

**HOUSING SCRUTINY PANEL**

**SCRUTINY REVIEW**

**THE COUNCIL'S APPROACH TO  
PRIVATE SECTOR HOUSING**

**MARCH 2005**

## **1.0 EXECUTIVE SUMMARY AND KEY MESSAGES FROM THE REVIEW**

1.1 The private housing sector plays a major role in meeting housing need in the borough and currently provides homes for over 7,000 households. This Review considers the Council's approach to private sector housing and how this links into the Council's Housing Renewal Strategy 2004-2006. The investigation was conducted under four main sections as follows:

### **1.2 Section One - Empty Properties**

There are a substantial number of privately owned empty properties in Haringey, which is a wasted resource for the owner and the community. With over 2,400 empty properties Haringey has the 13<sup>th</sup> highest proportion in London. The Council's policy is to develop initiatives to encourage owners to bring long term vacant properties back into use.

1.3 The Government Office for London has made targeted resources available for private sector renewal in both 2004/5 and 2005/6, which must be bid for on a sub regional basis. London is divided into 5 sub-regions. Haringey is in the North London region (with Camden, Islington, Westminster, Enfield and Barnet). The North London sub-region has been allocated £2M in 2004/05 and a further £1.5M in 2005/06 to increase the number of empty properties that are brought back into use.

### **1.4 Section Two - Initiatives for Elderly Owner-Occupiers and Private Rented Tenants.**

The Centre for the Policy on Ageing reported that in spite of rising affluence among people over 65, a quarter of all pensioners have no resources other than a state pension and income support. There is also evidence that in difficult times older people on a low income spend less on food to pay fixed bills such as rent and fuel. Old age is a period where the amount of housing repair work undertaken declines with very little cosmetic work, and then even responsive repair work may be neglected as a result of declining income; diminishing Do It Yourself (DIY) capacity and due to much more pressing priorities.

1.5 Last year the Council launched the HouseProud scheme in Haringey. It is an opportunity for many elderly people to get essential work done on their property without having to wait. It is recognised that the concept of using equity in their house to effect improvements is a difficult one to sell to the elderly and will take time. To date take-up of the scheme has been slow.

1.6 With the shift in policy towards supporting the elderly to stay in their homes rather than move to residential care there is a need to encourage elderly homeowners to maintain their properties even if it means using some of the equity in their property. Without this change there is a risk that the number of residents living in poor housing conditions will increase.

**1.7 Section Three - The Landlord Accreditation Scheme**

The Haringey Landlord Accreditation Scheme is successful and innovative. At the pilot stage it housed 31 vulnerable families who would otherwise find themselves in very difficult housing situations. The scheme has been recognised by the Office of the Deputy Prime Minister which expressed an interest in promoting the 'Haringey Model' as best practice for local authorities across the country.

1.8 At the moment development has stalled due to uncertainty over funding and reorganisation of homelessness services. It is also difficult for the project leaders to continue development of the scheme, as they have to carry out their core duties. It is the view of the Panel that serious consideration must be given as to how the scheme will function in the future. If it is going to function on a shoestring then there would be little or no development.

1.9 It is the view of the Panel that in addition to staff resources appointed to develop and manage the Accreditation Scheme the Council needs to consider increasing the number of landlord advisory specialist posts. The sole Landlord Adviser post was created over two years ago. The response to the appointment and new service from the local private rental sector has been very encouraging. The adviser currently deals with an average of 60 landlord related enquiries per month.

**1.10 Section Four - Houses in Multiple Occupation & The Unitary Development Plan.**

HMOs form an important source of low cost accommodation and the Council realises that they will continue to provide accommodation for certain households in the borough.

1.11 This section of the Review concentrates on Houses in Multiple Occupation (HMOs). The Panel looked at the implications of the Housing Act 2004 and considered the impact of the Unitary Development Plan on HMOs in Haringey.

1.12 As a number of HMOs in Haringey are of a poor standard, the Council is committed to ensuring that standards are improved to provide satisfactory living conditions, but where this is not possible, to encourage conversions back into single dwelling homes. The Assistant Director Planning & Environmental Control stated that the planning system has control only when a planning application is made to the Council for new developments involving HMOs or to convert dwellings into HMOs.

## 2.0 RECOMMENDATIONS

### Section one - Empty Properties

- 2.1 The Director of Housing Services should ensure joint working with the Empty Property Officer in partnership with Benefits & Local Taxation Team to design an up-to-date database showing breakdown of all empty properties in the private sector.
- 2.2 The Director of Housing Services should ensure that the database is maintained through continued partnership with Benefits Service and the Empty Property Officer.
- 2.3 Benefits & Local Taxation Team should ensure that the Empty Property Officer has direct access to its computer information systems/screen(s), subject to Access to Information implications.
- 2.4 The Directors of Housing & Environmental Services should design clear standards and criteria for when enforced sales; compulsory purchases or empty homes management orders procedures should commence. The Panel suggests 1 year for empty properties, after which a decision should be made as to which of the three procedures should be adopted and then appropriate and immediate action should be implemented in every case.
- 2.5 Benefits & Local Taxation Team should include leaflet / information about empty properties with next annual Council Tax bill to all residents. Also when owners register their vacant properties with Benefits & Local Taxation Team, information should be sent to them outlining the various options available, highlighting penalties to be imposed for failing to comply with the Council's requirements, concerning bringing empty properties back into use. Also the final 2 letters sent to owners should emphasise clearly the penalties and actions the Council will take to bring empty properties into use.
- 2.6 Placing a Registered Charge against an empty property allows enforced sales procedures to be enacted. The Panel recommends that Benefits & Local Taxation Team should set a financial threshold for when a Charge should be levied against a vacant property (the Panel suggest when the debt reaches £1,000); when the property has been empty for over 6 months; or at identified trigger points. The Charge on empty properties should be registered at the earliest opportunity, preferably (subject to legal constraints) after the despatch of the first bill and reminder, if still unpaid. The cost for administration should be added to the Charge. The sum charged should incur interest at the same level set by the Small Claims Court accumulating until final settlement.

- 2.7 The Executive should ensure that recording of all outstanding debts owed to the Council from different departments across the authority is centrally co-ordinated.
- 2.8 The Director of Housing Services should establish links with Community Volunteer Wardens and Neighbourhood Wardens - to include the reporting of empty properties in their brief.
- 2.9 The Director of Housing Services should improve links with 'Better Haringey' Initiative, including branding of all leaflets and correspondence (not pamphlets or brochures).
- 2.10 The Director of Housing Services should ensure continued participation in the empty property hotline for London, and use the Haringey Website to encourage the reporting of empty properties and to highlight empty property issues.
- 2.11 The Executive should give consideration to how the Empty Property Strategy links into other departmental policies and strategies as a vehicle for successful delivery of the strategy; ensure that the strategy is robust, setting clear targets about what enforcement actions are to be taken and under what circumstances and ensure that the implementation of the strategy is measurable. The issue of empty properties must be a corporate priority.
- 2.12 The Executive should increase the staffing level in the Empty Properties Group to ensure effective delivery of the strategy. And ensure that empty properties is part of the Better Haringey Campaign, funding from this budget should be explored. Funding from the North-London sub region should also be explored.
- 2.13 The Director of Housing Services should ensure that (under current financial rules) provided a property is acquired under Compulsory Purchase Order and is resold within 3 years, 100% of the sale proceeds should be returned to the housing capital programme budget.
- 2.14 The Director of Housing Services should consider disposing of properties (acquired under Compulsory Purchase Order) to Registered Social Landlords or private sector developers.
- 2.15 The Director of Housing Services should investigate the government's pilot scheme for Compulsory Leasing of long-term private empty homes and consider participating in the scheme.

## **Section Two - Initiatives for Elderly Owner-Occupiers & Private Rented Tenants.**

- 2.16 The Directors of Housing & Environmental Services should ensure that leaflets, booklets and videos of the House Proud Scheme and the Council's grant schemes are developed in different community languages. They should be circulated to likely grant recipients or people living in priority areas, at luncheon clubs and other organisations that work with the elderly to raise awareness of the scheme.
- 2.17 Consideration should be given by the Director of Environmental Services to extending the role and partnership of Metropolitan Care and Repair to provide a wider range of services to provide intensive help with repairs and improvements to vulnerable homeowners.
- 2.18 The Director of Environmental Services should ensure better co-ordination of information between the various agencies working with the elderly to check that the hard to reach and vulnerable clients are referred for the various grants and services available.
- 2.19 It is recommended that Housing and Environmental Services make use of training and briefing events (including the use of newsletters and other communication materials) to emphasis the range of grant services available so that those staff working at the frontline with the elderly are well informed and kept up to date. For example a copy of the handbook: *"your guide to local services - services for older people in Haringey"* should be distributed to all such staff and agencies including the Primary Care Trust; homehelp and community nurses when these documents are produced.
- 2.20 Housing & Environmental Services should ensure a monitoring/feedback exercise is undertaken of people who have accessed grants service which would be a useful way of obtaining accurate assessment of needs and resources for future provision.
- 2.21 To overcome the current backlog of the Disabled Facilities Grant the following is recommended:
- a) Minor adaptations to be funded through the Home Improvements Grant.

- (b) Assessments for minor adaptations to be undertaken by Occupational Therapists Assistants. This will require some officers to be trained in the assessment procedures. This would leave Occupational Therapists free to concentrate on the major or more complex adaptations. Since writing this report, the Panel is pleased to learn that an agency technician as well as an Occupational Therapy Assistant/Technician has been employed by the service.
  - (c) Currently there is one technician attached to the Occupational Therapist team who is responsible for carrying out the minor adaptations. We were told that this works well and the officer concerned has completed over 100 adaptations over a six month period. The Panel recommends that the opportunity for expanding this arrangement should be considered and/or a member of the Haringey Homes & Building Services team be seconded to work in the Occupational Therapist team as an additional technician.
  - (d) An alternative solution would be to sub-contract Metropolitan Care & Repair who we were told has a strong track record to assess and carry out all minor adaptations.
- 2.22 The Executive should consider piloting an external Handyperson scheme from Metropolitan Care and Repair maybe using regeneration funding. This would be along the lines of the current internal Handyperson scheme to include charging a subsidised fee and a hardship fund.
- 2.23 It is recommended that The Older People's Strategy Group (Chief Executive's Service) be encouraged by Housing and Environmental Services to look further at the wider issues for private homeowners and also to consider whether or not there is a case for targeting support at e.g. over 65s or even over 70s age groups.
- 2.24 It is recommended that The Older People Strategy Group should be encouraged to look at issues associated with disabled adaptations for elderly people living in temporary accommodation and whether more can be done to assist this section of the community.
- 2.25 According to the Housing Needs Survey approximately 39% of homeowners aged over 50 in the borough own their homes outright. The Executive should consider developing policies that could assist owner-occupiers access private finance and equity release (unmortgaged home equity) to encourage them to improve their properties with their own resources. This would ensure that limited resources are directly targeted to those most in need in addition to the HouseProud Scheme.

- 2.26 It is recommended that the Council ends the practice of carrying out disabled adaptations for tenants of Registered Social Landlords and that Housing and Environmental Services explore alternative arrangement with RSLs for financing disabled adaptations to their properties.

### **Section three - The Landlord Accreditation Scheme**

- 2.27 The Director of Housing Services should ensure that the Landlord Accreditation Scheme (LAS) is rolled out as a permanent housing option for the Council.
- 2.28 The Executive should ensure that there are adequate resources within the scheme to increase staffing levels in order to ensure that development of the scheme is maintained. At the moment development has stalled due to uncertainty over funding and reorganisation of homelessness services. It is also difficult for the project leaders to continue development of the scheme, as they have to carry out their core duties. Full consideration should be given to government funding regarding social housing and any advantages/disadvantages that may occur should any change be implemented or planned by the government that would affect the future financial viability of this scheme to the Council.
- 2.29 It is recommended that Housing Services improve promotion of the LAS to enhance awareness of landlords, letting agents, tenants and Council services borough-wide.
- 2.30 It is essential that there are sufficient staffing resources to deal with any major expansion of the scheme. This is particularly the case in respect of the housing benefit processes that are involved whether at the outset of the tenancy or to deal with the ongoing maintenance of the claims throughout the lifetime of the tenancy.
- 2.31 The Council Executive should ensure increased financial resources and long-term commitment from the Council to ensure sustainability of the scheme.
- 2.32 The Council Executive should lobby the government to ensure that proposed changes to the method of payment of housing benefits (to direct payment) does not adversely impact on the scheme and vulnerable tenants should have their housing benefit paid directly to landlords.
- 2.33 The Director of Housing Services should ensure the development of a Housing Benefit Service Level Agreement between the Council and National Approved Letting Schemes (NALs) Accredited Letting Agents.

