

REDDITCH BOROUGH COUNCIL

**EXECUTIVE
COMMITTEE**

20th October 2010

REGIONAL HOUSING POT GRANT PROPOSALS

Relevant Portfolio Holder	Cllr Brandon Clayton, Portfolio Holder for Housing, Local Environment and Health
Relevant Head of Service	Angie Heighway, Head of Community Services
Non-Key Decision	

1. SUMMARY OF PROPOSALS

To consider proposed uses of the Regional Housing Pot Grant for loans to landlords of houses in multiple occupation (HMOs) to the value of 50% of the required work, subject to a maximum of £3,000 per unit of accommodation that is repayable when ownership of the property is transferred, Private Sector Housing software and research & intelligence projects.

2. RECOMMENDATIONS

The Executive Committee is asked to RECOMMEND that

- 1) That up to £30,000 of the Regional Housing Pot be transferred to the 2010/11 Capital Programme for loans to landlords of HMO's; and**

to RESOLVE that

- 2) That up to £10,000 of the Regional Housing Pot be used for the purchase of appropriate management software for the Private Sector Housing Team and;**
- 3) That up to £50,000 of the Regional Housing Pot be used for the following strategic housing research & intelligence projects including**
 - Private Sector Stock Condition report**
 - Strategic Housing Market Assessment**
 - Worcestershire Housing Strategy**
 - Worcestershire Local Investment Plan**

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3. BACKGROUND

- 3.1 The Council currently has £154,000 unallocated Regional Housing Pot Grant from its 2009/10 & 2010/11 allocation. This Grant was given via the Regional Housing Board for the purpose of dealing with issues regarding non decency of properties occupied by vulnerable people in the private sector.
- 3.2 The Government set a target for Local Authorities to achieve 70% of vulnerable occupiers living in decent housing in the private sector by 2010. The Council has exceeded this target. "Vulnerable" households are defined as those in receipt of income or disability related benefits.
- 3.3 The last Private Sector Stock Condition Survey and Housing Needs Survey were completed in 2005 and 2006 respectively, and are at the end of their useful life.
- 3.4 There are no current systems in place within the Council to monitor complaints regarding private sector housing issues. Officers are unable to ascertain who is dealing with which complaint and at what stage the complaint is at and this ultimately impacts upon customer service.
- 3.5 The Council has given 'Lifetime loans' to HMO landlords for a number of years however no allocation was requested for 2010/2011. Without assistance landlords may choose to no longer provide this type of accommodation.
- 3.6 There are an estimated 170 HMO's and are considerably older than the rest of Redditch with 64% of HMO's built before 1919.

4. KEY ISSUES

- 4.1 Houses in multiple occupation (HMO's) pose far greater risks to their occupants than single household dwellings, in particular in respect of fire. The Housing Act 2004 introduced mandatory licensing of larger, higher risk HMO's
- 4.2 There are an estimated 170 HMO's in the Borough. The stock condition survey 2005 found that 76% of HMO's had at least one problem in terms of unfitness, disrepair and energy efficiency and 64% had inadequate fire precautions.

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- 4.3 Without assistance landlords may choose not to operate HMO's which will have a significant impact on the provision of accommodation for single people and add further pressures on the Council's waiting list.
- 4.4 In order for the Council to have effective strategic housing and planning policies the Council is required to make assessments of the market and condition of the properties in the Borough. The Assessments will also assess the viability of current and future market and affordable housing developments and the impact and needs required from the private sector in meeting demand.
- 4.5 The Council is currently working with the local authorities in Worcestershire to produce a Countywide Housing Strategy and the Local Investment Plan for Worcestershire with the Homes & Communities Agency.
- 4.6 The Local Investment Plan will be used by the Homes & Communities Agency when considering the funding requirements and priorities for Worcestershire and Redditch.
- 4.7 In order to performance manage and provide information to assist in the strategic direction of the Private Sector Housing Team a database system is required to ensure the limited resources of the team are effectively utilised.
- 4.8 Owners of properties are now able to convert house's in to HMO's without planning permission, therefore more proactive inspections are required to ensure any HMO's meet the required standards for this type of property.
- 4.9 Officers will bring a further report on proposals for the remaining monies.

5. FINANCIAL IMPLICATIONS

- 5.1 The Council has £154,000 from the Regional Housing Pot unallocated. The allocation of this report's projects will leave £64,000 unallocated for future projects.
- 5.2 Officers are not able to confirm if an allocation for 2011/12 will be made following the comprehensive spending review announcement.

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6. LEGAL IMPLICATIONS

- 6.1 The Housing Act 2004 introduced a measure for assessing health and safety hazards (HHSRS) and a landlord licensing requirement for houses in multiple occupation (HMOs).
- 6.2 Local Authorities have flexibility in providing discretionary assistance for repairs under the Regulatory Reform Order (RRO) (Housing Assistance) Order 2002.

7. POLICY IMPLICATIONS

- 7.1 The Housing Assistance Policy was agreed by Council on the 30th of January 2006 which introduced loans to landlords of HMO's
- 7.2 The Private Sector Housing Strategy was approved in December 2009.

8. COUNCIL OBJECTIVES

- 8.1 Enterprising Community- Raising the standards of private sector housing by assisting landlords improve their property to ensure tenants live in a safe and secure environment.
- 8.2 Safe - Improve the safety of private sector tenants by ensuring HMO properties have adequate fire precaution.

9. RISK MANAGEMENT INCLUDING HEALTH & SAFETY CONSIDERATIONS

The Council's planning and housing policies will be at risk if appropriate research does not provide a robust evidence base.

10. CUSTOMER IMPLICATIONS

Providing landlords with financial assistance to undertake necessary works will enable the Council to ensure the safety of residents and assist in keeping HMO's within the housing market.

11. EQUALITIES AND DIVERSITY IMPLICATIONS

None

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12. VALUE FOR MONEY IMPLICATIONS, PROCUREMENT AND ASSET MANAGEMENT

All research & Intelligence work will be let following the Council's standing orders.

13. CLIMATE CHANGE, CARBON IMPLICATIONS AND BIODIVERSITY

Results from the private sector stock condition survey will assist the Council to utilise its resources more strategically for energy efficiency and reducing fuel poverty.

14. HUMAN RESOURCES IMPLICATIONS

One part time officer is funded from previous Regional Housing Pot funding to undertake the Council's statutory duty to license and monitor licensable HMO properties.

15. GOVERNANCE/PERFORMANCE MANAGEMENT IMPLICATIONS

None

16. COMMUNITY SAFETY IMPLICATIONS INCLUDING SECTION 17 OF CRIME AND DISORDER ACT 1998

None

17. HEALTH INEQUALITIES IMPLICATIONS

Improving the conditions of the private sector stock will have a positive effect on resident's health & well being.

18. LESSONS LEARNT

Without a robust evidence base the Council is unable to ensure its limited resources are provide in the correct areas and to vulnerable residents.

19. COMMUNITY AND STAKEHOLDER ENGAGEMENT

Officers are discussing with Bromsgrove District Council an appropriate software system.

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20. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	yes
Chief Executive	yes
Executive Director (S151 Officer)	yes
Executive Director – Leisure, Cultural, Environmental and Community Services	yes
Executive Director – Planning & Regeneration, Regulatory and Housing Services	yes
Director of Policy, Performance and Partnerships	yes
Head of Community Services	yes
Head of Resources	yes
Head of Legal, Equalities & Democratic Services	yes
Corporate Procurement Team	yes

21. WARDS AFFECTED

All wards

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