

Accept track changes Report to the Housing Scrutiny Panel

Date of meeting: 30 July 2009

Portfolio: Housing – Cllr D. Stallan

Subject: Review of the Private Sector Housing Renewal Strategy 2007-2009

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Committee Secretary: Adrian Hendry

Recommendations:

(1) That the Panel notes the outcome of the review of the current Private Sector Housing Renewal Strategy.

Background:

1. The current Private Sector Housing Renewal Strategy expires in 2009. It was implemented in April 2007 as a result of the recommendations of the Private Sector House Condition Survey 2005. Elements of the Strategy were to be reviewed a year after implementation, however, as this coincided with the Corporate restructure the review was not carried out. This report includes a full review of the Strategy.
2. Successful delivery of the Strategy, particularly with regard to the Empty Properties, Houses in Multiple Occupation and the Housing Assistance Policy were also compromised by staffing issues within the Private Sector Housing Teams. These issues have now finally been resolved.

Report:

Development of the Current Strategy

3. There is no requirement on the Council to produce a Private Sector Housing Renewal Strategy. However, Local Authorities do have a legal duty to consider the condition of their private sector housing stock in terms of statutory responsibilities and the provision of assistance with housing renewal.
4. Local authorities can effect an improvement in the condition of private sector homes either by encouragement; by offering grants to property owners, for example, or by enforcement, by serving Notices to make property owners carry out remedial work. The Private Sector Renewal Housing Strategy 2007-2009 outlining how the Council will use these approaches, was fully implemented on 1 April 2007. The Strategy included an Action Plan which the Panel is asked to consider and is attached at Appendix 1.
5. The Strategy was developed in response to the Private Sector House Condition Survey carried out by a specialist consultant in this field, on the Council's behalf in 2005. The Strategy was also informed by the Housing Act 2004 and the Government's Public Service Agreement, PSA 7, which set targets to bring the housing conditions of 'vulnerable' households in the private sector up to the 'Decent Homes Standard'.



The Decent Homes Standard

6. In order to meet PSA 7 there would be a year on year increase in the proportion of vulnerable private sector households in Decent Homes, and this would increase to:

- above 65% by 2006/7;
- above 70% by 2010/11; and
- above 75% by 2020/21.

Vulnerable families are defined as those with young children or older people on low income, or people on disability benefits.

7. In order to meet the Decent Homes Standard a property has to meet the following four criteria:

- be free of “Category 1 hazards” under the Housing Health and Safety Rating System;
- be in a reasonable state of repair (i.e. must not have one or more key building components in an old/poor condition, or two or more other components that are old and need replacement or major repair);
- have reasonably modern facilities (i.e. must not lack three or more specified facilities); and,
- provide thermal comfort (i.e. have effective insulation and heating).

8. In its 2007 spending review, the Government announced that in future, apart from a small number of statutory targets, local authorities would be required to choose targets through their Local Area Agreements from a prescribed ‘indicator set’ which did not include a direct replacement for PSA7. Whilst the Essex Local Area Agreement includes some targets relating to the condition of properties in the private sector, again, it does not include a direct equivalent for PSA7. The Council has, however, adopted a Key Priority Objective for 2009-2010 as follows:

‘To significantly increase the number of people receiving financial support provided to private occupiers, to help meet the Decent Homes Standard, improve thermal efficiency and install disabled adaptations through a new, properly resourced, Private Sector Housing Strategy.’

Funding the Current Strategy

9. In view of the level of importance placed upon giving vulnerable people in the private sector access to Decent Homes, the Government, through the East of England Regional Assembly (EERA), made the following grants available to the Council to assist in the achievement of this aim:

Year	Amount £
2006/2007	446,775
2007/2008	226,374
2008/2009	216,800
2009/2010	123,594
TOTAL	£1,013,543

10. The first of these payments was made before the Council was able to implement a Housing Assistance Policy based on the Decent Homes Standard. Although by the time the second grant was received in 2007 the new Housing Assistance Policy was in place, no positive results with regard to PSA7 were achieved until the fourth quarter of that year, by

which time a further grant had been received. A detailed review of the Policy is attached at Appendix 2.

