

Draft Private Sector Housing Renewal Policy 2011-2014

SUMMARY

- 1.1 The report asks that the Commission consider the draft Private Sector Housing Renewal Policy 2011-2014.

RECOMMENDATIONS

- 2.1 To consider and comment on the draft Private Sector Housing Renewal Policy 2011-2014.

REASONS FOR RECOMMENDATION

- 3.1 The Private Sector Housing Renewal Policy serves to target help across a range of housing-related issues toward the more vulnerable residents within Derby and focuses activity to promote, encourage, support and, where necessary, enforce the improvement and better use of private sector housing.
- 3.2 Internal consultation and a preliminary Equalities Impact Assessment have been undertaken by officers and public consultation has now commenced.

SUPPORTING INFORMATION

- 4.1 In June 2010 the Government explained that its key housing policy goal is to ensure that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live. [Planning Policy Statement 3: Housing 2010]
- 4.2 The majority of housing both nationally and locally is private sector, in the form of either owner occupied or private rented accommodation.
- 4.3 Stock condition surveys show that private sector housing is in a worse condition than public sector housing and that private rented housing is in a worse condition than owner-occupied.

4.4 In Derby there are:

- areas of our city with high concentrations of very poor housing occupied by economically deprived, socially excluded and highly vulnerable communities;
- vulnerable residents and groups of residents either accommodated within, or who could benefit from accommodation within, the private sector;
- long term empty private sector properties that blight neighbourhoods, blight the lives of neighbours and waste a valuable housing resource to the detriment of those in housing need.

4.5 The draft Derby Joint Strategic Needs Assessment (JSNA) 2011 dedicates a chapter to the health impacts of poor quality housing, concluding that:

'Housing is a key determinant of health, poor quality housing being intrinsically linked with poor health. Poor housing conditions continue to cause preventable deaths, illness and accidents; they contribute to health inequalities, impact on peoples life expectancy and on their overall quality of life.'

4.6 The Derby Plan puts the local focus on delivering *'more good quality, affordable housing'* in the City.

4.7 The Council Plan commits to *'delivering improvements to existing private sector housing conditions'* and *'returning empty homes into use'*.

4.8 The Derby HMA Local Investment Plan similarly declares a priority aim to *'improve housing conditions and housing choice'*.

4.9 Through the Private Sector Housing Renewal Policy we strive to help achieve these aims and tackle these concerns, by targeting help toward the more vulnerable, and by taking action to promote, encourage and, where necessary enforce, the improvement and better use of private sector housing.

4.10 Unfortunately, current financial restraints affecting both local government and the private sector have significantly limited the range of options and interventions available and the extent of activity deliverable in support of those that remain. One particularly notable loss being that of our nationally recognised Group Repair programme.

OTHER OPTIONS CONSIDERED

- 5.1 Current financial restraints affecting both local government and the private sector have significantly limited the range of options available. The Policy as proposed makes best use of the available resources.
- 5.2 Internal consultation on the draft Policy and a preliminary Equalities Impact Assessment have been carried out by officers, the minutes and notes being available at Appendices 3 and 4 respectively. No alternative options arose from these exercises.
- 5.3 However, one specific item considered during the consultation relates to how and in what circumstances charges are registered for recovery of Disabled Facilities Grants monies.
- 5.4 The practice at present is to register a local land charge against a property only when a Disabled Facilities Grant aids the build of an extension to a property, thereby adding to property value. The grant monies, over and above £5,000 can then be recovered up to a maximum recoverable sum of £10,000 on future sale of the property. These lower and upper sums are set by Government.
- 5.5 The alternative is to register a charge for all works costing over and above £5,000 (that is, not solely in those cases where an extension is built) and seek to recover those monies up to the maximum of £10,000 on future sale of the house.
- 5.6 The consensus of the consultees was that a continuation of current practice is preferred. The reasoning being that many works on a Disabled Facilities Grant are perhaps removable later for re-use elsewhere, such as a stair-lift, or lead to a slight reduction rather than increase in property value, such as structural changes to accommodate a through-floor lift. However the bigger concern was that the requirement for a charge to be registered may delay the adaptation for the disabled person or perhaps even prevent its installation if relatives were to object to the charge being registered. For these reasons it is proposed that current practice be continued.

