

## PRIVATE SECTOR HOUSING – STANDARDS AND ISSUES RELATED TO RENTED PROPERTIES

### SUMMARY

- 1.1 At the last meeting, the Board requested further information about standards and issues relating to rented properties, in particular, unscrupulous landlords, their responsibilities and the problems leading to and caused by overcrowding. Members also expressed an interest in gaining an understanding of category one faults, houses in multiple occupation licensing and the resources that were currently allocated to the housing standards service.

### RECOMMENDATION

- 2.1 To note the information provided in the report.

### REASONS FOR RECOMMENDATION

- 3.1 Information only was requested by the Board.

### SUPPORTING INFORMATION

4.1 **Background – the size and condition of the Private Rented Sector (PRS) in Derby**

The size of the private rented sector in Derby is growing. A stock condition survey in 2006 suggested there were around 9,500 dwellings in this sector, whereas in 2010 it was known to be nearly 13,000. Figures extrapolated from the English House Survey in 2009 suggest that there may be as many as 4000 dwellings in the private rented sector in Derby with category one hazards present (those considered to be particularly serious).

Over the last 6 years, an average of nearly 600 referrals a year, regarding poor living conditions, have been made to the Housing Standards Team. Approximately half of these have emanated from the Abbey, Arboretum and Normanton Wards. A recent

Shelter report (Asserting Authority: Calling Time on Rogue Landlords 2011) has indicated that four times as many tenants experience housing problems as do report them to local councils, because they fear retaliatory eviction.

The general economic situation along with increased migration of East European workers and the entry of asylum seekers into Derby is likely to increase the size of the rented sector even further. Proposed government legislation such as changes to Housing Benefit rules will force more people, many of them likely to be families, into shared housing.

Three thousand multiple-occupation dwellings were thought to exist in Derby in 2006 (Private Sector House Condition Survey, Derby City Council in Partnership with PPS). This figure could be significantly higher now and will continue to increase. The majority of these are two storey houses and not therefore subject to the controls imposed by the mandatory licensing scheme. It is strongly suspected given the concentrations of two storey Houses in Multiple Occupation in Arboretum, Normanton and Abbey Wards and the numbers of complaints received from these areas, that many are being poorly managed and causing problems for tenants.

The last two years has seen a significant increase in the numbers of crowding and space (overcrowding) referrals made to the Housing Standards Team. During the year 2011/12, 44 referrals were made. Twenty of these were in connection with dwellings in the Normanton Ward and 19 in the Arboretum Ward. During 2010/11, 46 referrals were made. In the three previous years, only 21 referrals were made in each case. It is likely that the influx of East European and Roma families has contributed to this marked increase.

The Housing Standards Team works closely with Partnership Managers for Normanton and Arboretum with regard to the overcrowding of dwellings and the associated problems that brings to the area. A number of Prohibition Orders have been made by officers, requiring landlords to ensure that overcrowding does not occur in their dwellings.

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

The Housing Act 2004 gave Councils' important powers to tackle the health impact of poor housing using the Housing Health and Safety Rating System - HHSRS. The HHSRS replaced the old 'fitness standard'. It identifies and evaluates the risks to health and safety in residential accommodation. There are 29 health hazards in the HHSRS, the more common of which are:

- excess cold
- damp and mould growth
- hazards which cause falls
- entry by intruders
- fire
- crowding and space

When a property is inspected, if any of the 29 hazards are identified as being significant, the severity of each hazard is assessed using a scoring methodology. If the score is more than 1000, it is a category 1 hazard and the Council has a legal duty

to act. If the score is less than 1000, it is a category 2 hazard and the council has a power to take action.

Hazards are rated having regard to the most vulnerable age group. The most vulnerable age group for 'excess cold' is persons 65 years of age and over for example, whereas the most vulnerable age group for 'dampness and mould growth' is children 14 years of age and below.

When rating hazards, officers' cannot take into account the actual occupiers circumstances – except where they are assessing crowding and space. Occupiers circumstances and vulnerabilities - age related or otherwise - can however be considered when enforcement decisions are made.

There are many situations which give rise to category 1 hazards. A few are listed below:

- an absence of central heating in a poorly insulated dwelling
- excessive dampness and mould growth particularly in habitable rooms
- very steep staircases without handrails
- serious disrepair to external doors and windows making it easier for intruders to gain entry
- total absence of fire precaution and warning measures in a dwelling, along side serious disrepair to, or inadequate partition walls doors and ceilings and poor layout of a dwelling, making it easy for fire to spread
- seriously overcrowded dwellings

In 2011/12, the Housing Standards Team dealt with 296 category 1 hazards and 676 category 2 hazards. Their activities led to the improvement of 226 dwellings.

