

THURROCK  **COUNCIL**

**Private Sector Housing
Strategy 2014-17**

Revision History

This document will be subject to amendments during the review period and will be updated during this time using formal change control procedures.

Version	Date	Reasons/Summary of changes	Author
1	Oct 13	Creation	R Parkin
2			
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1. Introduction

Thurrock's Vision is to be:

"A place of opportunity, enterprise and excellence, where individuals, communities and businesses flourish".

There are 5 Strategic Priorities that back this vision:

1. Create a place for learning and opportunity
2. Encourage and promote job creation and economic prosperity
3. Build pride, responsibility and respect to create safer communities
4. Improve Health and well-being
5. Protect and promote our clean and green environment.

This strategy describes how Thurrock Housing Directorate will improve conditions and supply of private sector housing over the next 3 years. We hope to improve the health and well-being of the borough by improving the quality of private sector housing, create safer communities through private sector properties with sufficient security and promote the environment by tackling empty homes that can have an impact on communities.

The first year of this strategy relies upon a new style of collaboration with other departments, following the return of Public Health to Local Authority control and the introduction of the Health and Wellbeing Board. There will be an update in December 2014, once the new way of working has taken root.

Over 80% of homes in Thurrock are in private ownership, so improving conditions in this sector is vital to health and wellbeing, prosperity and the environment. In line with the national trend, private tenants are an increasing proportion of households. In Thurrock we experienced almost a doubling of such households, from 8% in 2001 to 14% in 2011; a trend that we are sure will continue. Ensuring that there is a provision of high quality housing in the Thurrock private sector is becoming increasingly important.

Current pressures include poor supply and rising homelessness, rising house prices, rents and fuel costs, benefit restrictions and decreasing Council funds and green grants. The period covered by this strategy is likely to see continued increases in numbers of houses in multiple occupation (HMOs), increased homeless placements in private rented homes (ours and other boroughs) and increased demand driven by proximity to London and the regeneration within Thurrock. The Comprehensive Spending Review, 2015/16 has meant further cuts for local government, excluding the NHS budgets.

The aim of this Strategy is to place private sector housing work within the framework of changes taking place within the Council and the new statutory responsibility for the Health and Wellbeing of residents in the borough. Collaboration between teams internal and external to the Council (health, social care and the police) has been increasingly improving and Housing, through its statutory private sector duties, need to align its priorities to these partnership to ensure that good outcomes for all residents are achieved.

The Government has announced an Integration Transformation Fund for both health and social care, aimed at making sure that the two services are better integrated, to minimise hospital stays (through early intervention and better care at home). The Housing Directorate wants to be a key

part in Thurrock's plans for the fund to ensure that "healthy homes" play a key part in preventing health problems or actively improving them.

Ahead of in-depth consultation and planning with our Health and Wellbeing Board colleagues, our private housing strategy is focused on reaching priority residents more effectively than in the past, using less resources. The work of the private housing team can be expressed as improving the quality of existing homes and neighbourhoods and making more homes available. The Strategy is presented in the following format:

- Health and Wellbeing: this section explains why this has become the top priority for the Private Housing Team, the new management and procurement context and our proposed solution. This includes our new 'Well Homes' index and mapping tool, that helps us understand where priority need is found. Improving the quality of existing homes and neighbourhoods: this details each programme of work that supports the health and wellbeing vision, how it will be funded and our targets.
- Making more homes available: details of our programmes of work aimed at ensuring that there is sufficient housing supply.
- Monitoring and Management: an explanation of how we will know if we are achieving our goals, evaluating if our work is successful, and who will be responsible for overseeing this process

Much of this strategy requires further consultation to be able to complete specific projects such as a Social Lettings Agency and Landlord Licensing. Residents and other stakeholders will be consulted on plans, as they develop and their feedback used to develop and refine our services.

2. Health and Wellbeing

'One of the priorities of the Health and Wellbeing Boards is to improve the health of the poorest to address health inequalities. There is a clear link between deprivation, bad housing, homelessness and health problems' **Shelter**

Good housing and health provide advantages that underpin improved social and economic outcomes. However, more tangibly, ill-health and injury resulting from poor housing directly costs the NHS. The estimated cost of treating accidents and ill-health, caused by Category 1 hazards in Thurrock's private housing is just under £1 million each year. Wider costs to the council and NHS of these hazards not being addressed could be nearer to £2.4 million (estimates are from a Health Impact Assessment report produced by the Building Research Establishment (BRE)). The cost of fixing all category 1 hazards does outstrip their direct cost to the authority; however property owners should be bearing much of the cost.