- 2.34 The Director of Housing Services should consider renaming the scheme to reflect the comprehensive accreditation of landlord, letting agent, property, tenant and the procurement objectives to meet the needs of an alternative housing option for the Council.
- 2.35 The Director of Housing Services should renew the Contract of Provisions of Services Supplied for the Management of the Scheme. The contract will need a greater degree of detail; as regards to how the scheme regulates the property, agents, landlords and tenants is necessary. Together with a Professional Indemnity Insurance and Client Money Protection Policy which covers the deposits. (Contract expires in March 31st 2005).
- 2.36 The Director of Housing Services should consider the introduction of dedicated 'Tenancy Support Officers' posts to interface between the tenants, landlords, agents and the Council thus providing sustainability and ongoing support for the tenancies.
- 2.37 The Director of Housing Services should ensure that appropriate monitoring procedures are in place to measure outcomes and success of the scheme.
- 2.38 In order that the Landlord Accreditation Scheme acts in accordance with the Council's vision for sustainable communities, the Panel recommends that the Directors of Housing and Environmental Services ensure that criteria for social housing mix (70% in the west of the borough and 30% in the east) is complied with.
- 2.39 With reference to standard requirements, the Panel recommends that in addition to the landlords complying with all the criteria listed in the one star rating, the following should also be included in that rating: (i) accurate inventory (ii) provisions of operating instructions for appliances, burglar alarms etc (iii) planned cyclical maintenance system.

#### **Section Four - Housing in Multiple Occupation & The Unitary Development Plan.**

- 2.40 The Directors of Housing and Environmental Services should target the use of grants for improvement and more external maintenance in the private rented sector and explore the use of Neighbourhood Renewal Funds to develop this.
- 2.41 The Executive should use the Better Haringey Initiative to exercise enforcement powers to ensure that Houses in Multiple Occupations (HMOs) are of a satisfactory standard and comply with Health and Safety Regulations: funding from the Better Haringey Initiative budget should be explored to achieve this.

- 2.42 The Executive should ensure that proactive measures are introduced to accurately identify the number of HMOs in the borough. Once the numbers have been confirmed, the highest priority should be directed at removing unfitness and swift action taken where unlicensed HMOs have been identified. Additionally, the Better Haringey Initiative should be encouraged to employ extra Environmental Health Officers to assist in accurately identifying the numbers of HMOs and carry out effective inspection of these properties. It is essential that, at least, current staffing levels be maintained.
- 2.43 There are also problems nationally with the recruitment and retention of skilled staff and this can only get worse with the new Housing Act. The Panel recommends that the Council continue to work with other London boroughs to overcome some of these problems. Solving skills shortages must be seen as a priority.
- 2.44 The Panel recommends that there is a need to build capacity by reviewing requirements and capabilities, so that costs and additional staff resources are identified, and that the Directors Housing and Environmental Services should:
- Consider carefully whether to use the powers in the Housing Act 2004 to extend licensing under the additional licensing and/or the selective licensing schemes.
  - Provide a well-resourced tenancy relations service to inform tenants and other agencies of their legal rights.
  - Invest in good quality well managed, long term privately rented homes by building on and enhancing the Haringey Landlord Accreditation Scheme.
- 2.45 The Director of Environmental Services should ensure that the Supplementary Planning Guidance is produced on target.
- 2.46 It will be necessary for the Council to publicise the introduction of mandatory licensing. This should include advertising and producing information material such as leaflets for HMO operators. Information should also be publicised on the Council's Website. Officers should investigate some of the methods used by other London boroughs, such as providing a comprehensive guide on HMOs for the Council, tenants and landlords.

- 2.47 With reference to the computerised database for monitoring HMOs it is recommended that the database include the number of licensing applications received; licences granted; refusals; types and sizes of HMOs; the length of time for which licences are granted and the reasons for refusal.
- 2.48 The Panel recommends joint working with the fire service, police, voluntary organisations and other relevant agencies be established. Working at sub-regional level among authorities, the police, and the fire service and other agencies in the application of the Licensing Act could provide examples of good practice.
- 2.49 It is recommended that elected Members should receive information designed to increase their awareness of the range of HMO powers available to the Council. The Information should detail how powers are to be used, and under what circumstances, and to establish the most appropriate and effective methods of dealing with these properties as a corporate issue.
- 2.50 We welcome the establishment of the HMO working group and feel that it is important that the working group bear in mind that the use of any powers will depend on the individual circumstances of each particular case. In particular the Council should decide how to treat tenants if an HMO closes due to the refusal of a licence. The new Strategy will also need to have regard to the Human Rights of the Landlords; the occupiers and the Council's obligations in respect of the homeless.
- 2.51 The Panel also recommends that the HMO working group should continue in existence for liaison purposes to promote a corporate and consistent approach. The working group can provide a forum for HMO policy development; forge links between the Planning & HMO Services and clarify professional responsibilities, if necessary.
- 2.52 The Directors of Housing and Environmental Services should report back to the Overview & Scrutiny Committee in due course on the implementation of the recommendations contained in this report.

### **3.0 INTRODUCTION:**

- 3.1 Housing is on its way up the political agenda. The Government has acknowledged that investment in housing is vital not only to solve the housing crises but also to meet many other social needs. Poor housing is directly linked to shorter life expectancy, poor health outcomes, child poverty, poor education attainment and crime.
- 3.2 Information from the Private Stock Condition Survey shows a borough-wide unfit level of 15.7% compared to 7.5% nationally. Green Lanes, Haringey and West Green wards have the highest levels of unfit. Additionally, 90.8% of dwellings have faults with 50% showing both internal and external faults. Many people living in poor quality housing are the elderly and lone parents.
- 3.3 Private sector housing plays a major role in meeting housing need in Haringey, providing homes to over 7,000 residents. In recognition of the importance of private sector housing and the role it can play, the Council must continue to develop its Private Sector Housing Renewal Strategy to encourage the sector to provide affordable, accessible and decent housing for those wishing to rent or buy.

#### **National context**

- 3.4 As of April 2002, the number of empty properties in England was estimated to be 729,770 representing 3.4% of the total housing stock. A number of these (approximately 2% according to the ODPM) were properties that were vacant for a short period of time, either while they were sold or let or while repairs were being carried out. The majority of empty properties (83% in 2002) are in the private sector.
- 3.5 The scale of the problem nationally has provoked a national policy response, co-ordinated by the Empty Homes Agency and more recently, subject to scrutiny by the Select Committee.

#### **Regional Context**

- 3.6 The Government Office for London has made targeted resources available for private sector renewal in both 2004/5 and 2005/6, which must be bid for on a sub regional basis. London is divided into 5 sub-regions. Haringey is in the North London region (with Camden, Islington, Westminster, Enfield and Barnet). The North London sub-region has been allocated £2M in 2004/05 and a further £1.5M in 2005/06 to increase the number of empty properties that are brought back into use. Additional money was also made available for pan-London bids, including Landlord Accreditation and House Proud schemes.

- 3.7 In London there continues to be an acute shortage of affordable housing, yet there are believed to be in the order of 40,000 (as of April 2002) long-term vacant private sector homes. The Mayor has lent his authority and influence to reducing this number.

### **Haringey Context**

- 3.8 Compared to the rest of London, Haringey has a medium-size problem with empty property in the private sector. There are two main measures of empty properties; the 2001 census which counts household spaces and on-going Council Tax records (which count dwellings).

### **Private Sector Housing Renewal Strategy**

- 3.9 Haringey Council has recently adopted a Private Sector Housing Renewal Strategy, which recognises the significance of private sector housing (providing around two thirds of all homes in the borough) and steers the authority's interventions in this area. Haringey has the 13<sup>th</sup> highest numbers of empty properties with 2,459 (as at March 2004), which must be considered in the context of homelessness. Haringey has the third highest number of households in temporary accommodation in Britain – 4,970 in July 2004.
- 3.10 Whilst recognising that the primary responsibility for private housing lies with the owner, the Council welcomes its enabling role. The Council has a part to play in making private renting and owner-occupation more accessible and has a major role in ensuring improvements in the housing stock. The Council's objective is to help people to secure and maintain decent, safe and well-managed homes. Along with its partners, Haringey has an important strategic role to play in ensuring that the sector contributes to its objectives for the borough as a whole.
- 3.11 According to the census, 2001, the breakdown of housing tenure in Haringey is as follows:

<b>1991 Census</b>		<b>2001 Census</b>	
<b>Owner occupiers</b>	<b>49.7%</b>	<b>Owner occupiers</b>	<b>45.8%</b>
<b>Private rentals</b>	<b>19%</b>	<b>Private rentals</b>	<b>20.1%</b>
<b>Council tenants</b>	<b>24.9%</b>	<b>Council tenants</b>	<b>19.7%</b>
<b>RSL Tenants</b>	<b>6.4%</b>	<b>RSL Tenants</b>	<b>10.5%</b>

- 3.12 The 2001 census also indicated that the private rented sector has grown significantly, partly due to the 'Buy to Let' market. Many properties in this sector are let as temporary accommodation. However the 'Buy to Let' market appears to be slowing and this may offer new opportunities for families to access private renting directly.

- 3.13 Haringey has a lower level of home ownership in comparison to other London boroughs and the census shows a decline of 4% since 1991. The 2001 census indicated that there are in the region of 2,400 vacant units in the Borough, ranking Haringey as 13<sup>th</sup> in London.
- 3.14 For many people living in the Borough owner occupation is the tenure of choice and provides decent housing that satisfies their needs. 46% of households in Haringey are owner-occupiers and an additional 20.1% are in private rented accommodation. However, according to the Private Sector Stock Survey, 11,800 of private sector dwellings are unfit - 15.7% of the Borough's private sector housing stock compared to 7.5% nationally.

***Haringey Private Sector Stock Condition Survey.***

<b>The Private Sector Stock Conditions Survey carried out by Fordham Research.</b>
<b>90.8% of dwellings have faults (80% nationally). Over 50% have both internal and external faults.</b>
<b>11,800 private sector dwellings are unfit - 15.7% of the Borough's private sector housing stock compared to 7.5% nationally. (the most common reason for unfitness is disrepair)</b>
<b>43% of households living in unfit housing are homeowners.</b>
<b>Green Lanes, Harringey and West Green wards have the highest levels of unfitness.</b>
<b>Many of those living in poor quality housing are the elderly and lone parents.</b>
<b>1.3% (1,007) lack basic amenities 3,2% have unmodernised bathrooms and 6.8% have unmodernised electrical systems (pre 1964).</b>

- 3.15 The quality of homes in Haringey ranges from desirable owner occupied or privately rented luxury accommodation to multi occupied privately rented houses, bed and breakfast, and hostel accommodation. At the top end of the housing market, prices continue to grow faster than the average rise for London and the Southeast. At the lower end, people who once sought owner occupation in Haringey can no longer afford to buy here. The census data shows that the private rented sector has grown, probably due to an active 'Buy to Let' market, some properties are let as temporary accommodation. Many private landlords refuse to take households on housing benefit. There is concern that owner occupation has decreased in Haringey, extending and sustaining home ownership is an important part of the strategy for priority neighbourhoods.

## **4.0 METHOD OF INVESTIGATION**

- 4.1 A Panel of cross-party Councillors led the Review. To pursue its aims, the Panel received and discussed papers from officers detailing the background to the subject and on policy and implementation. The Panel received presentations and evidence from a range of agencies, which was subject to questioning and discussion. Additional written and oral responses were received from officers of the Council.
- 4.2 An independent external advisor, Janet Sillett (Policy Officer), at the Local Government Information Unit, advised the Review Panel. Janet Sillett specialises in local government finance and housing and was previously the Leader of Norwich Council for 5 years before chairing the finance committee of the Association of District Councils before it was absorbed into the Local Government Association.
- 4.3 The Membership of the Panel and those individuals and organisations presenting to the Panel are shown at Appendix 1.
- 4.4 The investigation was conducted under four main sections and designed to address the following:

Empty Properties	- Section One
Initiatives for the elderly owner-occupiers	- Section Two
The landlord Accreditation Scheme	- Section Three
Houses in Multiple Occupation and the UDP	- Section Four

## 5.0 THE SCRUTINY REVIEW

5.1 Members acknowledged the intricate and cross-cutting factors that contribute to the private sector housing issues in the borough, and are mindful of the fact that some initiatives are already underway in the Housing and Environmental Services Directorates. The aim of the Review therefore is to identify those areas that will be key to the implementation of the Private Sector Housing Renewal Strategy and to ensure that the Council is successful in meeting its objectives.

### Terms of reference of the Review

5.2 This Review was undertaken at the request of The Overview and Scrutiny Committee that agreed the terms of reference at its meeting in July 2004.

5.3 The following terms of reference were developed and agreed to guide the Scrutiny investigation:

- To examine key issues facing the Housing Service in seeking to deliver the Council's Private Sector Housing Renewal Strategy;
- To influence the direction of the strategy in the future, in particular:
  - **Empty Properties** - To assess the adequacy of the Council's approach and resources to turn empty properties into homes. To ensure that policies are activated with clear procedures and timescales to ensure regeneration of long term empty properties in securing improvements in the private sector in the borough, focussing on the following areas:
    - Enforcement Action (including Compulsory Purchasing Orders, enforced sales.
  - **Extension of the pilot voluntary accreditation scheme for private landlords** - To consider the Council's approach to building good relationships with landlords by developing an accreditation scheme; to ensure that the scheme is effective and successful for both the local authority, landlords and their representatives in ensuring that good quality and well managed accommodation is provided for local residents.
  - **Initiatives for elderly owner-occupiers** - To assess and monitor the Council's support for older private sector homeowners and to identify and make recommendations on any gaps in the service. To consider Care & Repair and available relevant grant programmes.

- **Houses in multiple occupation and the Unitary Development Plan**  
To consider the impact of the Unitary Development Plan on Houses in multiple occupation. To consider how the policy supports the local objective of narrowing the gap between east and west of the borough, by creating more social mix and tenure diversity.
- **Comparison** - to gather and analysing information from other authorities to ensure best practice.

