one criterion only, 63.8% failed due to thermal comfort. In terms of household characteristics, lone parent households are significantly more likely than other households to be living in non-decent homes, as are special needs households. The data also shows that 'vulnerable' households are more likely than other households to be living in non-decent accommodation. However, the proportion of 'vulnerable' households in non-decent homes (37.4%) is below national estimates of around 43%.
- 6.5.2 The survey estimated that the average non-decent home would cost £2,381 to make it decent, resulting in a district wide cost of £40.1m.

## **7.0 DISABLED FACILITIES GRANTS**

- 7.1 Disabled Facilities Grants (DFG's) remain the only mandatory grant available. Eligible applicants are entitled, subject to means testing, to a grant up to £25,000 for qualifying works.
- 7.2 The Regulatory Reform Order 2002 enabled local authorities to give discretionary assistance. The Council used this power to allow a discretionary top-up interest free loan of up to £10,000 for applicants who qualify for mandatory DFG assistance where the cost of the work exceeds £25,000 and the applicant does not qualify for full assistance from North Yorkshire Social Services for means tested top-up funding.
- 7.3 In addition the Council also offers the same sort of assistance where the property of an owner-occupier (who qualifies for mandatory DFG) is not suitable or reasonably capable of being adapted for the needs of the disabled person. In this case the loan is to help enable the client to move to a more suitable property.
- 7.4 The Regulatory Reform Order also made DFG's available to disabled occupants of 'qualifying park homes'. However, the definition of qualifying park home excluded some groups of caravan occupants from eligibility, including the majority of Gypsies and Travellers. Within the new Housing Act 2004 this has been rectified by the substitution of 'qualifying park home' with the term 'caravan' and replacing the term 'pitch' with the term 'land'. This amendment does not apply to applications for DFG made before the date on which the section came into force.
- 7.5 In December 2004 the Government made a significant amendment to the means testing criteria which effectively abolished means testing applicants where the disabled person is a child. The effect of this on budget provision will be closely monitored.

## **8.0 POLICY RESPONSE AND RECOMMENDED REVISIONS**

### **8.1 Repairs Assistance Scheme (RAS)**

- 8.1.1 In terms of tackling disrepair and providing assistance to vulnerable householders the main intervention has been the operation of the **Repairs Assistance Scheme**. The move from direct grant giving, as was the case with the former Home Repair Assistance, is a significant cultural shift and this has been reflected in the scheme's initial slow uptake. For the period the scheme was in operation during 2003/04 there were 14 loans approved. The scheme has now grown in popularity and has been very successful. Last financial year 37 loans were approved, the majority of which were for electrical rewiring, replacement windows/doors and heating. The replacement of windows and doors with more secure and energy efficient units contributes towards increasing the thermal comfort of these dwellings.
- 8.1.2 The scheme targets those who genuinely cannot afford to carry out works to

their property. Operation of the scheme has, however, raised some issues where it is felt that there needs to be tightening up on the eligibility criteria. At present there is no residency requirement associated with the scheme. It is recommended that a 3 year residency requirement is added to the qualification criteria. This is to prevent instances where an applicant may, having recently purchased a property which requires repair work undertaken, benefit immediately from loans assistance. The view taken in the past has been that purchasers of property should ensure they have made adequate provision for any necessary works of improvement or repair without recourse to public funds.

- 8.1.3 It is also recommended that eligibility is amended to exclude an applicant if they have an owner's interest in another property. Furthermore, if the property in question is owned jointly (excludes husband/wife or partners) then all owners must be on qualifying benefits and live at the property.
- 8.1.4 Where an applicant resides in a flat within a building and the works requested will benefit other occupants within the building then it is recommended that Repairs Assistance is limited only to those works which directly benefit the applicant. The only exception to this is where prior written agreement has been secured to apportion costs between flat owners deriving benefit from the works.

## **8.2 Home Maintenance Advice Services**

The Government's view remains that it is primarily the responsibility of homeowners to maintain their own property. As part of the initiatives developed in conjunction with the Harrogate and District Home Improvement Agency there is an information service for homeowners aimed at assisting them in maintaining their own properties. Furthermore there is also a free home maintenance advisory inspection service which continues to be available to all home owners in the district offering impartial advice about any repairs and maintenance work needed to their property. This service helps to enable owners to overcome the worries associated with builders quoting to carry out unnecessary work. The Agency maintains a list of around 30 local tradesmen and also offers model contracts which clients can use to help procure necessary works.

In addition the Agency inspection service is used by North Yorkshire Trading Standards as an independent inspection service where complaints of defective workmanship or of cowboy builders are being investigated.