Our strategy is based on looking at these severe housing issues in the context of other deprivation, vulnerability and poor housing indicators.

2.1 Mapping 'Well Homes'

In England, people living in the poorest neighbourhoods will, on average, die seven years earlier than people living in the richest neighbourhoods' **National Housing Federation.**

As resources will be scarce, they should be focussed on areas and people with the most need. We have developed a bespoke 'Thurrock Well Homes' index and mapping tool, so that Lower

Super Output Areas (LSOAs)¹ with the most housing-related need are identified (a similar approach has been taken by other councils², which have been acclaimed as best practice).

The index uses twelve data sets to show which LSOAs are highest priority when this data is combined. The data sets are currently equally weighted. We can map individual data sets for specific issues, for example fuel poverty (see section 3.2.2), or use subsets of the data or change the weightings, for different purposes. We feel that this index will have wider benefits for the Housing Department and the Health and Wellbeing Board in due course.

The data sets are:

- Income (IMD³ 2010)
- Health Deprivation and Disability (IMD 2010)
- Barriers to Housing and Services (IMD 2010)
- Living Environment (IMD 2010)
- % Housing Benefit (DWP 2013)
- % Households in Fuel Poverty (DECC 2011)
- Years of Potential Life Lost (IMD 2010)
- % Non Decent Homes (BRE 2012)
- % Category 1 hazards- All (BRE 2012)
- % Category 1 hazards- Falls (BRE 2012)
- % overcrowding (Census 2011)
- Rate of Burglary (UKcrimestats.com, 2012-13)

The index can be mapped against areas with high proportions of private sector households or specifically private rented housing (social housing can also be mapped against the index). We can rank the LSOAs by overall score, with the lowest scores having the least 'Well Homes'. The number of private sector homes in the LSOA could also influence whether it is a priority area for the Private Sector Housing Team. However, currently simply the worst three LSOAs have been singled out for interventions during the first, 'pilot' year.

¹ LSOAs comprise of 1000-3000 people or 400-1200 households

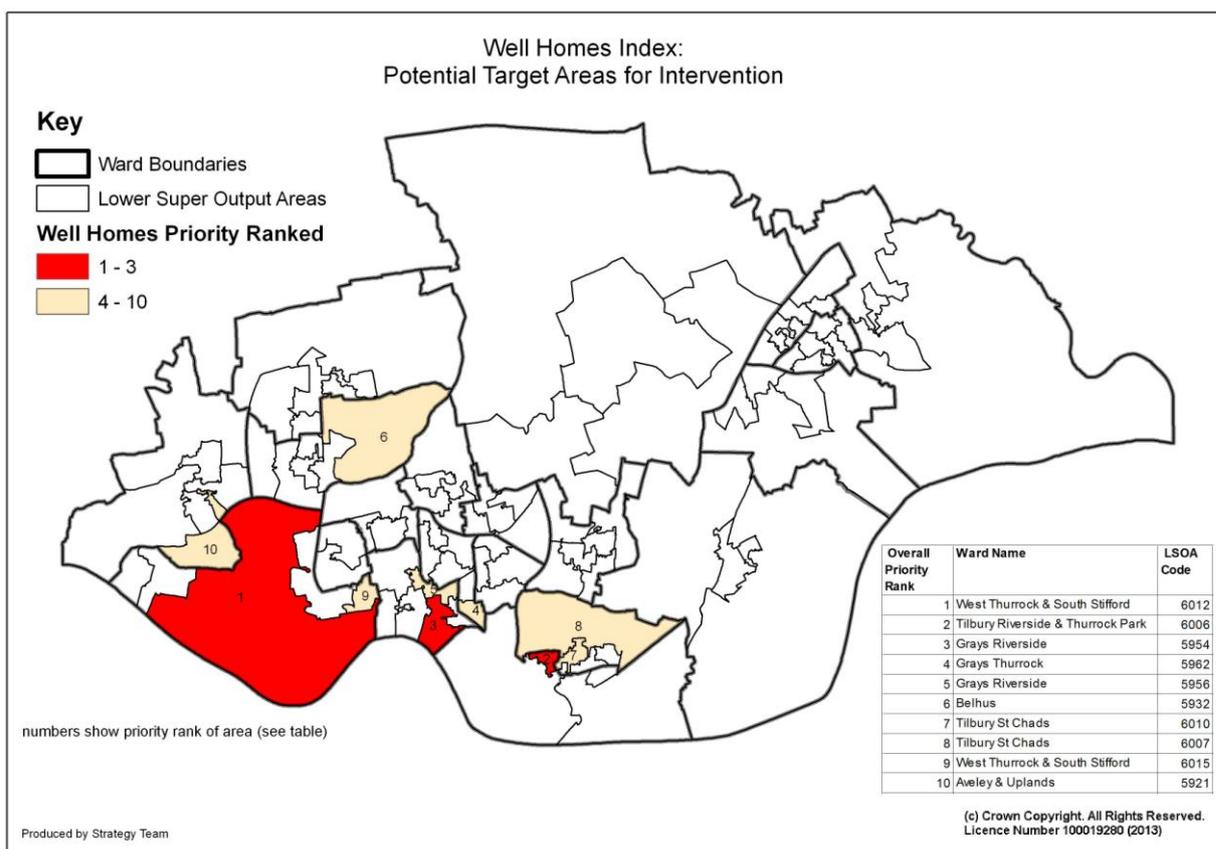
² Liverpool City Council's Healthy Homes is a good example