**The aim of this review is:**

- To consider how the Council delivers on activities impacting on the Private Sector Housing Renewal Strategy and to scrutinise implementation of the Strategy.
- To make recommendations to the Executive.

## 6.0 SECTION ONE - EMPTY PROPERTIES

6.1 This is by far the most extensive section of the Review. The Panel chose to scrutinise initiatives around private sector housing, including interventions concerning vacant private sector homes. "<sup>1</sup>At a time of housing crisis in this country and with an urgent need for affordable homes, we cannot afford to ignore the massive potential of empty homes."

6.2 The definition of an empty property suggested by the government in their descriptive paper: 'Empty Property: Unlocking the Potential' (February 2003) is wide-ranging. Basically empty properties are those that:

- Have been unoccupied for six months or more.
- Have been unoccupied for less than six months and is a special case, for example legal action by the local authority as a result of serious disrepair or other problems being caused by the property.
- Are occupied but the space is capable of more beneficial use.
- Do not have a reasonable prospect of being brought back into use by the owner working alone.

6.3 Whatever the definition of empty properties it is fair to say they present the community with a range of issues and opportunities and can impact on neighbourhoods, communities and residents in a number of ways including:

- Devaluation of neighbouring properties leading to a loss of equity for homeowners and a disincentive to maintain their properties.
- Blight on neighbourhood - dumping ground for rubbish etc.
- Vandalism, graffiti and other crimes including anti-social behaviour activities.
- A potential for arson
- Pest infestation.

6.4 An empty property may represent a wasted opportunity to providing housing in an area of high demand or it may be symptomatic of market failure or a housing market at risk of collapse. Both these scenarios represent the two aspects of the problems of empty homes.

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<sup>1</sup> Jonathan Ellis, Chief Executive of the Empty Homes Agency

- 6.5 In 2004 there were over 99,074 empty homes in the London area, a third of them have been empty for a year or more. At the same time, thousands of people are looking for somewhere to live. Some are homeless, and this cost local Councils, who provide them with temporary accommodation, millions each year in public money. Owners are also missing out. As there is a huge demand for housing, letting out a flat or house can provide a useful income.

### **Haringey Empty Property Strategy**

- 6.6 The Empty Property Strategy is a key component of the Council's Housing Renewal Strategy and is a comprehensive feature in the Council's plan to regenerate housing across tenures. The strategy sits within the corporate strategy framework and progress is monitored at a cross departmental group, which meets quarterly, and includes representation from the Housing Services, Environmental Services, Finance and the Chief Executive's Service. Although the strategy has remained under regular review, the Panel notes that the Council intends to conduct a formal review and produce a new strategy document by the end of December 2004 and welcomes the opportunity to feed into that process.

### **Bringing Empty Properties Back Into Use**

- 6.7 There are a substantial number of privately owned empty properties in the borough, which is a wasted resource for the owner and the community. The most up to date figures (March 2004) shows 2,459 empty properties in Haringey indicating the 13<sup>th</sup> highest proportion in London. The Council's policy is to develop initiatives to encourage owners to bring long term vacant properties back into use. Unlike authorities with very high vacancy rates, Haringey contains no wards where there are more than 200 empty private properties; some boroughs contain wards with more than 300 empty private properties.
- 6.8 During discussions with the Housing Strategy & Programmes Manager, we found that in 2002/03 740 empty properties were brought back into use – 599 of these became private sector leases (PSLs) or Housing Association leases (HALs) and are used as good quality temporary accommodation for homeless households. Following the intervention of the Empty Property Officer, some properties are re-occupied, some are rented out privately and some are sold. It is important that the Council is able to offer residents a range of options, the outcome may vary depending on factors such as the location of the property. The Council employs one Empty Property Officer with responsibility for approximately 651 cases requiring action.

- 6.9 The Panel learned that some of the properties are brought back into use through the provision of grant funding to the owner to carry out repairs. Landlords can receive a grant for up to half of the cost of the works up to a maximum of £25,000. If grant funding is received the owner is required to give the property to the Council as a private sector lease for a minimum period of 5 years. Conditions of sale remain in force for 10 years. If the owner is unable to raise the funds to cover their contribution, this can be combined with the repair to lease scheme and the owner will be lent money up to the cost of 1 years rent which is then deducted from future rental income. The provision of grant funding has enabled the Council to work with owners to bring properties back into use.
- 6.10 The Panel notes that under the Local Government Act 2003, local authorities are now empowered to remove or reduce the historic Council Tax discount owed to owners of empty properties. Unlike other London authorities<sup>2</sup>, Haringey has chosen to levy 90% of Council Tax on vacant homes. It is hoped that changes will spur owners of empty properties to bring them back into use.
- 6.11 We interviewed the Empty Property Officer and the Manager of the Empty Properties Group and note that Council Tax data is the primary means by which information on empty properties is obtained. Additionally a provision in the above Act gives local authority's Empty Property Officers the explicit right to see Council Tax records for the first time. However the Empty Property Officer advised the Panel that she did not have access to Council Tax database to enable her to function effectively.
- 6.12 More and more local authorities are realising that to have an Empty Property Strategy is an effective tool with which to address the problem. However, local authority resources are limited and a good empty property strategy needs to be written with corporate commitment and a clear picture of how empty properties contribute to the economic growth/decline of neighbourhoods. It is the view of the Panel that the Empty Property Strategy should be a priority for all appropriate departments (due to the cost implications for the Council). Particularly in terms of collecting charges which, we feel should be placed against all empty properties.

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<sup>2</sup> Source: GLA Empty Homes in London 2004

- 6.13 It will be important that Council Tax infrastructure – particularly software such as iWorld recognises and meet the needs of empty properties work. The Panel was concerned to learn the following:
- There appears to be no central co-ordination for recording all outstanding debts owed to the Council from different departments across the authority.
  - No co-ordination to show the total indebtedness on an empty property - This is important particularly if Council Tax is owed.
  - No regular report from Benefits & Local Taxation Team to enable the Empty Property Officer to work effectively.
  - Some properties have been empty for 12 years and more.
- 6.14 In view of the associated difficulties experienced by the Empty Property Officer in obtaining information from the Council Tax database, the Panel wanted to explore the relationship between Revenue, Benefits & Local Taxation Team and the Empty Properties Group. We invited the Benefits & Local Taxation Team Manager to an interview session and learned that difficulties have been identified with flexibility of the computer system to produce the required information in a useful format to the Empty Property Group. Also it was not possible to provide information on a ward by ward basis.
- 6.15 The Panel feels that it is important that the Benefits & Local Taxation Team (B&LTT) and the Empty Property Group discuss and agree the frequency of producing the necessary information particularly as the situation was subject to change. The Manager stated that if data, specifying properties that had been vacant for more than 6 months or so was requested this would require more computer programming but added that it should be possible to produce this information. A potential difficulty could arise if details of individuals were requested. However the Panel recommends that the B&LTT should provide any data required in accordance with the legislation.

### **Dealing With Long Term Empty Properties & Properties in need of renovation.**

- 6.16 The Panel was particularly concerned about long term empty properties and how much this cost the Council. Following changes in legislation (The Housing Act 2004) the Council will be empowered to impose compulsory leases and will be able to undertake repairs to any properties that had been vacant for more than six months. There are likely to be difficulties using these new powers and a voluntary system of repairing to lease is likely to be more effective if the Council is able to relax the current restriction on a maximum of 1 years' rental income being used towards the repairs.

- 6.17 The Panel requested and was provided with details of the worst empty properties as at October 2004 in terms of the length of time they were vacant; reasons for vacancy and the level of complaints received by the Empty Property Officer. We noted that all the properties have had four letters sent to the owners. In some cases the owners were untraceable and in other cases owners refused to take action. In one particular case the property had been empty for 10 years, the property was squatted and had also being the subject of arson. It became a dumping ground and the subject of numerous complaints from neighbours. The Council was eventually successful in enforcing the sale of the property.
- 6.18 The fact is that empty homes already exist in communities, these vacant properties attract crime and vandalism and are an eyesore for neighbours. There is massive public opinion in favour of more action on empty homes. If the Council is serious about building sustainable communities it cannot afford to ignore these empty properties.
- 6.19 There is no longer any tax incentives to encourage owner-occupiers to invest, for example by allowing them to set the costs of work done or the interest charges on repair or improvement loans against tax obligations. Also repair and improvement works are fully rated for Value Added Tax purposes.
- 6.20 In response to questions about the length of time a property had to remain empty before the Council took action, the Panel was informed that from a Council Tax position there was no advantage to an individual to keep a property empty. Also that the B&LTT has changed its computer software fairly recently and this created some problems such as the inability to produce information as requested. However the Benefits & Local Taxation Team were keen to ensure maximum income collection. The Benefits and Taxation Manager also added that a Charging Order could only be made if the whereabouts of the owner(s) was known. The Panel was advised that if a property had a Charging Order placed on it this would be shown on the Deeds of the property and the Benefits & Local Taxation Team would recover money owing when the property was sold. Council Tax costs and interest was added.
- 6.21 In cases where there was a debt against a property of £1,000 or more the Council could take court action and enforce a sale of the property.

- 6.22 The Panel requested details of the circumstances that might lead to the writing off of Council Tax debt. Members were informed that in cases where it was uneconomical to continue to pursue (often after 6 years) Council Tax bills were written off rather than a charge being placed on the property where efforts had been made to collect by other methods and because of the need to meet performance indicators (PI's). The PI's are a national indicator and a measure taken into account by the Audit Commission in assessing the Council's Comprehensive Performance.
- 6.23 It is the view of the Panel that BL&TT should ensure that the Empty Property Officer has direct access to Council Tax computer screen(s). Members were informed that clarification was needed to ascertain whether the changes in legislation would permit this, as there could be data protection issues. Also there could be other practical issues, including the need to get agreement from the Head of Information Technology to set the system up.
- 6.24 *The Empty Property Strategy highlights the need to pay detailed attention to the support arrangements designed to realise the Council's ambitions both administratively and technologically. Administratively, it will be important to ensure an appropriate balance of roles and responsibilities between teams, especially Housing Supply, Legal, Benefits & Local Taxation Team and Housing Renewal Teams. Those responsible for delivering the service need to be working well together. The Panel feels that such relationships cannot be left to emerge spontaneously. This can only be achieved through appropriate training, time spent in working collaboratively and access to common sources of information.*

#### **Who owns the empty homes?**

- 6.25 The Government Office for London (GoL) has made targeted resources available for private sector renewal in both 2004/5 and 2005/6, which must be bid for on a sub regional basis. London is divided into 5 sub-regions. Haringey is in the North London region (with Camden, Islington, Westminster, Enfield and Barnet). The North London sub-region has been allocated £2M in 2004/05 and a further £1.5M in 2005/06 to increase the number of empty properties that are brought back into use.

6.26 The table below gives an indication of the ownership of empty properties in the North London sub-region, together with the number of Empty Property Officer(s) employed to deal with the problems.

Borough	Total empty homes	% of empty homes	Who owns the empty homes			Private homes empty for more than 6 months	Household accepted as homeless by the local Council 2000/01	No of empty property officer(s)
			Local Council	Housing Asso	Private landlord			
Haringey	2,459	4%	226	186	2,701	2,020	4,019	1
Camden	3,736	4.06%	330	309	3,097	1,970	1,320	1
Enfield	?	?	360	50	3,745	1,999	2,678	1
Islington	2,575	2.98%	418	242	1,914	?	1,421	.5
Barnet	5,157	3.94%	91	92	4,849	3,176	1,973	5.5
Westminster	4,245	3.73%	249	220	3,776	2,192	3,106	1.75

6.27 The Council has recently adopted a Private Sector Housing Renewal Strategy that recognises the importance of private sector housing which provides for approximately two thirds of all homes in the borough. As at July 2004, Haringey has the highest number of households in temporary accommodation in Britain. Empty properties are bad for the community because they deny homes to those in housing need.

6.28 Currently as with other local authorities the total number of empty properties in the private sector is calculated using Council Tax records from the 1<sup>st</sup> April each year. Unfortunately because of the Data Protection Act it is not possible to use this source to obtain details of ownership so local intelligence from records of complaints made and inquiries with neighbours is required to compile a more specific and detailed picture about the reasons for empty homes in Haringey.

6.29 The table below indicates a steady increase in the number of empty homes from 2003 to 2004 and the increase in the workload of the Empty Property Officer. This officer is also responsible for the collection of data in accordance with the requirements of the Audit Commission for Best Value Performance Indicator. The introduction of the BVPI164 has emphasised the importance that local authorities must place on empty property work and its reporting. The Empty Property Officer devotes much of her time in ensuring that these figures are accurate which leaves little time to spend on actually dealing with empty properties.

- 6.30 It is the view of the Panel that there is insufficient staffing levels in the section to adequately comply with the BVPI requirement and effectively manage the number of empty homes across the borough.

