

Community Development Scrutiny Panel	Agenda Item No. 5
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Report of the Head of Neighbourhoods

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UPDATE ON THE WORK OF PRIVATE SECTOR HOUSING

1. PURPOSE

This report is for information only, to update the panel on the recent work being undertaken by Private Sector Housing Officers in relation to the private rented sector.

2. RECOMMENDATIONS

The report is for information only.

3. LINKS TO CORPORATE PLAN, SUSTAINABLE COMMUNITY STRATEGY AND LOCAL AREA AGREEMENT

- Strategic Priority Substantial & Sustainable Growth: Outcome Creating Better Places to Live (GO02) GO2a % of existing homes meeting the decent homes standard in the private sector.
- LAA Priority: Creating Opportunity, Tackling Inequalities. Outcome: Supporting Vulnerable People.
- CPA H18 % of private sector dwellings vacant for 6 months or more

4. BACKGROUND

To provide an update on the work of the Private Sector Housing Team in relation to specific areas of work in regulating and improving the private rented sector, including empty homes, houses in multiple occupation, landlord accreditation scheme and tenancy relations.

5. KEY ISSUES

5.1 Tenancy Relations

- 5.1.1 It has been recognised for some time, that in Peterborough's rented sector a number of landlord and letting agents do not comply with legislation with regard to the standard and letting of rented accommodation. This has been highlighted through the work of the Private Sector Housing Enforcement Officers where once they become involved with the condition and standards of the property the tenants are removed by the landlord sometimes literally overnight. One of the most difficult areas has been around illegal evictions and the lack of tenancy contracts and the provision of rent books in rented accommodation as well as lack of tenants' knowledge around what they are entitled to expect from the landlord when they take on a tenancy.

5.1.2 In 2008 Supporting People funded two temporary Tenancy Relations Officers for a period of six months. The posts have dealt with illegal eviction, harassment, Tenancy Deposit Scheme, Landlord entry without notice, Invalid Notice to Quit, Landlord advice, mediation requests from both landlord and tenant re housing benefit/repairs obligations and General tenancy obligations.

5.1.3 The officers have dealt with 100 enquiries since October and have prevented illegal evictions including those related to repossessions and harassment, as well as preventing some cases having to be dealt with by Housing Options as homeless presentations. They have also progressed several cases towards prosecution to ensure clear and consistent messages are given to landlords and letting agents about how they should let their properties in the city. The referrals into the service have been from a wide range of agencies including health visitors, voluntary sector and the police. The success and level of demand for the service has informed the decision for a permanent Tenancy Relations Officer post to be proposed in the new staffing structure. This post will ensure continuity in preventing unnecessary cases having to be referred to Housing Options officers and private sector housing enforcement officers and reduce homelessness.

5.2 Empty Homes

5.2.1 In recent years Peterborough has made a number of key steps to help bring empty properties back into use including the introduction of Empty Homes Grants, the first use of new legislation and the launch of a Private Sector Leasing Scheme. Peterborough had 1923 empty properties on 1st April 2008, of which 858 were long term empty. Since 2003 266 long term empty properties have been bought back into use, using a range of methods, by the team and under the Empty Homes Strategy.

5.2.2 Following the introduction of the Private Sector Leasing Scheme in April 2007 there have been 34 privately owned empty properties brought up to a decent homes standard and made available to let through Housing Options as social housing. There are currently a further 10 in the process of being prepared.

5.2.3 Peterborough was the first authority in the country to make full use of the new powers granted by government under the Housing Act 2004 and made the first ever Final Empty Dwelling Management Order in July 2008 resulting in a property that had stood empty for over 5 years to be renovated to decent homes standards and become re-occupied within three months of the order being made. A further 10 properties have been identified for Empty Dwelling Management Orders.

5.2.4 The profile of Peterborough and its Empty Dwelling Management Order success has been widely publicised and is featured as an example of best practice by the Empty Homes Agency, Local Authorities Co-ordinators for Regulatory Services (LACORS) and in various industry publications.

5.2.5 With the current economic downturn it is envisaged that the number of empty homes in the city will increase. Therefore to build upon the success in this area of work and to ensure that the housing supply is maximized and issues around crime, anti social behaviour, and blight linked to empty homes is minimized, it is proposed that all the empty homes work is delivered through a dedicated empty homes officer post within the new staffing structure.

5.3 Additional Houses in Multiple Occupation Licensing

5.3.1 The baseline definition of a house in multiple occupation (HMO) is a building occupied by three or more persons forming two or more households and where at least one basic amenity is shared. There are 5 sets of criteria set out in the Housing Act 2004, broadly defining different types of building, and the building must satisfy all the criteria in the relevant set to be considered a house in multiple occupation. These sets are - the standard test, the self-contained flat test, the converted building test, HMO declarations, and converted blocks of flats.