³ Indices of Multiple Deprivation

Table 1: The Three priority areas

Ward Name & LSOA code	Priority Rank	% private sector housing	no. of private sector households	no. of private rental households
West Thurrock & S. Stifford- 6012	1	75	692	237
Tilbury Riverside & Thurrock Park -6006	2	31	201	49
Grays Riverside-5954	3	55	540	300

Map 1: Well Homes Priority Areas



2.2 Well Homes Plans

With the 'Well Homes' index we are now able to make specific plans regarding targeting known areas of deprivation, low housing standards and poor health outcomes.

During the fourth quarter of 2013/14, each private rental household in a pilot area will be contacted, with the aim of booking a Well Homes appointment. Primarily, the appointment will focus on

- identifying hazards, damp, mould, cold etc
- identifying other environmental health issues
- identifying fuel poverty, potential for home energy efficiency improvements & better fuel tariffs
- identifying present or anticipated accessibility/adaptation issues
- identifying financial exclusion, problem loans, potential unclaimed benefits
- identifying obvious security weaknesses and problems with burglary, property marking need
- Employment or training need
- advice, signposting and referral on all of the above (e.g. booking the occupational minor repairs service for qualifying residents, Community Safety Partnership, arranging for Green Deal partners to get in touch or forwarding details to the credit union)
- referral for a dedicated independent living housing planning session
- follow-up with Environmental Health
- follow-up with landlords, including education, licensing and prosecution
- Referrals to local public health providers or projects e.g. healthy eating and smoking cessation

These visits will serve wider the aims of the strategy, discussed further later, for example identifying possible additional empty homes, households not known to the Council, rogue landlords, poor tenants and ASB. We will also be able to test the most effective ways of contacting private rental households and understand general take-up rates.

We will design a local marketing and outreach strategy to promote the appointments, and provide advice or signposting to those that won't accept an appointment.

Other similar models have involved GPs, who questioned patients if they suspected that poor housing was a risk factor in their current or future wellbeing. They were an important link, arranging the equivalent of a Well Homes appointment and will contact GPs in the pilot areas to refer residents for a "Well Home" visit.

2.3 Resources for the Well Homes Pilot

In addition to using our own current resource, we will seek funding for the pilots, which will either be a bid to the General Fund or the Integration Transformation Fund. Housing will lead on the pilots but will need support from the Health and Wellbeing Board and Adult Social Care. If the pilot is successful, a greater bid will be placed for more resources for roll-out.

2.4 Measuring Impact of the Well Homes & the Pilot

We suggest that there will be mid to long-term outcomes, which will be key elements of the Health and Wellbeing Board's evaluation framework. The success for the strategy is ultimately measured by many of the Well Homes index constituents improving across the target areas.

For the measurement of shorter term benefits, we will design a measurement tool based on information that we currently monitor around Decent Homes and Category 1 Hazards.

During the pilot phase, there will be some more intense evaluation including qualitative information from surveys and interviews which will help shape the future programme. We will design the pilot evaluation tool and process once we have had more feedback from other directorates.