Breakdown of units brought back into use:	2002/2003	2003/2004
Total of properties empty for more than 6 months and brought back into use	740	875
Private Sector and HALs schemes	599	744
Properties occupied as a result of giving advice to landlords	124	131
Received grants	17	18
Caseload	651	1006

### **Enforcement Strategies**

- 6.31 Enforcement is one of the biggest issues and a number of steps have been taken to address this and the Council has employed a range of strategies to tackle the problems associated with empty properties. Despite the general increase in capacity and willingness of some owners to invest in their homes, a minority of homeowners has continued to struggle to keep up with the work that needs to be done. The 'Right to Buy' Scheme has created a cohort of owners, many of whom lack the income or savings to tackle repairs and maintenance in the longer term.
- 6.32 We acknowledge that much of what is achieved in bringing empty properties back into use is based on negotiation and gaining landlords' co-operation also one area of weakness has been the use of enforcement powers to tackle longer-term empties and more difficult landlords. We feel that clarity is needed around decision making in terms of enforcement actions the priorities and criteria needs to be addressed.
- 6.33 The level of enforcement action is limited partly by the legal complexities associated with taking action against owners and partly by the staff-intensive nature of such action. When compulsion is used to enforce repair works for example, it is only likely to be used against private landlords and even then the preference is for persuasion rather than compulsion. There are examples of local authorities that have decided to take active enforcement action against owner-occupiers to require them to bring their properties back into use.

6.34 Enforcement options include the following:

### **Enforced Sale**

6.35 A local authority can force the sale of a property in order to recover debt owed to the authority. In general, controls relating to housing renewal are strong, and include the capacity to carry out works in default and recover the costs through a legal charge on the property. But in practice such powers are used on a very limited scale and usually in combination with grant aid to sweeten the pill. The Panel was informed that the Empty Property Officer was working with Legal Services to use the enforced sales procedures as a way of recovering debt for works in default undertaken. The enforced sales procedure has two main aims:

- To recover the debt for works undertaken and to focus the owners attention on any further works that is required.
- To try and uncover the owner and work with them or enforce the sale and work with the new owners.

6.36 This procedure offers significant opportunities for development of a relatively cost effective enforcement instrument. The authority has recently completed its first enforced sale of an empty property (see para.6.17), an experience that will give invaluable understanding of the practical administration of this procedure in this new area of enforcement.

6.37 On a national level, for example in 1996/97 only <sup>3</sup>2,000 dwellings were demolished or closed because they were unfit and only 8,500 Notices were served in England on owners of unfit properties requiring them to undertake repairs, of which about 50% involved a mandatory grant, with a further 1,600 Notices served to prevent dwellings becoming unfit. The majority of Notices were served on private landlords, especially landlords of houses in multiple occupation. This action represents a tiny proportion of the estimated 1.5 million unfit dwellings in the country in 1996.

6.38 In that year (1996) there were 5,500 empty properties in the borough the current figure is 2,459. While advice and voluntary agreement with property owners will resolve the vast majority of empty property cases, there is a need to review and re-establish the Council's commitment to enforcement. The Panel expects that the procedure will be used in most areas of enforcement and will be utilised as part of the Council's strategy in relation to Houses in Multiple Occupation and empty properties.

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<sup>3</sup> Crumbling Castles? Joseph Rowntree Foundation Research 2000

## **Compulsory Purchase Orders (CPO)**

- 6.39 Compulsory Purchase Orders (CPOs) – although this is a power that the Council has not used in the past, other authorities in the North London sub-region – particularly, Westminster City Council have extensive experience of conducting CPOs for a variety of purposes. Most local authorities only use this as a last resort when the owner does not respond or refuses to co-operate with the local authority. The Council has the option to make a Compulsory Purchase Order, which is complex and lengthy and currently can take up to two years to process. A project is ongoing where Westminster will lead CPO work in the sub-region and allow Haringey's officers to participate in the process in order to develop the skills and experience necessary to utilise this option. However, proposed legislative changes should in the future streamline the process.
- 6.40 The Council is investigating the use of the procedure to pursue other debt owed to the Council, including Council Tax. Communications with the owners of empty properties have long mentioned the possibility of compulsory purchase where no action is taken, but this possibility has not been translated into action.
- 6.41 Generally, under-use of this procedure by the Council in recent years has risked educating noncompliant property owners that the Council is not serious about acting firmly where necessary. Successful completion of even a very small number of CPOs would send a clear signal that the authority was now prepared to pull out all the stops to achieve its vision of transforming local neighbourhoods. Once a property has been compulsorily purchased it can be sold on for renovation to a high standard by a Housing Association or other partner organisations.

## **Empty Homes Management Orders**

- 6.42 The Housing Act 2004 includes provision for compulsory leasing – Empty Home Management Orders (EHMOs).
- 6.43 Interim and final management orders allow an authority to step in and lease a property compulsorily for up to 5 years, where a owner can be shown to be unable to put a property back into use. The owner is entitled to any residual rental income, after deductions of the authority's costs.

- 6.44 The Panel learned that a number of practical questions surround the practicability of this procedure, including whether the length of the leases (12 months for an interim order and up to 5 years for a final order) are actually sufficient to meet all costs that would be entitled by both the refurbishment costs (which may well be very large in particularly difficult cases) or the administrative costs, which may be great where an owner is willing to contest an order vigorously. The Office of the Deputy Prime Minister's suggestion of running CPO and EHMO proceedings concurrently may not be an adequate response.
- 6.45 Generally, while the new power is certainly welcome, there will be many cases where enforced sale or CPO may be efficient to administer and (because they remove the interest from the individual) more effective. However, we feel that the use of these orders should be monitored and reviewed at a later date.

### **Grants**

- 6.46 At sub-regional level, a successful bid was made, which means that Haringey will receive a share of £2 million in 2004/05 and £1.5 million in 2005/06 to support empty property grant work.
- 6.47 Grants to homeowners are the main financial incentive available to encourage them to invest in repair, maintenance and improvement. Delivery of a successful grant-based programme of interventions to put empty properties back into use includes focussing on particular areas in the borough. Over the years, this has made a major contribution to putting empty properties back into use and in building consistency in allocating dwellings for people in priority housing.
- 6.48 In any one year, there will only be a given number of empty properties for which engagement with a grant-based solution may be appropriate.
- 6.49 We spoke to the Housing Renewal Manager and learned that the government introduced the Regulatory Reform Order on Housing Renewal on 18<sup>th</sup> July 2002. The Order repealed much of the legislation governing the provision of renewal grants to homeowners and allowed local authorities the flexibility to produce their own grants policy based on the needs of the borough. The Government's view is that it is primarily the responsibility of the homeowners to maintain their own property. However, the government and the Council are committed to improving housing quality across all tenures and fully accepts that some homeowners, particularly the elderly and most vulnerable will need assistance in keeping their property in good repair.

6.50 To establish what needed to be included within the policy, information available from the Private Sector Stock and Needs Survey 2001, census 2001, corporate and housing strategies and local information relating to grant enquiries and consultation identified the following underlying principles and priorities for the policy:

- To ensure that basic assistance is available borough -wide for those in most need.
- To target the majority of grant funding to the areas that have been identified as being in most need. A key objective of the community strategy is the narrowing of the gap between the east and the west of the borough.
- To support the work of declared renewal areas.
- To provide opportunities to assist people to free up equity in their properties.
- To bring empty properties back into use, to prevent blight and provide homes for homelessness clients and key workers.
- To improve conditions within houses in multiple occupation and to procure units for those in housing need.
- To eliminate fuel poverty and improve energy efficiency and security measures within key neighbourhoods.
- To develop a programme of area renewal, identifying key sites and using clearance area powers and Compulsory Purchase to achieve overall objectives.

6.51 Significantly empty properties in Haringey are not necessarily concentrated in more deprived areas and are often correlated with large concentrations of flats above shops (Crouch End is an area of relatively high concentration for example). However, Metropolitan Housing Trust is working with Haringey in the east of the borough by carrying out renovations, which is labour intensive. Shop owners prove to be very difficult to deal with due to the often complex nature of ownership (many shops are owned by small companies; some are single owners and others owned by families). Therefore any area-based empty property programme should support the wider neighbourhood renewal strategy, and be able to join up with resources from other programmes.

## **Pro-active investigation**

- 6.52 Where area-based interventions are likely to yield benefits are around pro-active efforts to identify empty properties and then to work with the owner(s) to propose and realise solutions. The Panel learned from the Team Leader Grants / Regeneration that the main reasons for empty properties in Haringey include the following:
- Property in poor condition.
  - The property is unlettable or unsaleable
  - The occupier has moved (to hospital, nursing home, evicted, repossessed by banks or building societies.
  - The owner has moved abroad.
  - Inheritance problems / dispute over ownership
  - Pension or Tax reasons
  - The owner intends to return
  - The owner waiting for increase in the value of the property.
- 6.53 Empty properties are identified through a variety of methods, such as carrying out a survey of the area, through Council Tax records, reports from other Council departments or through complaints from members of the public, which the Panel feel, should be further encouraged through the use of the Council's website.
- 6.54 Officers deals with empty properties by acting as detectives to find out who owns the properties and their current address, by writing to owners and holding meetings with them and offering advice on how they can bring their properties back into use and what building works are required.
- 6.55 In order to narrow the gap between the east and the west of the borough pro active work is likely to be more effective if conducted in renewal areas and areas with particular concentrations of need. Moreover, such projects are likely to develop synergy with other programmes to renew more deprived areas. The Council should take advantage of the Local Government and Housing Act 1980 that gives accelerated powers to local authorities to compulsorily purchase properties in Housing Renewal Areas.

## **Survey - Hammersmith & Fulham.**

- 6.56 If a constructive approach to securing the reuse of empty property is to be successful, it is important to understand why property is left empty for long periods of time and the associated effects this can have on a community. The reasons are numerous some regional and others more area specific. During discussions with the Chief Executive of the Empty Homes Agency the Panel learned about a study which focused on Hammersmith and Fulham, which had already brought 675 empty homes back into use in 6 years through its empty property strategy. In this time the authority has seen the numbers of properties empty for more than a year or more decrease from just over 1800 in 1997 to 845 in 2003. This authority, as with the majority of local authorities, had a funded programme of working with owners to lease empty homes to help meet housing need. Full details of the survey can be found at Appendix 2.
- 6.57 Despite this record of action, this study asked what still needed to be done to bring these remaining empty properties back into use, especially when there were still 1,610 families registered as homeless in the Borough?
- 6.58 The study also assessed whether owners wanted help to bring their 'problem properties' back into use, and with whom they would prefer to work.
- 6.59 The Study was undertaken by the Empty Homes Agency in association with MORI it found that:
- Most respondents had bought or acquired their property. They either intended to live in it themselves, use for family or friends, and use it as an investment or to manage the property themselves.
  - Only about a quarter of respondents were interested in some form of assistance to bring their property back into use. The remaining respondents expressed no interest in any such services.
- 6.60 The researchers concluded that:
- Owners of empty homes are worthy of additional attention by local authorities to assess whether existing or new services may encourage the owner to bring the property back into use to increase housing supply.
  - Where this 'carrot approach' does not work, an effective 'stick' is also required to ensure that the property is re-used and the benefits are made apparent to the owner.
- 6.61 The researchers recommended that:

- Work should be undertaken to encourage more housing associations to run private sector leasing schemes for empty homes to increase the options for owners.
- When no reason is given and no action is taken by an owner of an empty home, the ODPM should give urgent consideration to implementing their consultation paper on Empty Homes Management Orders to bring such property in high demand areas back into use to meet housing need.

### **Key conclusions from the survey**

- 6.62 The researchers conclude that such owners of empty homes, the majority of whom have made a conscious decision to acquire the property, are worthy of additional attention by local authorities to help efforts to increase housing supply. A minority of owners is worth pursuing to assess whether existing or new services may encourage the owner to bring the property back into use.
- 6.63 It is also possible that after having offered a similar range of services for the past six years, owners who were most likely to take them up had already done so. Indeed this reflects the experience of the local authority that it is more difficult to 'sell' these products than it was three or four years ago. In such cases local authorities will need to work harder to market these services rather than just publicise them.
- 6.64 Consideration needs to be given to additional action that could be taken. When the carrot approach is not working, an effective stick is required to ensure the property is re-used and the benefits made clear to the owner.
- 6.65 Local authorities already have the power of compulsory purchase of long-term private empty homes. But the scale of the problem revealed by this study suggests that the use of Management Orders is a useful tool to deal with situations where the normal management of the property has broken. This additional power would bring the property back into use with clear benefits to the new tenants, the local community and the local authority. The owner would also benefit as the property would be improved and managed for them at no cost. It would also show the income benefits to the owner of utilising their property.

### **Voids Turnaround - Local Authorities Leading by Example:**

- 6.66 The Chief Executive of the Empty Homes Agency believes that one of the key aims for local authorities should be to ensure that empty council homes (voids) are relet as quickly as possible, thereby setting a good example to private owners.

6.67 Repairing empty properties (voids) is an important function for repair services in local authorities, as the effectiveness of repairs govern how quickly the property can be available for letting. The Panel learned that Haringey's Homes & Building Services is covered by ISO900 quality assurance procedures. Performance on void turnaround has improved dramatically over the last few years from an average repair time of 20 days in 2001/2002 to a current 13 days. This improvement has helped reduced average re-let times from 42.41 days in 2002/03 to a current performance of 35.73 days. However, we also found that the Council need to seek continued improvements particularly in regard to the turnaround time for properties where a change of housing use/owner is being considered.

### **The Role of Registered Social Landlords:**

6.68 The Panel spoke to Metropolitan Housing Trust about their asset management strategies in the borough and was informed that the Trust manages approximately 1500 properties in Haringey. Cost tracking across all their properties indicates that the most expensive properties to manage are located in the N17 and N18 area in terms of maintenance costs. The Trust takes a long-term view of its property management strategies; larger family dwellings have been converted into flats. However, properties that could not be brought back into use were disposed of.