11. In addition to the funding received from EERA, the Council also made funding available through the 5 year Capital Programme, based on the anticipated expenditure over that period. It was recognised, however, that this could not be accurate and that adjustment would be necessary over the term of the programme. In July 2008, the Cabinet agreed to the re-profiling of the Housing Capital Programme to allow for the under spend on the private sector housing grants and the Disabled Facilities Grants budgets totalling £900,000, to be re-allocated to off-street parking.

12. In case the remaining budget over the term of the programme should prove insufficient as a result of a future increase in demand, it was agreed to set up a 'Private Sector Housing Contingency' of £930,000 (£310,000 each year over the three year period from 2009-2012). Proposals for a further re-profiling of the budget based on 2008/2009 out-turn figures and additional grants received from EERA for 2009/2010 are to be the subject of a report to the Cabinet in September 2009.

Staffing Resources

13. Private Sector Housing is managed in two separate teams, Private Sector Housing (Technical) and Private Sector Housing (Grants and C.A.R.E.) both of which are responsible for variety of Statutory and non-Statutory functions.

14. The Technical Team is responsible for the following:

Statutory Functions:

- The maintenance and enforcement of standards in the private sector housing stock including Houses in Multiple Occupation (HMOs) and mobile home sites;
- The investigation of complaints regarding dangerous structures, illegal eviction, harassment, overcrowding, insecure properties and housing nuisance.

Non-Statutory Functions:

- The inspection of dwellings for entry clearance/immigration;
- The implementation of schemes and initiatives to bring empty properties back into use;
- The co-ordination of Gypsy and Traveller issues.

15. Private Sector Housing (Grants and C.A.R.E.) is responsible for:

Statutory Functions:

- The development of strategies relating to the provision of Private Sector Housing Assistance;
- The provision of mandatory Disabled Facilities Grants (DFGs) to eligible applicants.

Non-Statutory Functions:

- The provision of types of Housing Assistance other than DFGs;
- The management of the Council's in-house Home Improvement Agency, Caring and Repairing in Epping Forest (C.A.R.E.).

16. Success in meeting some of the targets in the Action Plan was compromised by issues

concerning staffing the Private Sector Housing teams. See the Progress Report on the Private Sector Housing Renewal Strategy 2007-2009 Action Plan attached at Appendix 1.

Houses in Multiple Occupation (HMOs)

17. The Housing Act 2004 introduced the requirement for the mandatory licensing of certain HMOs. Those that require licensing are those that are considered to pose a high risk to their occupants, specifically properties of three or more storeys, occupied by 5 or more individuals forming two or more households. The Action Plan to the Private Sector Renewal Strategy 2007-2009 includes an objective to carry out an annual review of the Council's HMO licensing system which was agreed by Cabinet on 10 July 2006. A Progress Report on HMO licensing, including a review of the HMO Licensing Policy 2007-2009 is attached at Appendix 4.

Private Sector Housing Assistance

18. The Council can offer 'housing assistance', or grants, to encourage home-owners to improve the condition of their property. With the exception of Disabled Facilities Grants, which are governed by legislation, individual local authorities must set their own Housing Assistance Policies defining the types of assistance and the terms under which they will be given. The Council's Housing Assistance Policy forms part of the Private Sector Housing Renewal Strategy. Appendix 2 provides details of the Policy and reviews its success in helping meet the objectives of the Strategy.

Empty Properties

19. It was estimated from the 2005 House Condition Survey that 2.9% of the private sector stock was empty (1,250 homes). A further vacant properties survey looked at a large sample of empty homes and found that, of the 1,250 empty homes, 450 (36%) had been vacant for over 6 months and, of these, 190 (15%) had been vacant for more than 12 months. The Private Sector Housing Renewal Strategy includes measures to bring empty properties back into use. In addition the Council introduced a separate Empty Property Strategy in 2007. Appendix 3 provides a summary of the Strategy and a review of its success.