3. Improving existing homes and neighbourhoods

3.1 Existing Grants and Resources, April 2013-14.

All of the following established commitments and resources will be integrated with the Well Homes plans, so that referrals are made at Well Home visits.

Budget/Grant/ resource commitments & Source	Sum (£000)	Conditions	Progress/Comments
Disabled Facilities Grant (£400,000 Government funded, £250,000 Council-funded)	650	Annual budget to be spent on major adaptations across private sector	Around 100 adaptations completed per year during the previous 2 financial years.
Housing Renewal budget (capital funding from Thurrock Council)	480	Annual budget. Any homeowner with a category 1 hazard can access the loan.	This pays for any grants or loans, which in practice is the 'Well Home Loan' for dealing with Category 1 hazards and a H&S loan for accredited landlords (this is for improvements beyond category 1 hazards).
Minor repair and gardening budget	50	Subsidised service for qualifying residents. Full-price for non-qualifying.	Currently commission the Pap worth Trust as our external home improvement agency
Well Homes Pilot	TBD		Current resource, Bid to General Fund and/or Integration Transformation Fund for resources.
Landlord Licence Development	TBD		When investigated, business case will need to be self-funding.

NB. all existing budgets for energy efficiency/fuel poverty and health and safety are capital budgets; there are no budgets for behaviour change or other advice. There are no small environmental improvement grants either.

3.2 Detail of Work Plans

3.2.1 Independent Living/Disabled Facilities

3.2.1.1 Adaptations

Through the Well Homes pilot, we will get a better understanding of whether we can do anything to enable people to have greater access to adaptations and have a good experience of the process.

Following some work with partners, Thurrock Disability Alliance, the internal process has recently been reviewed and improved, with the time taken between first contact and final completion halved.

3.2.1.2 Settling at Home, Minor Repairs and Gardening

Currently, there is a 'Settling at Home' scheme through which leavers of Basildon Hospital are supported to access small repairs and adjustments to their home, to speed up discharges. This is managed and funded by Health and Social Care (Reablement Grant) and home repairs delivered by the Papworth Trust. This service is considered a success and we recommend the hospital discharge offer is reviewed to include both a repairs assessment and a "Well Homes" assessment.

3.2.2 Energy Efficiency / Fuel Poverty

There has been no dedicated energy efficiency offer or plan of work during 2012/13 although the Healthy Homes loans for Category 1 hazard-removal can go towards removal of excess cold.

Any general enquiries about building energy efficiency, boilers, renewable energy, behaviour change and tariffs are currently referred to the National Energy Advice service. We are currently in a pan-Essex procurement process to secure a Green Deal provider for a broad range of thermal efficiency measures.

However evidence shows that the Green Deal is not widely taken up so we have developed a more attractive local solution for homeowners and landlords. They will be able to access the procurement deal that our social housing programme will have through Eco-Deal, using the same contractor. This will be borough-wide, tenure-blind and begin April 2014. The offer is likely to be heavily subsidised through Eco-Deal, with the property owner likely to be making a contribution of less than half the cost.