Officers can choose from a variety of options when taking enforcement action, including serving an Improvement Notice requiring remedial action to be taken, or in some cases making a Prohibition Order which prohibits part of, or all of the property from being occupied. A Prohibition Order can also be used to set the maximum number of people allowed to occupy a dwelling, when cases of overcrowding are discovered.

#### **4.3 Houses in Multiple Occupation (HMOs)**

Certain houses in multiple occupation, those with three storeys or more and comprising of 5 or more occupants with 2 or more households, are required to be licensed with the Council. So far, 176 have been licensed.

A survey was carried out in 2009/10 covering most of the inner city area in an attempt to identify unlicensed HMOs. Very few licensable properties were identified as being unlicensed. The survey revealed that a number of landlords were keeping the maximum number of occupants at four, thereby avoiding the need to obtain a licence. Consequently the revised estimate of the total number of licensable HMOs in the City is currently between 200 and 250, though this figure could rise if those landlords who have previously kept occupation down to four people start using all their bed spaces again.

The purpose of HMO licensing is to ensure:

- landlords of the specified HMOs are fit and proper people, or employ managers who are
- each HMO is suitable for occupation by the number of people allowed under the licence
- the standard of management of the HMO is adequate
- high risk HMOs can be identified and targeted for improvement.

It is too early to assess whether in general, HMO licensing has been a success. Anecdotal evidence, from officers, does show that several individual premises have been improved as a consequence of licensing. However, renewal applications are only just beginning to come in (licences last for 5 years) and revisits to check whether licence conditions have been complied with need to be made before an overall assessment of the scheme can be made.

Two prosecutions have been successfully taken against landlords for failure to licence since the scheme was started. There have been other cases where a prosecution was appropriate but obtaining the required level of evidence proved too difficult. In many cases statements from occupiers are needed to prove that the house was in multiple occupation and licensable. Unfortunately it is not always possible to get these. In other instances, landlords have reacted to intervention and evicted tenants, sometimes leaving the property empty or letting the house to a large family.

#### 4.4 **Proposed activities of the Housing Standards Team**

The volume and complexity of the work that the Housing Standards Team is required to deal with is certain to increase over the coming months and years as the prevailing economic conditions and government revisions to the benefit system begin to bite. The numbers of irresponsible landlords in the market could well rise and it is almost certain that the rate at which private rented accommodation falls into a hazardous condition will increase. Other problems are often associated with poor housing such as educational attainment and poor health and the team works closely with colleagues in Adults, Health and Housing to try and address some of these issues.

More recently, a number of waste-related issues have emerged that are associated with privately rented properties, particularly terraced properties. Members may be aware of problems associated with bins on streets, side waste, contaminated bins and fly tipping.

In response to these developments, a number of actions are planned:

- **Targeted approach to bad landlords.** Despite the volume of complaint work that comes in for the team to deal with, it is proposed to introduce at some point in 2012/13 a targeted approach to the very worst landlords who operate in the City. This will involve proactive inspections of properties owned by these landlords and a zero tolerance approach to enforcement.
- **Research to determine whether discretionary licensing powers can be applied in certain parts of the city.** Officers from the Housing Standards Team, subject to available resources and with assistance from other services

in the Council, are currently undertaking research and preparation work to determine whether some form of discretionary licensing is justified in certain parts of the City.

- **Extended resources.** Funding for two additional posts for an initial 18 month period is being sought to support the implementation of a discretionary licensing scheme.

<b>OTHER OPTIONS CONSIDERED</b>
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5.1 Not applicable

This report has been approved by the following officers:

Legal officer	N/A
Financial officer	N/A
Human Resources officer	N/A
Service Director(s)	John Tomlinson

Other(s)	N/A
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<b>For more information contact:</b> <b>Background papers:</b> <b>List of appendices:</b>	Rob Rylott 01332 642366 e-mail <a href="mailto:rob.rylott@derby.gov.uk">rob.rylott@derby.gov.uk</a> None Appendix 1 – Implications
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<b>IMPLICATIONS</b>
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**Financial and Value for Money**

1.1 None directly arising.

**Legal**

2.1 None directly arising.

**Personnel**

3.1 None directly arising.

**Equalities Impact**

4.1 None directly arising.

**Health and Safety**

5.1 None directly arising.

**Environmental Sustainability**

6.1 None directly arising.

**Asset Management**

7.1 None directly arising.

**Risk Management**

8.1 None directly arising.

**Corporate objectives and priorities for change**

9.1 The information set out in this report supports the corporate priorities to ensure the people in Derby will enjoy **good quality services that meet local needs and being safe and feeling safe.**