6.69 With the advent of private finance, many Registered Social Landlords (RSLs) found acquisition and renovation projects for private sector housing too risky to take on. Additionally, the increased cost of acquiring private sector dwellings and reduced opportunities for the purchase of larger portfolios from private landlords make such projects less financially viable. The legacy of past activity has left some RSLs as major landlords in some local authorities. The table on page 12 (who owns the empty homes) further indicate that RSLs are also responsible for many empty properties in the North London Sub-regional area. However the Panel notes that Metropolitan Housing Trust has an average 4-week turnaround time for void properties.

6.70 With regards to back to back CPOs, Metropolitan Housing Trust states that they would be happy to work on the methodology to develop partnership with the Council to transfer and regenerate empty properties and have full time staff in post looking for properties to purchase and are looking to invest in the Borough.

6.71 In some areas many RSLs are emerging as significant contributors to community development and prevention of social exclusion in neighbourhoods where they are landlords. But while some are increasingly comfortable with the role of 'community investor', committed to a broad range of regeneration activities, others have chosen not to diversify and to limit their role to housing providers.

**Raising awareness and providing advice to private home owners:**

6.72 Recent research of around 40 local authorities highlighted awareness raising initiatives. The service that they provide varies but may include:

- Leaflets, booklets and videos to raise awareness of problems associated with empty homes, repairs and maintenance, circulated to all households. In some cases these are made available at Council buildings and advice centres.
- Utilising area-housing offices as a source of advice.
- Free or reduced cost surveys to diagnose the causes of problems, advise on solutions and spending priorities.
- Providing list of competent builders.

**Factors impacting on expansion**

6.73 The main factor constraining an expansion in the numbers of schemes is funding, as in most cases it has proved impossible to generate significant income from charges to clients for services provided. Special funding sources such as Single Regeneration Budgets; Neighbourhood Renewal Funds, and New Deals for Communities projects had proved to be very important in many areas. It is the view of the Panel that:

- Current policies should be realistic and include performance targets geared towards sustainability.
- The existing mechanisms, such as renovation grants, help a small and shrinking number of those in need while doing nothing for a much greater number in a similar position and others who might help themselves if they received a lesser level of support.
- Policies fail to adequately make use of the resources owners themselves have in terms of unmortgaged home equity, which would stretch limited public funds.

- Some tenants tolerate standards of service in the private rented sector which businesses in other areas of commerce would not be allowed to get away with.
- Local authorities fail to intervene quickly when urgent action is needed, and hence allow properties to deteriorate in ways that often mean that the public purse will eventually incur much higher costs in dealing with them.

6.74 The Panel acknowledges the potential for new approaches and funding mechanisms and ways of making the best use of public sector resources. However it feels that, current policies are not keeping up with problems and are not ensuring that resources are spent wisely; nor are they ensuring that homeowners themselves invest wisely and on the scale that is required.

6.75 *A wide range of policy tools are available to local authorities and partner organisations to secure the renovation of private sector housing, it is clear that the overall level of activity, whether through grant aid, enforcement action, or other policies, is inadequate to tackle the scale of the current problems nationally and at local level. The level of enforcement action should be stepped up and grants should be targeted on poor conditions in the private sector where the worst and most dangerous conditions are to be found especially amongst houses in multiple occupation.*

6.76 **Areas for consideration:**

6.77 It is the view of the Panel that Housing and Environmental Services should clarify their procedures for when particular enforcement powers are used.

6.78 With reference to the Empty Homes Strategy, it is our view that consideration should be given to the following issues:

- How successful implementation of the strategy is to be measured.
- Is the strategy clear about the basis on which the Council has chosen to prioritise investment?
- Will the strategy be robust, for example are there clear targets for enforcement, clarity about what action will be taken and under what circumstances?
- Is the Council using all RSL partners and national organisations (e.g. English Partnerships) to maximum effect?

- How committed are resources for future empty property related activities, how much relies on continuing funded programmes e.g. the sub-regional grant. What happens after 2005-2006, will there be another bidding process or have funds been identified elsewhere? The strategy also needs to clarify why and what levels of investment are needed and the timescales over which investment is to be made.
- Consideration needs to be given on how the Council as a whole responds to empty property activities e.g. planning, corporate policy, building control, environmental health, regeneration, and Council Tax.

6.79 The Panel made the following recommendations:

### **RECOMMENDATIONS**

1. The Director of Housing Services should ensure joint working with the Empty Property Officer in partnership with Benefits & Local Taxation Team to design an up-to-date database showing breakdown of all empty properties in the private sector.
2. The Director of Housing Services should ensure that the database is maintained through continued partnership with Benefits Service and the Empty Property Officer.
3. Benefits & Local Taxation Team should ensure that the Empty Property Officer has direct access to its computer information systems/screen(s), subject to Access to Information implications.
4. The Directors of Housing and Environmental Services should design clear standards and criteria for when enforced sales; compulsory purchases or empty homes management orders procedures should commence. The Panel suggests 1 year for empty properties, after which a decision should be made as to which of the three procedures should be adopted and then appropriate and immediate action should be implemented in every case.
5. Benefits & Local Taxation Team should include leaflet / information about empty properties with next annual Council Tax bill to all residents. Also when owners register their vacant properties with Benefits & Local Taxation Team, information should be sent to them outlining the various options available, highlighting penalties to be imposed for failing to comply with the Council's requirements, concerning bringing empty properties back into use. Also the final 2 letters sent to owners should emphasise clearly the penalties and actions the Council will take to bring empty properties into use.

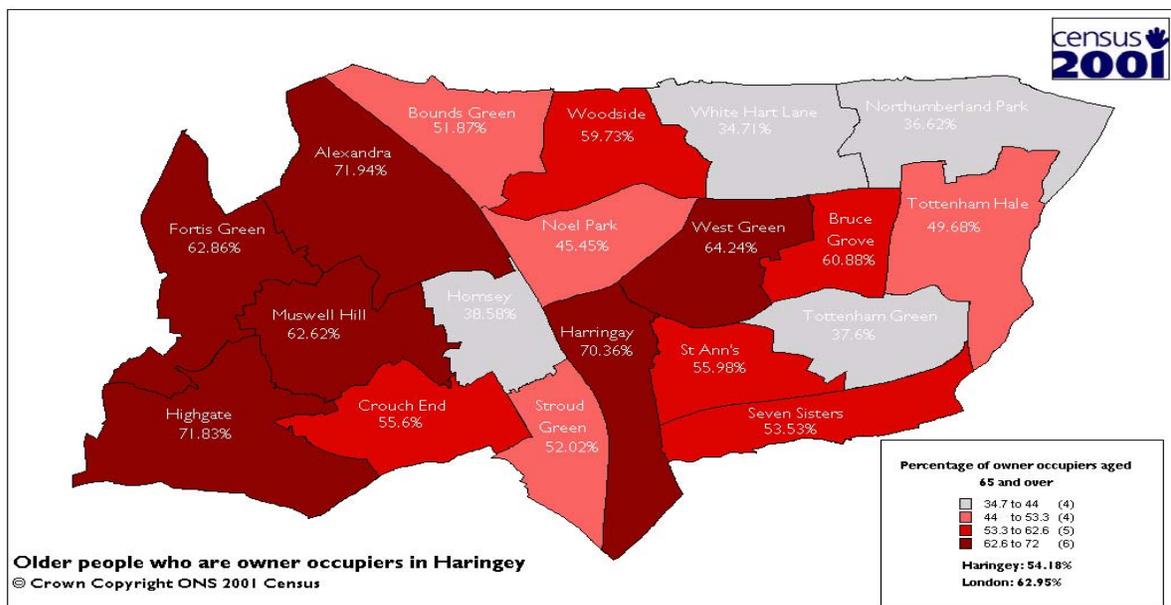
6. Placing a Registered Charge against an empty property allows enforced sales procedures to be enacted. The Panel recommends that Benefits & Local Taxation Team should set a financial threshold for when a Charge should be levied against a vacant property (the Panel suggest when the debt reaches £1,000); when the property has been empty for over 6 months; or at identified trigger points. The Charge on empty properties should be registered at the earliest opportunity, preferably (subject to legal constraints) after the despatch of the first bill and reminder, if still unpaid. The cost for administration should be added to the Charge. The sum charged should incur interest at the same level set by the Small Claims Court accumulating until final settlement.
7. The Executive should ensure that recording of all outstanding debts owed to the Council from different departments across the Council is centrally co-ordinated.
8. The Director of Housing Services should establish links with Community Volunteer Wardens and Neighbourhood Wardens - to include the reporting of empty properties in their brief.
9. The Director of Housing Services should improve links with 'Better Haringey' Initiative, including branding of all leaflets and correspondence (not pamphlets or brochures).
10. The Director of Housing Services should ensure continued participation in the empty property hotline for London, and use the Haringey Website to encourage the reporting of empty properties and to highlight empty property issues.
11. The Executive should give consideration to how the Empty Property Strategy links into other departmental policies and strategies as a vehicle for successful delivery of the strategy; that the strategy is robust, setting clear targets about what enforcement actions are to be taken and under what circumstances and ensure that the implementation of the strategy is measurable. The issue of empty properties must be a corporate priority.
12. The Executive should increase the staffing level in the Empty Properties Group to ensure effective delivery of the strategy. And ensure that empty properties is part of the Better Haringey Campaign, funding from this budget should be explored. Funding from the North-London sub region should also be explored.
13. The Director of Housing Services should ensure that (under current financial rules) provided a property is acquired under Compulsory Purchase Order and is resold within 3 years, 100% of the sale proceeds should be returned to the housing capital programme budget.

14. Housing Services should consider disposing of properties (acquired under Compulsory Purchase Order) to Registered Social Landlords or private sector developers.
15. The Director of Housing Services should investigate the government's pilot scheme for Compulsory Leasing of long-term private empty homes and consider participating in the scheme.

## **7.0 SECTION TWO - INITIATIVES FOR ELDERLY OWNER-OCCUPIERS & PRIVATE RENTED TENANTS.**

- 7.1 One of the key aims of the Government's Community Care policy is to retain, wherever possible, elderly and disabled people within their own homes and to seek to return long stay and residential patients back into the community. This section of the Review seeks to assess and monitor the Council's support for elderly private sector homeowners; private rented tenants and to identify any gaps in service provision.
- 7.2 Haringey is the 6<sup>th</sup> most diverse borough in London, it is economically and socially polarised extending from the relatively affluent areas in the west to more deprived areas in the east. 40% of Haringey's population live in wards that are amongst the 10 per cent most deprived in the United Kingdom.
- 7.3 The ageing of the housing stock, the increasing proportion of elderly people who are owner occupiers and rising levels of instability in some areas of employment and personal relationships are likely to lead to an increase in the numbers of people who will find it difficult to keep up with the repair and maintenance needed on their homes. Yet whilst most people are well housed a significant minority lives in dwellings in disrepair.
- 7.4 Housing condition in the private rented sector remains consistently worse than other tenures as landlords may fail to invest because they lack the expertise to organise repairs or access capital to fund them. Surveys have revealed a high level of neglect or basic repair by many private landlords.
- 7.5 The Haringey Private Sector Stock Condition Survey indicated that 11,800 private sector dwellings are unfit representing 15.7% of the Council's private sector stock compared to 7.5% nationally. Lone parents and pensioner households are particularly likely to live in unfit housing. There is strong association between poverty and poor living conditions in the housing sector as frequently people cannot afford to repair and maintain their homes and conditions deteriorate further. Local authorities take action to tackle poor conditions in the privately owned housing sector for a variety of reasons:
- People should not have to live in poor conditions.
  - Poor housing affects health
  - Improvement to housing can play an active part in regenerating run-down areas.
  - Improvements to private housing help to sustain home-ownership
  - Improvements to private housing will contribute to other environmental objectives.

- 7.6 The Centre for the Policy on Ageing reported that in spite of rising affluence among people over 65, a quarter of all pensioners have no resources other than a state pension and income support. There is also evidence that in difficult times older people on a low income spend less on food to pay fixed bills such as rent and fuel. Old age is a period where the amount of housing repair work undertaken declines with very little cosmetic work, and then even responsive repair work may be neglected as a result of declining income; diminishing Do It Yourself (DIY) capacity and due to much more pressing priorities.
- 7.7 The Panel found that 57% of people aged over 50 in Haringey own their own home; almost 39% own them outright, but often are on low fixed



income. The Housing Needs Survey further indicates that older people, along with lone parents, were most likely to live in property that is unfit. The need for support for older homeowners was raised as an issue during the consultation phase of the Private Sector Housing Renewal Strategy.

### Census Data 2001

- 7.8 The Census Data 2001 shows that in the west of the borough which includes seven wards there are 6,996 people aged 65 and over in households and of those 4,195 are owner occupiers. In comparison in the east of the borough which consists of 12 wards there are 13,497 people aged 65 and over in households and of those 6,910 are owner-occupiers. Green Lanes, Haringey and West Green Wards have the highest levels of unfitness.

- 7.9 An estimated 31% of households in the borough are living in unsuitable housing, with disrepair and unfitnes as a major problem. Haringey has an in-house housing advice service, which offer advice and assistance to private tenants and homeowners on the full range of housing and related subjects.
- 7.10 With the decline in grant resources, a small number of incentives have been developed by local authorities or other agencies to provide help to home-owners in identifying and tackling repair problems using their own resources. Home improvement agencies such as Metropolitan Care and Repair or Staying Put play an important role in providing help to home-owners in diagnosing the causes of house condition problems, finding reliable buildings, organising finance to pay for work, and supervising work on site, but the service they offer is staff and time intensive and inevitably targeted on only the most vulnerable householders.
- 7.11 The Panel gathered evidence from officers of the Council and external agencies involved in providing services for vulnerable people in the Borough to get a sense of current initiatives, what is involved and how the work is co-ordinated.