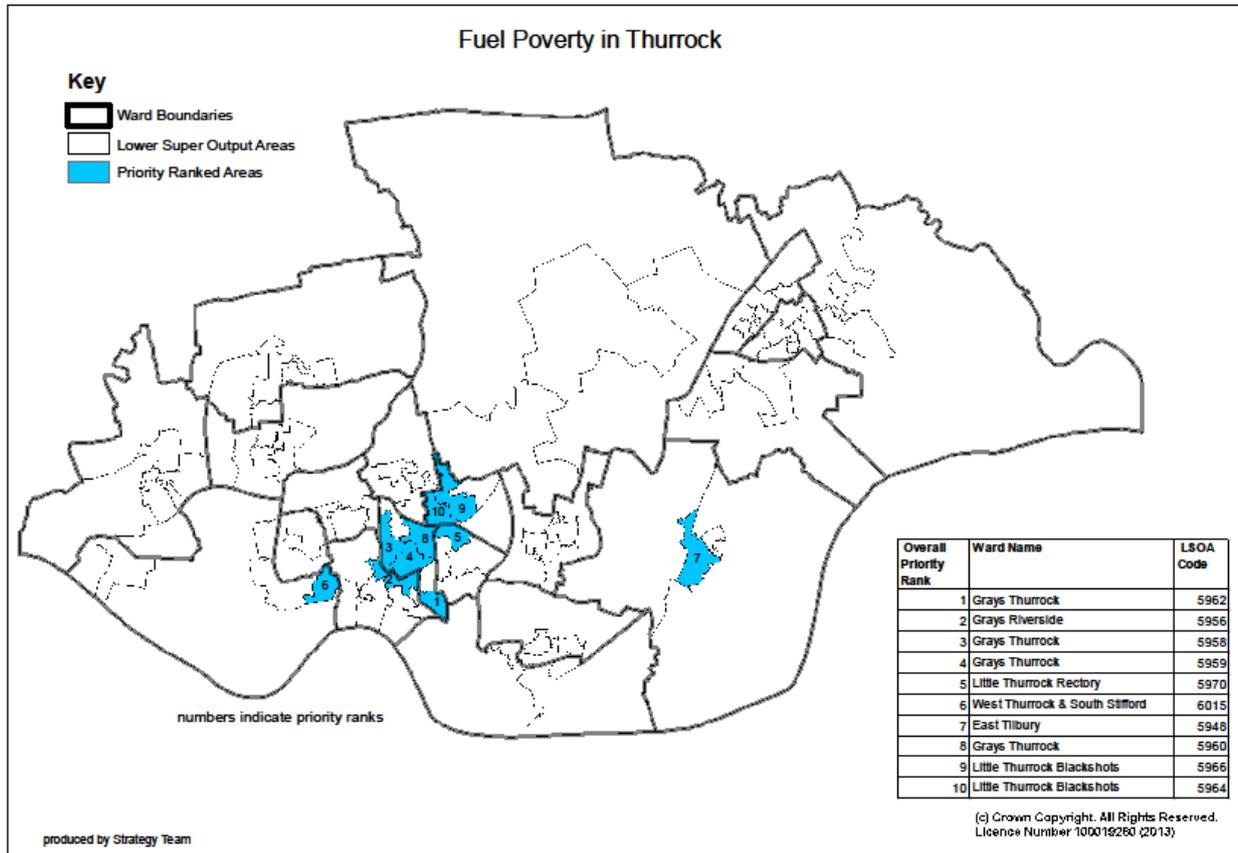
From 2016, landlords should not be able to refuse reasonable requests from their tenants for Green Deal measures. From 2018, rented properties will need to meet a minimum EPC rating (likely to be 'E') or install the maximum package of measures under Green Deal. We need to make sure that we and our landlords are well prepared for this. Currently a high proportion of rental properties do not have an EPC, despite legislation- we will be working with landlords and agents to make sure that there is better compliance.

We have mapped fuel poverty in the authority and will make our plans more targeted and locally specific during by January 2014, to correspond with the timing of the launch of the Well Homes Pilots. These pilots will help us better understand what we can do to help residents and landlords. We are expecting to be able to make simple recommendations/ referrals, for example, on

switching suppliers (especially those on key meters) and advising on simple behaviour changes that could reduce bills.

If selective licensing is introduced, there could be energy efficiency requirements attached to this and the EPC will be captured.

Map 2: Fuel Poverty in Private Sector Housing-



3.2.3 Landlords- Crime and feeling safe

During the third financial quarter, we will understand better what the Community Safety Partnership is already doing in LSOAs in our Well Homes pilot areas, and other areas with high burglary with the intention of improving joint working to reduce crime in private homes. Appropriate action or referral will be part of the Well Homes offer.

3.2.4 Leaseholders and the Thurrock Housing Capital Works programme

We aim to offer Thurrock Council leaseholders access to the capital works programme, Transforming Homes. They will be able to buy in at the bulk procurement price so achieving improvements at very good value. We aim to offer this during years 2-5 of the programme.

3.2.5 Landlord Support, Accreditation, Licensing and the '10 Rental Promises'

As discussed below, Thurrock has an existing, largely optional, accreditation scheme and has a plan to consult on introducing selective and/or additional landlord licensing. During the time of uncertainty that consultation will bring, we want to make sure that tenants do not suffer and conditions improve (landlords are unlikely to seek optional accreditation whilst waiting to find out if they will need to be licensed). We will introduce our '10 Steps', which is a pledge to tenants, to ensure that the increased demand for rental property goes hand-in-hand with improvements to the sector.