Conclusion

20. Success in meeting the objectives of the Private Sector Housing Renewal Strategy were severely compromised by staffing issues within both Private Sector Housing teams. It is anticipated it will now be possible to make significant gains in meeting these objectives now there is full complement of staff.

21. As has previously been mentioned, the Council's last House Condition Survey was carried out in 2005. It is considered that it would be appropriate to carry out another in 2010 to provide an updated profile of private sector housing conditions, particularly in the light of the undoubted effects of the recent economic downturn on the housing market. A Report will be going to the Cabinet in September recommending that a new Private Sector House Condition Survey should be carried out in 2010 and that the consultants selected to carry it out should advise on the direction of the new Private Sector Housing Renewal Strategy. It will be further recommended that the term of the current Strategy should be extended until 2011 while the new Strategy is being developed.

Appendix 1
Progress Report on the Private Sector Housing Renewal Strategy 2007-2009 Action Plan

Objective	Priority	Links to Other Strategies / Legislation	Work to be Done	Resources Required	Target Date	Indicator(s) of Outcome Achieved/Performance Measure	Comments
INSPECTION AND ENFORCEMENT							
1. Adequate levels of appropriately trained staff.	High	Corporate BVPP Private Sector Housing Strategy	Recruitment and training to be carried out. All staff to be competent in new Housing Act 2004 procedures.	Time input from Principal Team Leader. Provision for the cost of additional post (s).	July 2007 Training in Housing Act 2004 duties to be on going	Satisfactory performance of the Council's private sector housing responsibilities (enforcement and delivery of financial assistance) Unit staffed to new establishment. Staff effectively trained.	Finally met in 2009.
2. Review of licensing system for high risk HMOs	High	National Housing Act 2004, Licensing of Houses in Multiple Occupation Regulations 2006 Corporate Housing Strategy	Licensing system in place. Review after three months and six months to ensure effective operation, and thereafter annually. Advertise again after six months to ensure that all potential licensable properties are covered.	Time input from Principal Team Leader Residential Control Unit	June 2007 September 2007 December 2007	All higher risk HMOs are licensed and all statutory obligations met Licensable HMOs regularly monitored	Licensing system is in place. Progress Report provided in Appendix 4.
3. A new systematic approach to inspection and enforcement in the private sector	Medium	National Housing Act 2004 Regional Regional Housing Policy	Introduce proactive inspections in addition to reactive inspections, focusing first on high risk HMOs and park home sites. Introduce procedures to ensure	Time input from Residential Control Unit	April 2007	Inspection regime established and operating including planned inspection programme park home sites	Met.

		Corporate Housing Strategy	rigorous response to complaints on private sector housing issues.				
4. Introduce Landlords Forum	Medium	National Housing Act 2004 Corporate Housing Strategy Homelessness Strategy	Contact known landlords and representatives, advertise intention to set up Landlords Forum, hold initial meeting to agree aims & objectives and constitution.	Time input from Principal Team Leader Residential Control Unit. Servicing costs.	April 2007	Landlords Forum established and operating satisfactorily	Ad-hoc data collection is being carried out but Forum has not yet been established owing to staffing issues. It is hoped that now teams are fully staffed, it will be possible to take this objective forward.
6. An accreditation system in partnership with local landlords linked with Deposit Guarantee Scheme	Medium	National DCLG Guidance Corporate Housing Strategy Homelessness Strategy	Formalise links with Epping Forest Housing Aid. Discuss with representatives of local landlords and voluntary agencies agreed standards of accommodation and management. Establish procedures for self assessment/inspection. Publish advice to landlords and prospective tenants. Link with Deposit Guarantee Scheme.	Time input from Principal Team Leader & Residential Control Unit. Servicing costs	Consult & develop scheme July 2007 Implement September 2007	Launch. Advice leaflets available for prospective tenants. Standards for HMO and non-HMO accommodation established and agreed. Procedures in place for inspection / assessment, advising prospective tenants and links with Deposit Guarantee Scheme.	Not fully met (owing to staffing issues). See above.)