### **The Council's Private Sector Housing Renewal Grants Policy**

- 7.12 The legislative framework for private sector grants changed in 2002, with the introduction of the Regulatory Reform Order on Housing Renewal. Local authorities are now able to:
- Provide loans other than grants, (although they can still provide grants they are limited).
  - Provide loans with others, such as commercial lenders, with the authority giving indemnity.
  - Set up a special purpose vehicle with not-for-profit schemes, to provide financial assistance in partnership with other Councils and housing associations.
- 7.13 To gather evidence for this section of the Review, we interviewed the Housing Renewal Manager and notes that the Regulatory Order repealed much of the legislation governing the provision of renewal grants to homeowners and had allowed local authorities the flexibility to produce their own grants policy based on local needs. The government's view is that it is primarily the responsibility of the homeowners to maintain their own property. However, the government and the Council are committed to improving housing quality across all tenures and fully accepts that some homeowners, particularly the elderly and most vulnerable will need assistance in keeping their property in good repair.

7.14 To establish what needed to be included within the policy, information available from the Private Sector Stock and Needs Survey 2001, census 2001, corporate and housing strategies and local information relating to grant enquiries and consultation identified the following underlying principals and priorities for the policy:

- To ensure that basic assistance is available borough-wide for those in most need;
- To target the majority of grant funding to the areas that have been identified as being in most need. A key objective of the community strategy is the narrowing of the gap between the east and the west of the borough;
- To support the work of declared renewal areas;
- To provide opportunities to assist people to free up equity in their properties;
- To bring empty properties back into use, to prevent blight and provide homes for homelessness clients and key workers;
- To improve conditions within houses in multiple occupation and to procure units for those in housing need;
- To eliminate fuel poverty and improve energy efficiency and security measures within key neighbourhoods;
- To develop a programme of area renewal, identifying key sites and using clearance area powers and Compulsory Purchase to achieve overall objectives.

7.15 Eligibility for Haringey's grant schemes is linked to an applicant's financial resources. Grant aid is determined by an assessment of what an owner can afford and in three out of <sup>4</sup>five cases covers all of the costs of work rather than requiring the owner to make a contribution. Grants are targeted specifically at older people or those on low incomes (minor works assistance and home repair assistance) and on people with disabilities (Disabled Facilities Grants).

7.16 The Panel feels that that there is a need for greater assistance to be provided to homeowners. A significant <sup>5</sup>number of the nation's poor people are homeowners and receive disproportionate level of housing-related advice and financial benefit. Encouraging homeowners to use their own money for renovation represents a major challenge and it is quite possible that the performance in terms of dealing with unfit dwellings will fall.

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<sup>4</sup> DETR Report 1998

<sup>5</sup> Housing Renewal Guidance - LGA Response

7.17 The grants, which support these principles and priorities, are as follows:

- **Wind and Weather Tight Grant** - These grants provide a minimum standard of structural repair to clients on income support and Council Tax benefit. The grant covers basic repairs to roof, windows, doors, gutters and downpipes and includes urgent health and safety issues to internal areas. The grant deals with immediate issues enabling the owner to investigate loans for additional works or more permanent solutions.
- **Energy Efficiency and Home Security-** The aim of this grant is to end the blight of fuel poverty and to enable residents to feel comfortable and safe within their homes. The grant also works in partnership with other schemes such as 'Here to HELP' with British Gas and EAGA Partnership and the Governments 'Warm Front' Programme. These grants/schemes deliver energy and security measures to residents over 60 and those on a means tested benefit both individually borough wide and as area based strategies within the east of the borough.
- **Home Improvement Grants** - This grant is planned but not yet in operation. The intention is that it will be available to elderly, infirm or vulnerable residents who require small adaptations, repairs or modifications to their homes to enable them to remain there in comfort and safety or to return home following discharge from hospital. The grant could be offered in partnership with Metropolitan Care and Repair, Primary Care Trust for Haringey, Age Concern and the Police. Clear procedures for referral are needed. Officers see this as a potentially popular and useful grant that could help relieve the pressure on the Disabled Facilities Grant.
- **Disabled Facilities Grants** - These remain mandatory and means-tested grants, with a maximum cost of £25,000 following a means test. Where the necessary adaptation is in excess of this amount the new policy will refer the client to House Proud (described below) to endeavour to release equity within the property. If this process fails then there is still further scope within the policy to provide an extended grant to ensure the scheme continues but a condition of 20 years will be attached for this portion of the money over the £25,000. The first £25,000 is subject to a five-year condition. If there is a breach of conditions then each case is taken on its merits and the reason or need for sale is considered.

7.18 The Panel notes that any requests for assistance that falls outside the policy were considered on an individual basis and decisions made through Directors and the relevant Executive Members.

- 7.19 Members were informed that grants leaflets are available in one-stop shops and other Council buildings. There had been work done to raise awareness of the energy and security scheme, which has picked up new clients.
- 7.20 The grant budget for this financial year is £4.4 million with an additional £782,000 for disabled adaptation. The budget included meeting the Council's strategic objectives as outlined in the Council's Housing Strategy Statement 2003-2006. The Council can vire the budget between grants. The Housing Renewal Manager informed the Panel that the budget for grants was allocated from the Housing Capital Programme through a bidding process.
- 7.21 We noted that Social Services Department holds a small budget for minor adaptations, but the major adaptations take place through the Disabled Facilities Grant. Social Services also fund the '60 Plus' scheme which is a support agency that provides support to people over 60 to stay at home. This is a free service, which is provided by Hornsey Housing Trust in partnership with Arlington Care Association. The key service provided includes advocacy, welfare benefits advice and support and help to older people to access the statutory and non-statutory services they need including Metropolitan Care and Repair schemes.

### **Offering advice**

- 7.22 Resources are not the only constraint on investment in repair, improvement and maintenance and there is a need to provide encouragement and support to homeowners who are considering such works. Home Improvement Agencies such as Metropolitan Care and Repair are the most obvious examples, but these organisations offer a highly intensive support service to a relatively small number of the most vulnerable people. Most owners would not need this, but there are many less intensive measures to increase public awareness of the benefits of tackling repair and maintenance work in a timely fashion, to help in identifying problems and solutions, and to assist in taking sensible investment decisions. In a small number of areas local authorities have begun to develop or support less intensive services of this nature as a complement to the work of the home improvement agencies. Assistance should also be given to residents in the form of advice. We think this should be part of a much broader strategy that assistance is not just about financial help.

## **Metropolitan Care & Repair (Haringey)**

- 7.23 The Project Manager of The Metropolitan Care and Repair informed the Panel that the scheme was established in 1991 and aims to provide advice and technical services to clients requiring repairs, improvements and adaptations to their homes. The agency is targeted at elderly and disabled homeowners and private tenants in Haringey and involves home visits. Necessary building works are arranged and supervised and advice given on welfare benefits, grants and other means of financing the work.
- 7.24 The agency's objective is to provide a comprehensive service to its clients and has the benefit of professional support from a Caseworker, Surveyor and Administrator. In addition to giving free individual advice, Metropolitan Care and Repair works closely with Haringey's Housing, Environmental Health and Social Services Departments, Haringey's Age Concern, Department of Social Security, Enfield and Haringey Health Authority, Metropolitan Police and many other local organisations to bring together all these agencies involved in the care and support of the elderly and disabled in Haringey.
- 7.25 The range of services provided by the agencies are listed below:
- Technical Help;
  - Financial Matters;
  - Advice and Advocacy;
  - Energy efficiency and affordable warmth;
  - Accident prevention;
  - Handyperson scheme;
  - Care and repair in the garden;
  - Care and repair anti-burglary project;
  - Home security projects;
  - Hospital discharge.
- 7.26 The agency receives referrals from Age Concern, Mind, Victim Support, Council, Occupational Therapists, General Practitioners, Sixty Plus and Counselling Services.
- 7.27 There is a modest charge for some of the services as this puts people in a contractual agreement and this is in line with practices across the country. There is a specific focus in the New Deal for Communities (NDC) area and the renewal areas as services are funded by these regeneration grants.
- 7.28 The agency has identified a demand amongst existing clients for an External Handy Person scheme and is very interested in running the pilot.

7.29 From 1 April - 30 September 2004, the agency received 688 enquiries of which 518 clients were visited at least once. There were 150 clients using the Care and Repair in the Garden service. 197 clients visited by Anti Burglary Support Project and 39 clients helped to facilitate hospital discharge. In addition 132 clients were visited in relation to building repairs, improvements and adaptations to enable them to remain in their own homes.

### **House Proud Initiative**

7.30 The House Proud Scheme is administered through the Home Improvement Trust 'a not for profit organisation' that has been established to provide a national service with grant support under the Special Grants Programme of the Office of the Deputy Prime Minister (ODPM). The purpose is to develop and make available alternative, affordable funding to supplement the Housing Renewal Grant programme. The Trust works on behalf of older homeowners and those with disabilities to make equity release more accessible. They facilitate the release of some of the equity tied up in homes in order to fund repairs, improvement or adaptations.

7.31 The Trust has also secured lenders, who have agreed to a policy of no repossession. The Home Improvement Trust will investigate the possibility of a loan and deal with all the legal aspects of borrowing, whilst the Home Improvement Agency (Metropolitan Care and Repair) or the Council's in house agency will provide the technical support to undertake the works. A number of schemes through this route are already in progress.

7.32 The scheme is aimed at helping the following group of residents:

- Homeowners aged over 60 or
- Householders with a disabled person of any age repair improve or adapt their homes.

7.33 Last year the Council launched the HouseProud scheme in Haringey. It is an opportunity for many elderly people to get essential work done on their property without having to wait. It is recognised that the concept of using equity in their house to effect improvements is a difficult one to sell to the elderly and will take time. To date take-up of the scheme has been slow. It will be re-marketed in Enfield and Haringey shortly.

7.34 The Panel heard from some elected Members that local constituents had expressed reservations about the House Proud Scheme seeing it as another private company trying to make money from the vulnerable.

7.35 With the shift in policy towards supporting the elderly to stay in their

- homes rather than move to residential care there is a need to encourage elderly homeowners to maintain their properties even if it means using some of the equity in their property. Without this change there is a risk that the number of residents living in poor housing conditions will increase.
- 7.36 The development of a range of loan and equity release schemes is a cause of concern for some local authorities. Many feel that the equity release market, in particular, is not mature enough or will not have the products to help them deliver the change quickly enough to have a significant impact. There is a general feeling that central government should be more directly involved with lenders and local authorities to deliver a range of loan products that will work for both sides and will help to kick start the process. The Local Government Association is of the view that the government should take a more active role in negotiating arrangements for loans and equity release schemes for low-income, elderly and vulnerable homeowners on a national level. There is otherwise a high risk that there will be inequalities in the application of powers and assistance between authorities caused not by local lack of resources but by local lack of a suitable loan product.
- 7.37 Although these schemes are complex and need careful development with partners, other authorities have been successful in developing equity release for older people, including non-pensioners. For Example Birmingham City Council launched its HouseProud Scheme in 2001. By 2003 loan offers had been made to the value of £608,000. Birmingham took forward the strategy developed with the Home Improvement Trust to establish partnerships with responsible and ethical organisations that could assist owner-occupiers access private finance and equity release.

### **Raising Awareness**

- 7.38 The Panel identified the likelihood that many health and Council officers, agency workers and voluntary organisations working with the elderly such as Social Workers, District Nurses, Home Carers etc may not be aware of the various grants and help available for elderly homeowners. The Panel saw scope for improved co-ordination and for raising awareness amongst this group of workers through literature, training sessions, one-off events and regular publications, aimed at Community Care Workers.

### **Adaptation for Elderly and Disabled Owner-Occupiers.**

- 7.39 The Panel is aware that the Overview & Scrutiny Committee has commissioned an in-depth Scrutiny Review on Adaptations. The aim of the Review is to assess the current arrangements by the Council and its partners to provide adaptations for all disabled people and their carers within the borough. In particular to consider issues relating to meeting local needs, value for money and funding levels and to make

recommendations on possible improvements to the service to the Overview and Scrutiny Committee. We did not wish to replicate this work and welcome the Review, which we hope will help to enhance service provision for this section of the community.

- 7.40 The potential for making savings in health and social care spending by investment in housing is a strong justification for local authority intervention, and an argument increasingly recognised by some health and social service authorities which are providing funding for particular types of repair or improvement. An obvious example is poor or unsuitable housing conditions experienced by older people that might force some into residential care or prevent them leaving hospital or residential accommodation. However, such savings are often very difficult to demonstrate convincingly, and even if savings can be demonstrated, a degree of joined-up thinking is required to achieve them and this is often lacking. However, the Panel is pleased to note that the Council is working successfully with other agencies and organisations to restore or enable independent living, privacy, confidence and dignity for individuals and their families/carers, which is an excellent example of good practice. The policy uses the private sector financial leverage and complements new private sector renewal policies that have been developed under the Housing Grants Regulatory Reform Order, which is in line with current government advice to local authorities.
- 7.41 Adaptations have traditionally been seen as the responsibility of social services and housing departments but it is now being viewed as a shared responsibility and also involving agencies such as health, planning and building design as it is a responsibility that requires the input of a range of professionals. This should not detract from the service offered to the client, who should ideally receive a service that is seamless.
- 7.42 The Panel heard from the Occupational Therapist Manager that following referral, clients are assessed by an occupational therapist who will consider the nature of the disability and, in consultation with the client, recommend appropriate adaptations. There are two main categories of adaptations and these are defined by the cost of the works. Items costing less than £1000 are defined as minor adaptations whilst those above this figure are regarded as major ones.