3.2.5.1 Thurrock's 10 Rental Promises

1. We will strengthen a **Thurrock standard for private rented housing**. This will include minimum standards for property condition based on the Decent Homes Standard and best practice in the management of tenancies. This will strengthen the offer of our accreditation scheme and form our licensing criteria. We will explore having different levels or star rating systems e.g. related to energy efficiency performance.
2. We will understand if there is a strong case for **Thurrock-wide compulsory selective landlord licensing** and consult on this. If licensing is not adopted, our **accreditation scheme will be improved and re-launched** (there will be better publicity of our accredited landlords)
3. A voluntary, basic **Landlord Registration Scheme** through which all landlords would be listed along with the addresses of their properties will be introduced, in advance of any licensing. There will be a clear expectation that landlords will provide their details.
4. The above database will be expanded to include '**Trusted Landlord**' information so that prospective tenants can find out if a landlord is registered, accredited, licensed (if an HMO), conforming to minimum expectations (see section 3.2.5.2) or a member of a recognised landlords organisation. This could be developed to include a rating facility so that current and former tenants can rate the quality of accommodation and service provided by their landlord.
5. **Incentives for accredited or 'good' landlords** will be improved and publicised more actively. Incentives could include access to funding, for example, bringing empty homes back into use, access to a social lettings agency, availability of the tenancy bond scheme, a fast track HB service and positive publicity/marketing.

6. We will provide add a transaction to our website through which people can report unregistered or poor landlords. This would trigger an investigation from the enforcement team.
7. We will investigate whether a **social lettings** agency is viable and beneficial for Thurrock (initially through consulting authorities that have introduced them or done pilots). If this one is recommended and adopted, this will be promoted as the best way for tenants to ensure that they receive good management.
8. We will increase our **work with landlords**, supporting and educating them. However, we will accompany this with strict and prompt action if landlords do not comply with their statutory duties in reasonable time.
9. We will publicise successful prosecution of **rogue landlords**
10. We will develop a plan for making sure that the **letting agencies** in Thurrock are supporting our strategy and general good practice.

3.2.5.2 Landlord Licensing: Development of a business case

Compulsory borough-wide selective licensing (under the terms of the Housing Act 2004), was introduced in the London Borough of Newham (LBN); the strategic lead there says that it has already been a huge success on a number of counts including reducing ASB, providing funding for prosecution and information gathering (e.g. discovering households unknown to Council Tax). We will be developing a plan, business case and doing the consultation (if there is a strong business case) to take this idea forward during 2013/14. We intend to investigate the potential for doing this as a shared service if we go ahead. We will investigate various management options; especially important is the IT system, which LBN report was the most significant development cost (LBN have offered a number of options to us, ranging from advice, through adoption of their IT system, to a complete management service).

Some authorities, for example Leeds, report that selective licensing was too resource-intensive for solving the problems that they had and that using an approach similar to our 'Well Homes' approach, in target areas, was impactful enough.

3.2.5.3 Landlord accreditation

Whilst we develop the plans to consult on compulsory landlord licensing, we will continue with the accreditation scheme. Accreditation is currently optional except for those that accommodate households nominated by the Council's home solutions service. If compulsory licensing is not adopted during 2014, we will review this scheme's effectiveness and how it can be used more widely and if we should review the accreditation body.

We have to be cautious when making any changes to this scheme as we need to attract more landlords to provide for our homeless; nearby boroughs are currently attracting landlords and placing people on their homeless lists, in Thurrock (see section 4.2.2 for more detail).

We will publish minimum expectations from our landlords, for those that will not gain accreditation, for example:

- Provide a complaints procedure for tenants
- Provide clear guidance to tenants on the repairs process and response timescales
- Provide written tenancy agreements for every tenancy
- Offer deposit protection in an authorised scheme
- Ensure accommodation is free of any avoidable or unnecessary hazards

3.2.6 Management of HMOs

There are approximately 200 known HMOs in Thurrock of which 15 qualify for mandatory licensing due to their size.

HMOs have been increasing in number in Thurrock. There is some feeling that certain areas of the borough are losing too much family-friendly housing in favour of HMOs, which is changing the nature of the neighbourhoods.

We will develop an action plan aimed at firstly understanding if there is a problem. If there is, there will be consultation and development of a plan for preventing any neighbourhoods becoming less pleasant places to live. HMOs are necessary to provide for people that can only afford to live in them (especially in light of recent changes to housing benefit rules for people under 35 years old). Any proposed solutions need to be made in light of this and the anticipated needs of Thurrock's Homelessness Team.