## **8.3 Home Appreciation Loan (HAL)**

- 8.3.1 The Government also recognises that equity release schemes may be the best method of assisting low income homeowners if there is substantial equity value in their homes. In Harrogate it is acknowledged that there are likely to be numerous homeowners that are income poor but equity rich where this type of assistance would be appropriate.
- 8.3.2 Whilst the Council's Repair Assistance Scheme is a simplistic interest free

loan arrangement, another type of loan package, the Home Appreciation Loan (HAL) is now available as a result of regional partnership working.

- 8.3.3 The North Yorkshire Private Housing Group, which represents all eight of the local authorities in the county, had been seeking to develop an Equity Release Loan. The result of this work was the North Yorkshire WISH – a Property Appreciation Loan Scheme aimed at helping the vulnerable and elderly stay **Warm, Independent, Safe and Healthy**. A successful bid was made to the Regional Housing Board for £500,000 of the £1.4 million available through the ODPM Private Sector Commissioning Fund 2004/05. This money was intended to be used to fund the proposed loan pool and to fund a project worker to help establish the scheme.
- 8.3.4 The North Yorkshire WISH was developed to contribute to a number of private housing agendas - decent homes, affordable warmth, sustainable communities and health - whilst also encouraging homeowners to take responsibility for their own homes and therefore reduce grant dependency.
- 8.3.5 Originally it was assumed that the money available through the Regional Housing Board would be a cash specific grant, however, it transpired that the assistance would be in the form of supported borrowing.
- 8.3.6 The formula for RSG does not work well for Harrogate; hence there would be no extra grant to offset the extra debt charges to the general fund resulting from the supported borrowing. For a local authority to act as scheme banker it should be one able to derive Revenue Support Grant. None of the local authorities in North Yorkshire were in a position to be able to undertake this role. Following discussions with the Government Office for Yorkshire and the Humber it was agreed that Sheffield City Council would act as banker and the North Yorkshire scheme could merge with the project that was progressing in South and West Yorkshire to develop a similar product. The Government Office felt that there was much to be gained from a regional approach, as it was something that the Regional Housing Board wanted to pursue in its investment strategy. The outcome of this regional partnership working has been the launch of 'The Yorkshire and Humber Regional Homes Loans Service' which is a Home Appreciation Loan which aims to help, particularly, the elderly and most vulnerable homeowners bring their homes up to the decent homes standard. We have three cases where interest has been expressed in going down the route of a Home Appreciation Loan.

## **8.4 Energy Efficiency**

- 8.4.1 In terms of meeting the Decent Homes standard energy efficiency is a key area. Policy response to this area of work has been to develop a separate energy efficiency grant. As stated previously the majority of non-decent homes fail under one category only (82.0%). Out of those failing on one criterion only, 63.8% failed due to thermal comfort.
- 8.4.2 The Profile of Fuel Poverty Report issued by the Energy Saving Trust, Local Authority Support Programme in 2003 indicated that fuel poverty in Harrogate

District stood at approximately 20%. Although this level is below the national average of 23%, continuing rises in energy prices will increase the number of households suffering from fuel poverty and enlarge the sector of fuel poor households with incomes above the qualifying level for income related benefits. As a consequence there will be new households suffering fuel poverty for the first time which will include households with residents, over the age of 60, who are in the most danger from experiencing the consequences of premature, avoidable cold related illnesses.

8.4.3 Energy Efficiency Grants are available for loft and cavity wall insulation plus heating upgrades. Eligibility for grant assistance continues to be refined to take account of changes to qualification criteria for the national Warm Front scheme. The Council's current scheme targeting the over 60's in Council Tax bands A, B or C has been used as a model for 5 Local Authority's schemes within the County.

## 8.5 Empty Properties

8.5.1 Work on empty properties within the District remains a priority. Empty homes continue to be a wasted asset. They are a cost to the owner, are frequently the cause of problems for neighbours and do not meet any housing need. The District remains one of high property demand and high property values, planning targets for new housing are difficult to meet and linked to the increasing numbers of homeless households there is a growing need for affordable housing.

8.5.2 Through Empty Property Grant the Council aims to provide affordable housing for rent whilst securing nomination rights to those properties in exchange for the financial assistance. With the downturn in available capital receipts to support this work the Council intends to bid for funding from 2008/9 in order to be able to provide the continued financial backing necessary to maintain interest in this scheme.

8.5.3 Restructuring of the Department led to the formalisation of a full-time Empty Property Officer on the establishment. This has resulted in a more co-ordinated and pro-active approach being taken to identify and tackle long term empty properties.

8.5.4 Council tax information has been obtained and this data analysed to identify, initially, long term empty properties i.e. those known to be empty prior to 2000. Owners of 145 of these properties have been sent a mail-shot to gather information on the reasons for the properties being empty as this indicates the direction in which policy and practical action should go in order to help bring properties back into use. Depending upon the response further letters are designed to bring pressure to bear encouraging action to bring the units back into the useful housing stock. In total more than 450 letters and questionnaires have been sent to owners of long term empty properties. The letters also serve to remind owners that since 1<sup>st</sup> April 2004 the 50% discount on Council Tax for empty properties was withdrawn and that they are now liable for payment of full Council Tax.