7.43 The aim of the service is to enable frail, elderly and disabled people to live independently in their own homes. This assistance is provided for residents living in public and private housing. We learned that:

- In 2003 there were approximately 256 minor cases. All works were carried out 'in-house' after assessment by the Occupational Therapist.
- 93 major adaptations were undertaken on private property using Disabled Facilities Grant funding in 2003/04.
- Overall budget for major works in private properties are as follows:

Financial year	Budget allocation
2002/03	£1.2 million
2004/05	£750,000
2005/06	£900,000

7.44 Examples of adaptations that can be provided include:

- Installation of a shower
- Stair lifts
- Access ramps
- Stair rails
- Major structural changes.

7.45 For example if a shower seat is fixed to the wall, this is considered an adaptation, however if it is free standing it is considered a piece of equipment. If the client requires up to three types of adaptations this is considered as multi-need and an assessment is carried out. However, there is always a delay in carrying out the assessment. People are unaware of where they can go to get assistance. If the client is discharged from either the North Middlesex, Whittington or St Anne's Hospital in Haringey then the hospital occupational therapist would undertake a formal assessment of their needs. It has been found that some hospital agency staff do not always know what provisions are available from the Council, therefore they are unable to advise patients.

7.46 Demand for disabled adaptations exceed the funding available. The Council's Occupational Therapists have a heavy workload and, for minor adaptations, there is a long waiting list for an Occupational Therapist's assessment. We were told this could take up to 12 months but Members are aware of even longer waits. This bottleneck is unacceptable and a

key recommendation of the Panel is for urgent steps to be taken to overcome the problem. In discussion with the Housing Renewal Manger and the Occupational Therapist Manager a way forward was identified as follows:

- (a) Minor adaptations to be funded through the Home Improvements Grant.
- (b) Assessments for minor adaptations to be undertaken by Occupational Therapists Assistants. This will require some officers to be trained in the assessment procedures. This would leave Occupational Therapists free to concentrate on the major or more complex adaptations. Since writing this report, the Panel is pleased to learn that an agency technician as well as an Occupational Therapy Assistant/Technician has been employed by the service.
- (c) Currently there is one technician attached to the Occupational Therapist team who is responsible for carrying out the minor adaptations. We were told that this works well and the officer concerned has completed over 100 adaptations over a six month period. The Panel recommends that the opportunity for expanding this arrangement should be considered and/or a member of the Haringey Homes & Building Services team be seconded to work in the Occupational Therapist team as an additional technician.
- (d) An alternative solution would be to sub-contract the work to Metropolitan Care & Repair who we were told has a strong track record to assess and carry out all minor adaptations.

### **The Role of Registered Social Landlords.**

7.47 If the client is in social housing then the Council would pay for the adaptation. However for Registered Social Landlords (RSLs) tenants, the Council would inform the RSL highlighting the need of the client, and ask them to apply for Disabled Facilities Grant on behalf of their tenant. The Panel learned that the involvement of RSLs varies from one authority to another, some Councils require the RSLs to contribute to the cost of the adaptations. From 2000 the Housing Corporation removed the grant eligibility for adaptations under £500 and then further removed eligibility to Housing Associations based on their level of rent surplus fund. A number of Housing Associations lost their eligibility to bid for funding for adaptations.

- 7.48 It is the view of the Panel that RSLs have a moral duty to ensure that tenants receive the service they require and that RSLs should at least match-fund a portion of the cost of adaptations. The Panel is concerned that the Council is paying for adaptations for residents of RSLs and recommends ending this practice. We also recommend that officers explore alternative arrangements with RSLs for financing disabled adaptations to their properties.

### **Temporary Accommodation**

- 7.49 For people living in temporary accommodation it has proved difficult to provide adaptation due to the nature of the accommodation. However some people could be in temporary accommodation for up to five years and in urgent need of some adaptations. The Panel recommends that the Older People's Strategy Group should look at issues associated with disabled adaptations for elderly people living in temporary accommodation and whether more can be done to assist this section of the community.

### **RECOMMENDATIONS**

1. The Directors of Housing & Environmental Services should ensure that leaflets, booklets and videos of the House Proud Scheme and the Council's grant schemes are developed in different community languages. They should be circulated to likely grant recipients or people living in priority areas, at luncheon clubs and other organisations that work with the elderly to raise awareness of the scheme.
2. Consideration should be given by the Director of Environmental Services to extending the role and partnership of Metropolitan Care and Repair to provide a wider range of services to provide intensive help with repairs and improvements to vulnerable homeowners.
3. The Director of Environmental Services should ensure better co-ordination of information between the various agencies working with the elderly to check that the hard to reach and vulnerable clients are referred for the various grants and services available.
4. It is recommended that Housing and Environmental Services make use of training and briefing events (including the use of newsletters and other communication materials) to emphasise the range of grant services available so that those staff working at the frontline with the elderly are well informed and kept up to date. For example a copy of the handbook: 'your guide to local services - services for older people in Haringey' should be distributed to all such staff and agencies including the Primary Care Trust; homehelp and community nurses when these documents are produced.

5. Housing & Environmental Services should ensure a monitoring/feedback exercise is undertaken of people who have accessed grants service which would be a useful way of obtaining accurate assessment of needs and resources for future provision.
6. To overcome the current backlog of the Disabled Facilities Grant the following is recommended:
  - a) Minor adaptations to be funded through the Home Improvements Grant.
  - b) Assessments for minor adaptations to be undertaken by Occupational Therapists Assistants. This will require some officers to be trained in the assessment procedures. This would leave Occupational Therapists free to concentrate on the major or more complex adaptations. Since writing this report, the Panel is pleased to learn that the Service has employed an agency technician as well as an Occupational Therapy Assistant/Technician.
  - c) Currently there is one technician attached to the Occupational Therapist team who is responsible for carrying out the minor adaptations. We were told that this works well and the officer concerned has completed over 100 adaptations over a six month period. The Panel recommends that the opportunity for expanding this arrangement should be considered and/or a member of the Haringey Homes & Building Services team be seconded to work in the Occupational Therapist team as an additional technician.
  - d) An alternative solution would be to sub-contract Metropolitan Care & Repair who we were told has a strong track record to assess and carry out all minor adaptations.
7. The Executive should consider piloting an external Handyperson scheme from Metropolitan Care and Repair maybe using regeneration funding. This would be along the lines of the current internal Handyperson scheme to include charging a subsidised fee and a hardship fund.
8. It is recommended that The Older People's Strategy Group (Chief Executive's Service) be encouraged by Housing and Environmental Services to look further at the wider issues for private homeowners and also to consider whether or not there is a case for targeting support at e.g. over 65s or even over 70s age groups.

9. It is recommended that The Older People Strategy Group should be encouraged to look at issues associated with disabled adaptations for elderly people living in temporary accommodation and whether more can be done to assist this section of the community.
10. According to the Housing Needs Survey approximately 39% of homeowners aged over 50 in the borough own their homes outright. The Executive should consider developing policies that could assist owner-occupiers access private finance and equity release (unmortgaged home equity) to encourage them to improve their properties with their own resources. This would ensure that limited resources are directly targeted to those most in need in addition to the HouseProud Scheme.
11. It is recommended that the Council ends the practice of carrying out adaptations for tenants of Registered Social Landlords and that Housing and Environmental Services explore alternative arrangement with RSLs for financing disabled adaptations to their properties.

## 8.0 SECTION THREE - LANDLORD ACCREDITATION SCHEME

- 8.1 Local authorities across the country are increasingly taking a strategic approach to the housing needs of everyone in their community. They recognise the important role of the private rented sector in providing accommodation for a diverse range of households. As part of this approach, many authorities are seeking to work with residential landlords by setting up voluntary accreditation schemes that recognise and reward landlords who manage their properties to a good standard. The scheme aims to encourage landlords to meet standards which improve conditions and facilities, property management and tenancy conditions and landlord's fitness to manage.
- 8.2 The Haringey Landlord Accreditation Scheme is successful and innovative. At the pilot stage it housed 31 vulnerable families who would otherwise find themselves in very difficult housing situation. The scheme has been recognised by the Office of the Deputy Prime Minister (ODPM), which expressed an interest in promoting the 'Haringey Model' as best practice for local authorities across the country.

"The Haringey Council's Landlords Accreditation Scheme is an initiative that has real potential to make a big difference to those living in bed and breakfast accommodation in the area.

I am also enormously encouraged by the partnership which has seen Haringey working closely with landlords, letting agents and the National Approved Letting Scheme to deliver a very real solution to this ongoing challenge"

Jeff Rooker - Minister for Homelessness

- 8.3 A crucial factor, which has led to the success of the scheme so far, is the partnership approach with internal Council services, central government agencies, external ODPM funded organisation and private sector partners. Key partners include: Housing Benefit Service, National Approved Letting Scheme (NALS), the appointed local letting agents, the Rent Service, HARTS, ODPM, HMO Grants and Regeneration Team and Better Haringey. The project leaders wish to develop and consolidate these partnerships over the next year as this approach has proven to be very effective.
- 8.4 In considering this section of the Review, the Panel interviewed officers from the Landlord Advisor Housing Advice Service; landlords; letting agents and tenants who have benefited from the scheme.

- 8.5 The private rented sector has an important role to play in Haringey which consists of 24% of households in the borough, making it the 6<sup>th</sup> highest share of Private Rental Sector in the country (Census 2001). The market has become distorted by high levels of temporary accommodation particularly in the east of the borough. The Council has looked at innovative ways of tackling the homelessness challenge and of increasing the supply of suitable accommodation. The Landlord Accreditation Scheme (LAS) aims to develop new ways of working with private sector landlords, that will improve property standards and tenancy management practices in the private rented sector.
- 8.6 The project team supports and works with responsible landlords in dealing effectively with issues and problems, and takes action against those landlords whose poor properties, or tenants, cause misery to neighbours and communities. Whilst many landlords offer high quality accommodation in the borough, this sector is more likely to not meet the current minimum standards for housing.

### **Landlords**

- 8.7 Landlords are offered a comprehensive list of incentives to join the scheme and become accredited.
- 8.8 The Haringey Landlord Accreditation Scheme was launched in April 2004. It has provided families, who are either homeless or threatened with homelessness, with the opportunity to access affordable, well-managed, good quality private sector accommodation. The scheme is designed to remove all the usual triggers of eviction and provide sustainable, longer-term housing options for households as an alternative to Council Temporary Accommodation.
- 8.9 A significant distinction between the LAS and other schemes is that the families themselves choose the accommodation. The schemes' core objectives are:
- To encourage good practice and offer guidance to both landlords and letting agents.
  - To reduce current levels of tenancy turnovers and evictions.
  - To provide households either homeless or threatened with homelessness with the opportunity to enter into the private sector.
  - To provide a scheme that offers a commercial value for all relevant stakeholders
- 8.10 These objectives perfectly meet the Council's wider strategic objectives outlined in the Private Sector Renewal Strategy for 2004-2006.

- 8.11 The Haringey LSA model has enabled vulnerable families to access affordable, good quality and well managed private sector accommodation and provide a sustainable, medium to long term housing option for these households.
- 8.12 For landlords, people on housing benefit - especially young people - are becoming a group that carries multiple disadvantages compared to working tenants; it may be that they want to pay lower rents; they may be unable to get help to pay deposits etc. The LAS should be viewed as a good opportunity to remove from the landlord's point of view any difference between letting to a housing benefit claimant and letting to people what are working so as to guarantee that the housing benefit claimant has an equal opportunity to secure property in a competitive rental market.
- 8.13 One private landlord told us that he has had issues with tenants on housing benefits and the problems he encounters includes the slowness of the Council to respond to Housing Benefits queries with funds being paid into the tenants accounts instead of the landlord's. This has resulted in tenants absconding without paying final rental resulting in losses to the landlord. However he would be happy to participate in the current scheme, which provides housing benefits support and indemnifies landlords from overpayment penalties but most importantly a ' Tenants Charter' has been specifically created for the scheme empowering the tenant to be responsible for their own housing benefit claim.

### **Tenants**

- 8.14 A range of difficulties face people wanting to secure private rented accommodation, including the limited availability of accommodation, high rents; landlords' unwillingness to let to people on housing benefit; the requirement to pay rent in advance and/or deposits; and the often poor quality of privately rented accommodation.
- 8.15 The scheme provides an alternative option for tenants, some of whom do not want social housing on an Assured Shorthold Tenancy basis of obtaining good quality accommodation. Thus creating more sustainability and choice.