7. Adopt Empty Homes Strategy	High	National Housing Act 2004, DCLG Guidance Regional Housing Strategy Corporate plan Housing Strategy Homelessness Strategy BVPI 64	Format for Strategy has already been approved. Formal Strategy to be approved and all measures implemented	Time input from Principal Team Leader & Residential Control Unit. Continuing commitment from capital programme to Empty Homes Loans (included in allocation in 9 below.)	Adoption - December 2006 Majority of measures impl'd - March 2007	Empty Homes Strategy published and working procedures developed. Target number of properties identified for first year.	Not fully met. (See Review of the Empty Property Strategy 2007-2009 in Appendix 3)
FINANCIAL ASSISTANCE							
8. Changes to Home Repair Assistance, Renovation Grants and Discretionary DFGs	High	National DCLG Guidance Regional Housing Strategy Corporate Housing Strategy	Amend existing grant procedures and documentation to implement revised grant system.	Increased capital allocation of £100k. Time input from Principal Team Leader & Residential Control Unit.	April 2007	Grant procedures, documentation and leaflets adapted to reflect revised grants. Changes notified publicly.	Met

9. Introduce Thermal Comfort Grants, Empty Homes Grants and Conversion Grants	High	National Housing Act 2004 Regional Housing Strategy Corporate BVPP, Community Strategy Housing Strategy Homelessness Strategy	Introduce procedures and documentation to implement new grant structure	Annual capital allocation of £150k. Input of time from Principal Team Leader Residential Control Unit.	April 2007	Grant procedures, documentation and leaflets introduced. Changes notified publicly.	Met
10. Formulate an agreement with a specialist financial provider to offer a range of equity release and similar financial packages.	Medium	National DCLG Guidance, Foundations Review Regional Housing Strategy Sub regional Housing Strategy Supporting People Strategy Corporate Housing Strategy	To be developed with other London Commuter Belt Sub Region authorities or other partner authorities. Undertake negotiations with specialist agencies over financial product availability and investment required. Negotiate and finalise agreement.	Resources to be identified in future capital programmes for Council contribution to financial provider. Time input from Principal Team Leader.	Mid 2008	Resources identified in capital programmes. Agreement with specialist financial provider in place.	This was to be progressed through London Commuter Belt Private Sector Housing Group (see 'Review of the Private Sector Housing Assistance Policy 2007-2009' at Appendix 2).

11. Develop and bring into use procedures for facilitating equity release.	Medium	National DCLG Guidance Regional Regional Housing Strategy Supporting People Strategy Corporate Housing Strategy Epping Forest Local Supporting People Strategy	Development of principles and procedures for the new approach to giving financial assistance undertaken in consultation with all stakeholders.	Resources to be identified in future capital programmes for Council contribution to equity release scheme. Time input from Principal Team Leader	Late 2008	Resources identified in capital programmes. Principles and procedures for equity release scheme established and service agreements in place with all agencies. Working procedures, documentation and leaflets for equity release scheme completed. Changes notified publicly.	This was to be progressed through London Commuter Belt Private Sector Housing Group (see 'Review of the Private Sector Housing Assistance Policy 2007-2009' at Appendix 2).
GENERAL							
12. Increase awareness of both new approaches to enforcement and to offering financial assistance.	High	National DCLG Guidance Regional Regional Housing Strategy Corporate Housing Strategy BVPP	Prepare new information leaflets and distribute to Council offices and to voluntary agencies. Update website. Advise Landlords Forum. Make press release.	Time input from Principal Team Leader & Residential Control Unit Cost of publicity materials.	June 2007	New leaflets distributed, website updated, press release made and Landlords Forum advised.	Mostly met although Landlords Forum has not yet been set up.