5.3.1 The criteria broadly follow the same pattern, looking to satisfy matters relating to kinship, sharing of basic amenities and tenure. Provision is also made for further definition of kinship, temporary residence (including asylum seekers and migrant workers), tenure and amenities.

- 5.3.2 Any HMO comprising three or more storeys and occupied by five or more persons forming two or more households, is required to be mandatory licensed by the local authority. Within Peterborough there are approximately 150 houses in multiple occupation that require mandatory licensing under the Housing Act 2004. However the city has far more smaller houses being used for multiple occupation causing problems which are not required to be mandatory licensed.
- 5.3.3 With this in mind Private Sector Housing made an application to Communities and Local Government for an Additional HMO Licensing Scheme in December 2008 to cover the smaller houses in multiple occupation. We received approval to make a scheme at the beginning of March this year and indeed are the first local authority in the country to receive permission from CLG for such a scheme.
- 5.3.4 The full title of the designation is 'The Peterborough City Council Designation of an Area for Additional Licensing Of Houses in Multiple Occupation [no 1] 2009.' It is generally referred to as the '(HMO) Additional Licensing Scheme'.
- 5.3.5 The area covered by the scheme covers part of North, Park and Central Wards, specifically an area bounded by the A47 to the north, Fulbridge Road, St Paul's Road, Dogsthorpe Road to the east, Westgate to the south and Bourges Boulevard to the east. The designation includes both sides of the roads forming the boundaries where applicable.
- 5.3.6 The HMOs covered in the designation are those comprising two or more storeys and occupied by three or more persons forming two or more households, and where at least one basic amenity is shared. We estimate that there are 300 houses in multiple occupation within the designated area that will require licensing.
- 5.3.7 An application to Communities and Local Government (CLG) for Selective Licensing, where all rented property is licensed in a designated area, has been considered and preliminary data collection and analysis completed. The area identified is in the same locality as that identified for Additional HMO licensing. As the majority of issues arising in this locality are from houses in multiple occupation, the Additional HMO Licensing Scheme was considered more relevant at this time. Also for any Selective Licensing application to CLG to be considered the local authority has to demonstrate that it has implemented good practice schemes such as Landlord Accreditation which have subsequently not been successful. Peterborough could not do this at this time.

5.4 Landlord Accreditation Scheme

- 5.4.1 Private Sector Housing has been working closely with local letting agents and private landlords to implement the pilot of the Peterborough Accredited Landlord Scheme (pals) that recognises those who are committed to providing properly managed, good quality accommodation to let. The scheme will also benefit tenants who by signing a tenancy agreement with an accredited landlord can be rest assured that the property is safe and the landlord fair and reasonable. The pilot scheme was launched on 9th December 2008 and is a voluntary, free scheme. The scheme has a steering group which is made up from local managing agents and landlords and the landlord accreditation officer.
- 5.4.2 The scheme has two different target audiences:
- Private Sector Landlords (regardless of the size of their portfolio)
 - Managing agents/property management companies.

The scheme has a two tier certification check:

Stage one – certification of management standards which includes:

- Tenancy agreements are in place
- Deposits are registered
- Inventories take place
- Repairs and maintenance are dealt with

- Disputes are managed
- Receipts are given

5.4.3 Stage two – certification that the individual property is a safe, warm and healthy home
Physical standards are checked against the housing, health and safety rating scheme (HHSRS)

5.4.4 To date 15 letting agents and landlords have been accredited under the scheme with a total portfolio of 1758 properties.

5.4.5 The landlord accreditation officer is currently working with Housing Options officers to ensure that all the accommodation used to house homeless and vulnerable residents is accredited through the scheme, as well as providing only accredited landlords and letting agents details for all general housing needs enquiries received by Housing Options.

6. IMPLICATIONS

Staffing costs relating to posts included in the new structures.

The Additional HMO Licensing Scheme is relevant to North, Park and Central Wards.

7. CONSULTATION

7.1 As part of the additional HMO scheme application, we were required to take reasonable steps to consult with persons who are likely to be affected by the designation. To this end we engaged a company experienced in this field who carried out the consultation between 10th and 24th November 2008. The consultation engaged 1416 individuals in and around the designated area including local businesses, landlords and letting agents, residents and the consultation panel. The consultation achieved a 17.5% response, largely in favour of the scheme. Individual written responses were sent to those respondents who requested them.

7.2 As part of the Landlord Accreditation Scheme a landlord and letting agent event was run on 5th November 2008 to consult on the scheme and the pilot was launched on 9th December.

8. EXPECTED OUTCOMES

For information only

9. NEXT STEPS

For information only

10. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

11. APPENDICES

A Geographical area to be covered by Additional HMO Licensing
B The area street plan
C Details of the Landlord Accreditation Scheme