8.5.5 As a result of this pro-active initiative using both the 'carrot' of grant assistance and the 'stick' of formal action (i.e. compulsory purchase), in 2005/06 a total of 25 units of accommodation were either brought back into use or renovated to enable occupation. Thirteen of these units have been provided by way of grant assistance and are therefore affordable units to which the Council has nomination rights.

8.5.6 The Housing Act 2004 also contains new provisions about the occupation of privately owned empty homes, through the introduction of Empty Dwelling Management Orders (EDMO's). An EDMO enables a Council to take management control of a dwelling so that it can secure occupation of it. In effect it allows the Council to 'step into the shoes' of the owner of an unoccupied dwelling.

8.5.7 When an EDMO is in force, the Council takes over most of the rights and responsibilities of the relevant proprietor and may exercise them as if it were the relevant proprietor. Whilst an EDMO is in force the Council can recover repair costs and management costs from any rental income it receives from tenants. The proprietor does, however, retain their right to dispose of their interest in the dwelling.

8.5.8 At the present time the Council has no cases where it wishes to apply for an EDMO. As there would potentially be an initial cost to the Council in taking this course of action, a further report will be brought to Cabinet to seek approval to progress an EDMO if and when a case requiring this action occurs.

## **8.6 Houses in Multiple Occupation (HMO)**

8.6.1 As mentioned earlier in section 5.3 one of the major changes that the Housing Act 2004 introduced was the mandatory licensing for certain categories of Houses in Multiple Occupation. In addition to this a new definition of HMO was introduced. The new definition remains complicated and further guidance on certain categories of HMO are still awaited from Central Government.

8.6.2 It is an offence to manage a HMO which is subject to licensing and for which no application for a license has been made.

8.6.3 License fees have been set (see appendix 1) and a separate policy covering HMO licensing is being drafted to set out how Harrogate B.C. will carry out the requirements of the Housing Act 2004 in relation to HMO licensing and health and safety hazards.

8.6.4 Houses in Multiple Occupation will continue to be priority rated and action taken to ensure properties meet required standards especially those subject to licensing or those with inadequate means of escape in case of fire. Grant assistance for works associated with means of escape will continue to be available at 50% of reasonable costs for high priority HMO's (including licensable HMO's) and 40% for low priority HMO's. The exact amount of grant

aid will be adjusted based upon whether enforcement action has been necessary in the past or whether rents charged are deemed to be reasonable.

## 8.7 Disabled Facilities Grants

8.7.1 These remain subject to mandatory regulations, however the process is subject to a wide ranging Government interdepartmental review (formerly the Office of the Deputy Minister, Department of Health and the Department for Education and Skills) of the Disabled Facilities Grants programme. This review included the commissioning of an independent study by Bristol University.

8.7.2 The ending of means testing for adaptations in respect of children was one of the recommendations which was introduced at the end of 2005. Whilst the final proposals have yet to be published it is likely that there will be significant strategic and operational changes impacting on the way the programme is delivered in the future. Any impact on budgetary provision will have to be assessed at that time.

## 9.0 CONCLUSION

9.1 The Private Sector Housing Policy sets out the nature and extent of assistance that is available to clients within available resources. Interventions are evidence based and are both realistic and achievable and a means of effectively delivering the Government's strategic aims in a local context.

9.2 The majority of the policy introduced in July 2003 remains relevant, the main policy document will be amended to reflect legislative changes, detailed in this report, brought about by the Housing Act 2004.

9.3 The policy will also be amended to include specific eligibility issues recommended in this report in respect to the Repairs Assistance Scheme.

### Background papers - None

**OFFICER CONTACT:** Please contact .Jon Newbegin, Private Sector Renewal Manager if you require any further information on the contents of this report. The officer can be contacted at Dept. of Community Services, Springfield House, Kings Road, Harrogate and by telephone on 01423-556887 or by Email – [jon.newbegin@harrogate.gov.uk](mailto:jon.newbegin@harrogate.gov.uk)

### SUSTAINABILITY ASSESSMENT / POLICY CONSIDERATIONS

|     |  | Implications are |         |          |
|-----|--|------------------|---------|----------|
|     |  | Positive         | Neutral | Negative |
| A   | Economy                                  | ✓                |         |          |
| B   | Environment                              | ✓                |         |          |
| C   | Social Equity                            | ✓                |         |          |
| i)  | General                                  |                  | ✓       |          |
| ii) | Customer Care / People with Disabilities | ✓                | ✓       |          |

|      |                                 |  |   |  |
|------|---------------------------------|--|---|--|
| iii) | Health Implications             |  |   |  |
| D    | Crime and Disorder Implications |  | ✓ |  |

If all comments lie within the shaded areas, the proposal is sustainable.