Appendix 2

Review of the Private Sector Housing Assistance Policy 2007-2009

1. The Housing Assistance Policy forms part of the Private Sector Renewal Strategy and is a detailed statement of the financial assistance available and the conditions that apply. A brief summary of the types of assistance offered under the Policy appears below. The Policy also contains information on mandatory Disabled Facilities Grants but does not specify the rules for processing them or the conditions attached as these are laid down in the Housing Grants Construction and Regeneration Act 1996 (as amended).

2. The Policy was to be subject to annual review by the Housing Scrutiny Panel, taking into account changing policies at national and regional level and all available information on the condition of private sector housing in the District. However, owing to changes in the responsibilities of Officers within the private sector housing team brought about as a result of the restructure, a review was not carried out in 2008.

3. One of the findings of the Council's Private Sector House Condition Survey 2005 was that the District has an above-average proportion of older residents, and that this is likely to grow. This mirrors the picture nationally and, in response to this, there are drivers from the Government to encourage local authorities to move towards funding home improvements through loans and/or equity release schemes rather than grants. This has been demonstrated further recently through the sequential reduction in the amounts of Regional Housing Pot money the government has been providing towards improving housing conditions in the private sector (see Draft Cabinet Report at Appendix 2).

4. It has been recognised that changing from an entirely grant-based housing assistance policy to one based solely on loan and/equity release is more likely to be successful if this is done gradually. This can be achieved by extending the condition periods of some grants, so that they are effectively repayable. On the recommendation of the consultants that carried out the Private Sector House Condition Survey, PPS, in the Council's Private Sector Housing Assistance Policy 2007 the 'pay-back' period on larger grants was extended. It was intended that this be an intermediate step towards introducing a Policy partly based on loans and/or equity release.

5. In addition to these changes, PPS also advised that the Council should introduce some financial incentives to bring empty properties back into use. The Council's Policy based on these recommendations includes the following measures:

- Conversion Grants of up to £10,000 are given to encourage the conversion of underused or redundant space in non-residential premises to living accommodation for tenants.
- Empty Homes Grants. Grants of up to £10,000 available to landlords and owner-occupiers to bring property that has been vacant for at least one year up to the Decent Homes Standard.
- Decent Homes Assistance. A grant of up to £15,000 to help vulnerable and other low income owner occupiers bring their homes up to the Decent Homes Standard. The grant is repayable if the property is sold within 15 years of the work being completed.
- Small Works Assistance. Available to vulnerable owner occupiers where there is a statutory hazard within the property rated at Band D or above (see 5 above) or a defect which is likely to damage the fabric of the property unless it is repaired. The maximum grant is £5,000.
- Thermal Comfort Grants. These grants of up to £3,000 are available to landlords and owner occupiers where there is inefficient heating or inadequate thermal insulation to the property such that it does not meet the Decent Homes Standard.
- Discretionary Disabled Facilities Grant/Relocation Grant. The Council may in exceptional circumstances make a means-tested grant of up to £10,000 for work in addition to that carried out under a mandatory Disabled Facilities Grant, or may refund

essential relocation costs if the necessary works are not feasible at the applicant's existing property.

6. The table below shows the numbers of each type of grant given in 2007/2008 and 2008/2009:

	2007/2008	2008/2009
GRANT TYPE	Number	Number
Conversion Grant	0	0
Empty Property Grants	0	0
Decent Homes Assistance	0	3
Small Works Assistance	15	80
Thermal Comfort Grant	10	30
Discretionary DFG/Relocation Grant	0	0

7. As the Housing Assistance Policy was only implemented in April 2007, the number of grants given during 2007/2008 was low. While outturn increased in 2008/2009, particularly for Small Works Assistance and Thermal Comfort Grants, no Conversion, Empty Property or Relocation Grants were given. Relocation Grants are initiated by the referral of suitable applicants by their Occupational Therapist and low demand is mainly, therefore, a result of external factors. The poor take-up of Conversion and Empty Property Grants is largely a result of the lack of publicity given to them given the staffing issues referred to elsewhere in this Report. Consideration as to the future potential for these grants will need to be given in the development of the Council's next Private Sector Renewal Strategy.