This report has been approved by the following officers:

Legal officer	Richard Burton
Financial officer	Peter Shillcock
Human Resources officer	No specific implications
Service Director(s)	Brian Frisby
Other(s)	Chris Salt – Risk Management

For more information contact: Background papers: List of appendices:	Name Ian Fullagar. 01332 287237 e-mail ian.fullagar@derby.gov.uk None Appendix 1 – Implications Appendix 2 – Draft Private Sector Housing Renewal Policy 2011-2014 Appendix 3 – Minutes of Policy consultation event Appendix 4 – Notes of Equalities Impact Assessment
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IMPLICATIONS

Financial and Value for Money

- 1.1 The proposed Policy reflects a range of programmes designed to show value for money across corporate priorities. The costs of delivering the Policy are fully contained within the revised Housing General Fund Capital Programme as approved by Cabinet at its meeting on 15 February 2011.
- 1.2 Whilst funding is secure for 2011-12 and programmed into future years, continued delivery of the services shown will be at significant risk should the Council become unable to offer capital funding support or resource from Supporting People budgets from 2012-13 onwards. This risk will be monitored by the Housing Renewal Review Group, as defined within the Housing Renewal Policy, and will be managed in accordance with the City Council's Risk Management Handbook.
- 1.3 To ensure the continued delivery of the Empty Homes Strategy and to maximise the New Homes Bonus to the council, £60,000 should be top-sliced annually from new homes bonus grant income to partially fund the team into future years as existing capital resources diminish. This proposal is specifically included for consideration for Cabinet decision within the report entitled 'Draft Private Sector Empty Homes Strategy 2011-2014' also appearing on this agenda.

Legal

- 2.1 There are no specific legal implications arising from this proposal.

Personnel

- 3.1 There are no specific Personnel implications arising from this proposal.

Equalities Impact

- 4.1 None directly arising, but the Policy does seek to target resources at the more vulnerable private sector residents.

Health and Safety

- 5.1 None directly arising, but the Policy does seek to target resources at tackling the health impacts of private sector housing conditions.

Env Sustainability

- 6.1 The energy efficiency, fuel poverty and carbon reduction elements of the Policy

contribute to environmental sustainability and to our carbon commitment, as does the re-use of existing empty homes.

Asset Management

- 7.1 There are no specific asset management implications arising from this proposal.

Risk Management

- 8.1 Whilst funding is secure for 2011-12 and programmed into future years, continued delivery of the services shown will be at significant risk should the Council become unable to offer capital funding support or resource from Supporting People budgets from 2012-13 onwards. This risk will be monitored by the Housing Renewal Review Group, as defined within the Housing Renewal Policy, and will be managed in accordance with the City Council's Risk Management Handbook.
- 8.2 Services provided by our regionally funded DASH and HI4EM projects are at risk from 2012-13 onwards unless an alternative source of funding becomes available. The Housing Renewal Review Group will instigate the production of exit strategies for these services when budget monitoring indicates only one years budget remains.
- 8.3 Compulsory purchase orders carry a risk of legal and statutory compensation costs and of challenge at Lands Tribunal of property value compensation. These risks are mitigated by a close and effective working relationship with the City Council's Legal and Asset Management officers.
- 8.4 Empty Homes Assistance is in the form of a loan to a property owner and, as such, carries a risk of payment default. This risk is mitigated by a close and effective working relationship with the City Council's Legal, Finance and Debt Recovery officers. Such loans are subject to scrutiny by the Housing Renewal Review Group before approval and are recorded as a local charge against the property to aid recovery in case of payment default.

Corporate objectives and priorities for change

- 9.1 This proposal supports the following commitments within the Council Plan:
- 'more good quality and affordable housing'
 - 'delivering improvements to existing private sector housing conditions'
 - 'more vulnerable people supported to live independently, including those supported through private sector housing initiatives'
 - 'more empty private sector homes returned to use or demolished'
 - 'less household carbon emissions'

Appendices 2-4

Documents available in the Members Room.