This plan will include:

- investigating additional licensing for HMOs with over 3 people in them (currently over 5 people). Including no HMOs adjacent to each other and no more than 10% of street properties in an area being a HMO.
- investigating compulsory licensing for all HMOs in target neighbourhoods
- resident consultation in targeted areas aimed at finding out the key problems in the neighbourhood Possible strategic approach to where HMOs can be encouraged (to meet needs) and how many are required.
- More publicity around random and routine HMO inspections and access to more support for residents with problems with their landlords (see previous section, 10 rental promises)

4 Making more homes available

4.1 Existing Grants and Resources

Budget/Grant/ Existing commitment	Sum (£000)	Conditions
Empty Homes loans – sub regional money	300	50% Grant/50% Loans – to allow home owners

		to bring Empty Homes back into use.
Rent & damages deposit for landlords housing homeless	TBC	Set amounts so landlords will let their properties to the Council

4.2 Detail of Work Plans

4.2.1 Empty Homes

We have a good understanding of the empty properties in Thurrock following information gathering and have pushed to get a percentage of them back into use during 2012/13. Our approach has been successful which means that 288 properties were found as not empty potentially creating £2.2m income for Thurrock over a 6 year period through the new homes bonus.

For 2014, we need to create groups of those left, categorised by, for example, degree of challenge presented or previous work with the owner. We then need to create an action plan for each category.

Currently twenty properties have been highlighted by Council Tax colleagues as being in noticeable disrepair which need to be tackled as a priority due to the impact that they are having on their neighbourhoods.

We will look to work with these 20 landlords to bring the properties back into use using loans and grants and we will consider compulsory purchases of these properties to be used for the general housing stock if all else fails.

In addition, Housing has secured HCA funding to work with the probation service to have ex-offenders bring private properties back into use. This will include purchase and refurbishment of the properties. The properties will then be managed by the Council and let to the ex-offenders over a number of years.

4.2.2 Private Sector Landlords and Homelessness Prevention and Discharge

We have a shortage of private lettings to recommend to those at risk of becoming homeless. We also have a potential shortage of properties that we can use to discharge our homeless duty into the private sector. Other (London) local authorities are also incentivising landlords to rent to their clients.

We are currently in the process of understanding our needs better and how they can be provided for with the best value for money. We will then create a plan, likely to include a stronger incentive package for landlords and a social lettings agency (see below).

4.2.3 Social Lettings Agency

Some authorities have social lettings agencies to help them secure private properties for households on housing benefit and have closer contact with their private tenants and landlords. With the anticipated continuation of rental price rises, we must ensure that there are incentives for landlords to rent to households on lower incomes.

Social lettings agencies offer incentives such as tenant-finding, guaranteed rents, long leases, guaranteed vacant possession, free tenancy management, regular property checks and free minor repairs. As part of a review of our Private Sector needs we will look at the business case for creating a Social Lettings Agency by March 2014.

4.2.3 New Build

Gloriana Thurrock is the wholly owned development company proposed to develop new homes on Council owned land to meet the needs of people across the Borough. The objective is to enable the Council to intervene as required and desirable to ensure that new housing development, particularly in the current economic environment and in the face of a weak development market, can contribute fully to strategic priorities. These properties will be either privately rented or privately sold (some part equity) for residents of Thurrock to provide greater supply of affordable high quality housing within the borough

5 Management of the Private Sector Housing Strategy

5.1 Responsibility for the Plans

The Head of Housing, Richard Parkin, is ultimately responsible for the management of the strategy.

5.2 Monitoring Regime

The Private Sector Housing Team will monitor and implement the strategy through their team plan.

They will have a monthly report meeting with the Head of Housing

The Health and Wellbeing Board will also be part of the monitoring process on the Well Homes initiative.

5.3 Improving the strategy for next year/revision

The success of much of this strategy is dependent on joined-up working between directorates and strong support from the Health and Wellbeing Board. This strategy and any associated action plan will need to be refined and reviewed, depending on the outcomes of consultation.

There will be a review of the pilot areas for Well Homes in the first quarter of 2014/15.

The outcomes of landlord licensing business planning process will impact hugely on the plans that we have for working with landlords, so these will be reviewed.

The private sector housing team and the Head of Housing will also have quarterly review meetings during 13/14 and 14/15 due to large amount of change.