8. In recognition of the importance placed on improving the condition of homes in the private sector, the Government made significant annual funding allocations. Early in 2008, the East of England Regional Assembly (EERA) announced an intention to change the approach to the allocation of funding in 2009/2010 and 2010/2011. Instead of being entirely allocated according to a formula, the funding pot would be split so that part would still be apportioned in this way, but the remainder would be split, a portion being allocated through a bid-based approach, and the remainder used to explore the opportunities for developing a regional loan/equity release scheme. As the Private Sector Housing Renewal Strategy Action Plan included an action to 'formulate an agreement with a specialist financial provider to offer a range of equity release and similar financial packages' by the middle of 2008 it was agreed to pursue this aim through the London Commuter Belt (LCB) sub-Regional Group.

9. Unfortunately, however, as a result of the subsequent down-turn in the market and poor access to credit, EERA now consider that it is currently not appropriate to plan to deliver this priority from April 2010. It is recommended, therefore, that the Council should not give priority to proactively pursuing this objective further at this time, but should include this as a matter for consideration in the recommendations that come from the next House Condition

Survey.

10. The Private Sector Renewal Strategy was formulated in response to an assessment of the numbers of properties that would be made Decent within the timescales defined in the Government's PSA 7 target (see paragraph 4 above). Further extrapolation of these figures indicates that approximately 1,175 homes, 90 per annum, will have to be made decent in order for the 2020/2021 target to be met. Although this annual target was met in 2008/2009, there is no way of assessing the numbers of properties that have become non-Decent in the meantime, nor the numbers of people occupying non-Decent properties that now fall within the vulnerable category. It is only through the detailed data that will be provided by carrying out a further House Condition Survey that it will be possible to assess this.

Appendix 3

Review of the Empty Property Strategy 2007-2009

1. In spite of the high demand for housing in Epping Forest, there are still long term empty homes in the private sector. The Epping Forest House Condition Survey 2005 estimated that 2.9% of the private sector stock was empty (1,250 homes). A further vacant properties survey looked at a large sample of empty homes and found that, of the 1,250 empty homes, 450 (36%) had been vacant for over 6 months and, of these, 190 (15%) had been vacant for more than 12 months.

2. Whilst the proportion of properties that have been empty for a long time is below both national and regional averages, these numbers still represent a substantial resource that could provide good homes for people. Not only are empty properties a wasted resource, they can often blight a locality, and can be associated with fly-tipping and other anti-social behaviour.

3. The Council's Empty Property Strategy 2007-2009 was agreed at Cabinet on 18 December 2006. It confirms the Council's commitment to tackle this issue and sets out the action that will be taken. A range of measures, both informal and enforcement based, have been put into place as described below:

Advice and Information

4. A recognised barrier to owners bringing empty properties back into use, or disposing of them, is the lack of impartial advice. Council Officers in the Private Sector Housing Team advise the owners of empty homes on renovation, the availability of financial assistance, private sector leasing schemes and sale to Residential Social Landlords or on the open market, etc. This includes advice on letting and providing lists of letting agents who manage privately rented properties on behalf of owners.

5. The Council highlights the issue of empty properties and the action that can be taken through media such as its Forester magazine and national campaigns like Empty Homes Week.

Financial Incentives

Finder's Fee Scheme

6. The Finder's Fee Scheme was introduced in 2007. Where a person owns a property that has been vacant for more than 6 months, and that property is let to a person on the Housing Register for a minimum of 12 months, they can receive a Finder's Fee. This is a one off payment of £1,000 paid in two instalments, a quarter at the start of the tenancy and the balance on completion. This both brings empty properties back into use and enables a nominated person from the Housing Register to be housed. The Scheme is limited to five properties per year and property owners will only be entitled to one payment under the Scheme.

7. There has to date been no take up of this scheme. This may in part be due to the lack of officer time that has been available to pursue empty homes work generally (see paragraph 16 of main Report).

Private Sector Leasing

9. The Council has in recent years offered private sector leasing through the Fresh START Scheme, in partnership with the East Thames Housing Group. Under the Scheme, East Thames leases properties in the District, including empty properties, from private landlords for three years. The rent is guaranteed, including during void periods, and then the properties are let at market rents to homeless nominees from the Council. In view of the relatively intensive management required, the Council provides East Thames with a

management fee. In recent months however, East Thames have been less inclined to participate in the scheme and an alternative partner is being sought.

10. Epping Forest is one of five councils within the London Commuter Belt that has set up a scheme with Central Government funding, PLACE (Private Lease Agreements Converting Empties). This specifically targets long-term empty properties that require substantial works to make them habitable. The property owner receives a grant to carry out the works and then enters into a 3 year lease agreement with a Preferred Registered Social Landlord. The Council retains nomination rights.

11. The scheme generally has been slow to get off the ground, but there are now three properties in various stages of the process, with one completed and tenants in place. Whilst there has been interest from owners within the Epping Forest District, there has been no take up to date.

Council Tax Discounts

12. In order to discourage owners from leaving their properties empty, from April 2007 a change was made to the discount given for empty, unfurnished dwellings. Properties left empty for six months or less receive a 100% Council Tax discount. A 50% discount is then applied for a further six months and, after this period, full Council Tax is payable in respect of empty properties.

13. Since the introduction of this change, Officers have reported an increase in enquiries and a willingness on the part of property owners to enter into discussions. A number of other factors may be playing a part in this, however, and it would be inaccurate to attribute it entirely to the reduction in Council Tax discounts.

Empty Homes Grants

14. The range of financial assistance in the way of grants offered by the Council has been extended to include Empty Homes Grants, to encourage the owners of empty properties to bring them back into use. It is the Council's longer term objective to move towards equity release schemes and, once in place, it is intended that this grant will change to a loan format.

15. Although no grants have yet been awarded, there have to date been two applications for this grant. This poor uptake can be partly attributed to the staffing resource issues detailed in paragraph 20, but also to the fact that the Grants Team was not fully staffed from April 2007 when the Strategy was first implemented until May 2009. As a result of this, and in order not to stimulate demand that could not be met, the grants were only given limited publicity.

Enforcement

16. It is important that both property owners and Council officers know and appreciate that enforcement is available if all informal measures fail to be resolved in a reasonable timescale. There is specific legislation available to deal with empty properties, which the Council will call on if necessary. The main three options are as follows:

- **Enforced Sale.** Where there is an unpaid debt to the Council (such as unpaid Council Tax, or where the Council has undertaken works in default after an owner has failed to comply with a legal notice and not been able to recover the cost), and the debt is recorded as a Local Land Charge, the power of enforced sale can be used. The Law of Property Act 1925 allows a Council to apply to a court for an order requiring that the property be sold to recover the debt, costs and interest. Officers are unaware of any properties in the District where this would be considered an appropriate action.
- **Empty Dwelling Management Orders (EDMOs).** Part 4 of the Housing Act

2004 introduced a new power to allow local authorities to make EDMOs. These are designed to provide local authorities with the power to take over (or have a third party take over) the management of an empty property that has been empty for more than 6 months in order to ensure that it becomes and remains occupied. In effect, this is a form of compulsory leasing. In order for EDMOs to be pursued there needs to be an effective management system in place. The Council is currently negotiating with a Residential Social Landlord to take on this role.

- **Compulsory Purchase.** The Housing Act 1985 allows local authorities to compulsorily purchase under-used dwellings where there is a general housing need in the area as is the case in the District. Compulsory purchase is regarded as the final sanction and is used only in exceptional cases where all other reasonable actions have failed. The Council has made its first Compulsory Purchase Order (CPO) in respect of an empty property and is currently working with the owner to complete works himself as a final opportunity before acting on the Order.

17. There is no longer either a Local or National Performance Indicator specifically related to returning empty properties back into use. However, the Council recognises the important potential of empty properties as a valuable housing source and is committed to implementing the Empty Property Strategy which is considered to be both balanced and robust.

18. It has been recorded that 27 properties were brought back to use as a direct result of Council intervention in 2008/2009.

19. The effectiveness of the Strategy is reliant on adequate officer time being available to persistently pursue individual cases. Prior to the Corporate restructure, part of one of the Private Sector Housing Team's Environmental Health Officer's time was allocated to this work. However, the restructure of the Housing Directorate involved the assignment of this Officer to the newly formed post of Private Housing Manager (Technical) and as a result of this and other vacancies within the Team, there was no longer an Officer dedicated to empty property work. This is reflected in the poor uptake of financial incentives available and the numbers of empty properties brought back into use. Responsibility for empty properties has now been allocated to an Officer who has recently joined the Private Sector Housing Team and there will, therefore, be a new impetus to this work.

20. To summarise, therefore, the following steps have/are being taken to promote and activate our empty property work:

- All Officers within the Private Sector Housing team have received training on empty properties and the Council's Empty Property Strategy;
- At the beginning of July an advisory letter and questionnaire was sent to the owners of the 600 properties in the District that have been empty for at least one year. This will be followed up with such action as is deemed appropriate on a priority basis;
- The Council's website is being developed to include specific information and advice related to empty properties;
- A framework agreement with an Residential Social Landlord is being developed to allow the enforcement of Empty Dwelling Management Orders.

Appendix 4

Review of the Houses in Multiple Occupation (HMO) Licensing Policy 2007-2009

1. The Action Plan to the Private Sector Renewal Strategy 2007-2009 includes an objective to carry out an annual review of the Council's Houses in Multiple Occupation (HMO) licensing system which was agreed by Cabinet on 10 July 2006. A review was not carried out in 2008 owing to the restructure. This Report provides an update on progress.
2. The provisions of the Housing Act 2004 replaced those in the Housing Act 1985 relating to unfit homes, disrepair, overcrowding and registration of, plus control orders for, HMOs. All HMOs of three or more storeys, with five or more residents forming two or more households are now subject to mandatory licensing. The aim is to ensure that those properties that potentially pose the greatest risk to their occupants are identified, with any issues of safety and management recognised. The findings of the Private Sector House Condition Survey 2005 indicated that only thirty properties within the District would require licensing. However, the Council still has a statutory duty to keep under review housing conditions in the remaining five hundred or so HMOs that fall outside of the requirement for mandatory licensing.
3. The Council may charge a licence fee to cover the cost incurred in carrying out the licensing function. The Government has indicated that Councils should work with housing providers and not seek to penalise them by excessive charging. However the processes involved in determining licence applications are complex, and it is recognised that this needs to be reflected in the fee. The fee scale adopted is intended to represent, as far as is possible, the costs incurred in dealing with the applications.
4. The Policy for the licensing of HMOs was approved by Cabinet on 10 July 2006. It was agreed that the fees should be a basic fee of £550 for up to 5 units of accommodation and £50 per additional unit. In addition, in the light of the extra work that would result, agreement was also given to the creation of an additional Environmental Health Practitioner post to assist in the delivery of the Policy.
5. Three licence applications have been made but no licences have been approved to date. This is due to a combination of factors, including:
 - Although landlords were advised in the national press and on several occasions in the Forester magazine of the need to license their premises, there was a slow to make applications following the introduction of the new legislation.
 - A tendency for landlords to reduce the occupancy of their properties to below 5 persons, or to make them single household, thereby avoiding the need for licensing
 - A shortfall in officer time dedicated to identifying high risk HMOs and subsequently processing applications (due to the restructuring of the Private Sector Housing Team and a lapse in time between staff leaving and being replaced). The team will be fully staffed from July 2009.
6. The current fee structure is based on administrative and officer time involved in the processing of the application from beginning to end. As Officers have not yet fully licensed a property, it is not possible to test whether the current fee is a fair reflection of officer time spent. Most other Councils within Essex have kept their fees unchanged. It is therefore felt reasonable to keep the licence fee for 2009 at £550 per property with up to 5 units and £50 per additional unit for the time being. This will be reviewed annually as part of the Corporate Review of fees and charges.