***We have six children and were about to become homeless and moved into temporary accommodation. Our children would not be in school. We visited Apex House and staff told us about the scheme, we now live in a house with a garden. We cannot speak highly enough about the scheme it has helped our family to live again.***

**A Local Resident**

- 8.16 The Panel was informed that the rent levels are set by the local rent service who are partners on the scheme. All accredited letting agents supply the local rent service with local rental market information every 2 months. This assists the rent service with the accuracy of the local rental market and rent levels for LAS properties. At the beginning of the pilot scheme, the rent service also supplied the project leaders and agents with informal rent levels specifically for the LAS, which is discussed with potential landlords wishing to join the scheme.
- 8.17 The project leaders work closely with the rent service and has gained valuable expertise in developing the 'Best Practice' Model and regularly discuss with them any changes in both local market conditions and proposed changes to housing benefit that may effect rent levels.
- 8.18 If there is a private sector rental market crash, the rent that is agreed at the beginning of the one year Assured Shorthold Tenancy will be honoured by the housing benefit service and the local rent service. The rent levels are automatically reviewed every 52 weeks if the market rent is then less; the agents will have to negotiate a new rent level with the landlord.
- 8.19 The tenants housed under the scheme have access to welfare benefits advice through the Housing Benefit Liaison Officer, which helps to maximise their income. The scheme can provide a holistic response that tackles many of the obstacles faced by landlords and tenants simultaneously.

### **Standard Requirement**

- 8.20 If a Landlord wishes to join the scheme their property(ies) must meet specific property entry criteria. During the remaining six months of the pilot period the project leaders will be working closely with officers in Housing, Houses in Multiple Occupation and Grants & Regeneration Teams to ensure the property meets the strict physical standards set out by the Council.
- 8.21 The properties must as a minimum meet the One Star rating criteria, which set standards required of the physical condition of the property. The Housing Fitness Standard is included in the criteria outlined in the contract for the provision of services (Appendix 3). The Panel feels that in addition to the landlords complying with all the criteria listed in the one star rating, the following should also be included in that rating: (i) accurate inventory (ii) provisions of operating instructions for appliances, burglar alarms etc (iii) planned cyclical maintenance system.

- 8.22 The properties procured for the pilot scheme are all inspected by the NALS Accredited Letting Agent the bench mark standards referred to in the Provision of Services Contract Specification. In the future it is anticipated that the Council will be able to offer an opportunity for landlords to have their property inspected by the agents who just wish to have the 'status' of the accreditation initiative, take advantage of the training services and landlord advice but wishes to manage his/her property themselves but do not want to offer their property for the housing scheme.
- 8.23 However each NALS Accredited Letting has the Client Money Protection Policy (Tenancy Deposit Scheme) built into the scheme. If a landlord wishes to be accredited the entry criteria will require them to place the tenants deposit in a NALS Accredited Agent Client Account. This is in line with the 2004 Housing Act that includes a mandatory tenancy deposit requirement for all PRS landlords.
- 8.24 Providing resources are made available to develop the scheme, the project leaders will be working closely over the next year with colleagues in Environmental Health to ensure the property criteria for the LAS meet the strict physical standards that are consistent with standards set by the Council.

### **Letting Agents**

- 8.25 The letting agents must provide both tenants and landlords with a professional service in line with the service standards recommended by the National Approved Letting Scheme (NALS) who are the Council's partners on the scheme. Their guidelines state that an inspection must take place at least once a year.

### **How the LSA contributes to the Council's vision for sustainable communities**

- 8.26 The scheme also plays a role in narrowing the gap between the east and west of the borough and contributes towards achieving sustainable communities.
- It makes private renting a viable option for those who choose it, enabling them to remain in an area near to their children's schools, their GP and family/community support or move to any part of the borough. This provides stability for the household and gives access to continuity of care.

- A major extension of the Scheme (150 tenancies) is part of the coming years business plan, with a broad aim of adding new tenancies for several years to come. This will halt and eventually reduce the transience impact on the Borough by contributing to the Council's sustainable communities agenda and help rebuild neighbourhoods that have been declining for many years.
- The Scheme has a major part to play in the achievement of the Council's Educational Development Plan where transience and the resulting pupil mobility has been a key issue.
- The landlords participating in the scheme are required to demonstrate high levels of competence and deliver high quality accommodation standards. As reflected by the requirement to be a member of NALS.
- Access to good quality accommodation will give residents a stable base to enable them to address other issues in their lives.
- Introducing households with previous housing problems to longer-term tenancies will assist them to become part of the local community and reduce problems of social exclusion. This stability will make it easier to access training and employment opportunities.
- Through the provision of on-going support, the scheme will help address many of the issues that can lead to tenancy failure and deal with issues before they become critical.
- Less movement from tenancy to tenancy will be a further help to reduce transience, and its adverse impact on the Borough.

8.27 The Panel also wanted to know how the scheme meets the requirement of numbers of social rented properties in the east of the borough in comparison with the west. The Panel was informed that the scheme is a private sector initiative and therefore has no impact on Social Housing or the Unitary Development Plan (UDP). However, in the future when letting agents are selected for the scheme consideration will be given to the Council's wider strategic concerns particularly in bridging the east/west divide. The Council will select agents that are located in an area, which has been identified with poor management and physical conditions of private rented sector properties.

## Inspection

- 8.28 We wanted to find out about the types of protection offered to tenants and learned that a key partner in the scheme is the National Approved Letting Scheme (NALS). The partnership with NALS has resulted in accredited agents undertaking the role of property procurement, inspection and management. As each agent has a client money protection policy which gives the landlords and tenants peace of mind knowing they are dealing with a firm, which has agreed to meet defined standards of customer service, and has in place the necessary insurance to protect clients money. Additionally there is a range of legislative protection for tenants; the Council is also a source of independent advice for both tenants and landlords and crucially a contract between the Council and the agents for the provisions of services supplied for the management of the scheme.
- 8.29 They all agree to the terms of the "Tenants Charter" specially tailored for the scheme. This includes being accountable for their Housing Benefit claims and changes of circumstances, no antisocial behaviour, no rent arrears and generally conducting themselves in a responsible tenant-like manner.
- 8.30 The NALS Accredited Letting Agents carry out the inspections in line with the benchmarks listed in the contract. (Appendix 3) A professional Letting Agent will only take on the management of a suitable property that meets the property entry criteria. It is not in the agent's interest to take on the management of property that may need additional time and resources to maintain the accreditation status.
- 8.31 The professional Letting Agent will advise a landlord what he/she needs to do to a property if the do not meet the entry criteria. A second inspection will then be done to see if it then meets the criteria required.
- 8.32 The project leaders do not have any resources to monitor any inspection of properties.
- 8.33 The Landlord Advisor in the Housing Advice Service also encourage the tenants to report any problems they may have with the management of their property, without the fear of triggering a landlord and tenant dispute.
- 8.34 The Service would like to formalise the inspection process if resources are provided to continue with the development of the scheme. The contract also states that inspection records must be available on the request of the project leaders.

## Staffing for the Scheme:

- 8.35 There is currently no dedicated staff resources appointed to develop and manage the pilot scheme. To date the concept, momentum and development of the scheme has been carried out by the Landlord Adviser and Housing Benefit Liaison Officer in addition to their core duties.

**"Most accreditation schemes rely on a few staff only, with many being run by a single officer who also has other duties. It is often difficult to secure resources for accreditation as it is not a statutory function, but, if a scheme goes ahead, it is vital that sufficient staff resources are provided to ensure that it can be run effectively. It is a waste of resources to under-staff a scheme".**

***Developing a voluntary accreditation scheme for private landlords (ODPM)***

- 8.36 At the moment development has stalled due to uncertainty over funding and reorganisation of homelessness services. It is also difficult for the project leaders to continue development of the scheme, as they have to carry out their core duties. The scheme has developed over the past two years from an accreditation initiative to improve physical and management standards of the local Private Rental Sector (PRS) to a sustainable mainstream private/public sector partnership housing option for the Council. It is the view of the Panel that serious consideration must be given as to how the scheme will function in future. If it is going to function on a shoestring then there would be little or no development.
- 8.37 It is the view of the Panel that in addition to staff resources appointed to develop and manage the Accreditation Scheme the Council needs to consider increasing the number of landlord advisory specialist posts. The sole Landlord Adviser post was created over two years ago. The response to the appointment and new service from the local private rental sector has been very encouraging. The adviser currently deals with an average of 60 landlord related inquires per month. The Panel also attended the recent Landlord Forum meeting and saw further evidence that this single post is improving trust between the local PRS and Haringey Council. Meetings are held twice annually and attract over 150 landlords. The Council needs to continue strengthening its relationship with local landlords if they are to overcome the perception of the Council as only having a tenant focus agenda and improving housing conditions across all tenures.

- 8.38 It is essential that there are sufficient staffing resources to deal with any major expansion of the scheme. This is particularly the case in respect of the housing benefit processes that are involved whether at the outset of the tenancy or to deal with the ongoing maintenance of the claims throughout the lifetime of the tenancy.

### **Budget**

- 8.39 Funding for the pilot scheme was secured from the Office of the Deputy Prime Minister (ODPM) to finance the bed and breakfast reduction plan. Part of that was allocated to employ a dedicated landlord adviser to set up the advisory service. An additional post was secured for a Housing Benefit Liaison Officer to resolve any housing benefit related enquires that were raised through the Housing Advice Service before eviction action was taken.
- 8.40 The benefits to landlords include payment of A 'Landlord Bond' developed to recognise possible rent arrears or legal action costs if eviction became necessary. The bond of £1000 would also be placed in the letting agent's client account and paid to the landlord at the end of the first year. They would also receive a further £500 if they renewed for a second one-year fixed term agreement. In return to offer tenants on low income or full housing benefit the opportunity to enter into the local private sector rental market a 'tenant rent deposit and rent in advance bond' was created. The bond is placed in the agents' client account. Each agent has a client money protection policy (Rent Deposit Scheme) to ensure the bond is protected and secure.

### **Future of the scheme**

- 8.41 Over the next few years it is anticipated that a number of incentives will be introduced to reward accredited landlords with the opportunity to apply for accreditation scheme grants. A condition of the grant will be that the landlord must continue to be accredited and offer their properties for the Council's private sector housing option. A comprehensive landlord-training programme will be developed over the next two years. This will include courses on property management, preparing a property ready for letting and dealing with landlord and tenant disputes.

- 8.42 The initiative is currently termed "Landlord Accreditation". However it is proposed that the scheme be renamed "Haringey Accredited Letting Scheme" as all elements are accredited ie. Landlord, letting agent (through NALS) property and tenant. The new designation also identifies that the scheme is a sustainable procurement and housing option for the Council. Finally the name change will provide a clear distinction between Haringey Councils "Best Practice" accreditation initiative and the London Landlord Accreditation Scheme, which is a London borough wide self regulated, training based initiative to encourage just the landlords in London to register online and become accredited.
- 8.43 Officers stated that once the scheme has been rolled out it would be available to everyone including single individuals and other vulnerable client groups. Specific changes to housing benefit levels for the under 25s were seen to be specifically discouraging to landlords.
- 8.44 A review process is embedded into the scheme to ensure continuous improvement
- 8.45 The ODPM and the Rent Service have both stated that they are interested in promoting the scheme as a "Best Practice" model for the whole country.

### **Measuring Outcome**

- 8.46 With regards to the future development of the scheme we feel that the Council needs to consider on what basis success is to be measured. As it is a discretionary service, it will need regular reviewing to maintain resources. There should be basic information e.g. how many new properties accredited, what percentage of potential market is accredited, how many (if any) landlords dropped out of the scheme. There could also be more outcome measures such as how well has the scheme contributed to corporate policies on, for example the east/west divide, anti-social behaviour, fewer tenant complaints or decreased homelessness.
- 8.47 Consideration needs to be given on maintaining momentum of the scheme, especially if there is currently a stalling in development. The scheme may need relaunching. The scheme also requires continuing publicity to encourage landlords and inform tenants.

8.48 The Scheme has potential for future development e.g. extending incentives to bring in more landlords and meet further objectives. Some schemes include in them improving the physical environment and raising standards around properties and neighbourhoods, and advise landlords on the best ways to do this. Others have focused on security, as well as the physical conditions and management of properties – such as advising landlords especially those managing Houses in Multiple Occupation and on tackling anti-social behaviour and writing in benchmark standards for better security.

#### **Legislative context the Housing Act 2004**

8.49 The Haringey accreditation model fits perfectly with the relevant parts of the Housing Act 2004. A recent consultation paper produced by the ODPM indicated that where local authorities have established accreditation schemes, accredited landlords would be able to bypass the licensing process. Membership of the Haringey Scheme will result in a smooth passport through to licensing for all accredited landlords who can also take advantage of the tenancy deposit scheme, which is another integral part of the scheme and a late addition to the Act.

8.50 The government is investigating changes to the housing benefit system and is currently piloting the new processes in ten pathfinder local authorities across the UK to evaluate their effectiveness. The core aims are to provide a quicker, better and simpler housing benefit process particularly for vulnerable families and empower them to be responsible for their claim. The pilot scheme has been extended to 2007 to allow more time for evaluation of the effects of the new systems as evidence is showing that it has not yet proven to be successful.

8.51 The Haringey landlord accreditation scheme will be ready to adapt and evolve to meet the changing circumstances. If and when any changes to the housing benefit scheme are made. This is because of the communication channels and trust that has been developed between the stakeholders throughout the development of the scheme. The success, sustainability and growth of the scheme relies on the strengthening of the main features already in place such as the indemnity by the Council to the landlords from housing benefit overpayments and direct payment to the landlord or agent.

## RECOMMENDATIONS

1. The Director of Housing Services should ensure that the Landlord Accreditation Scheme (LAS) is rolled out as a permanent housing option for the Council.
2. The Executive should ensure that there are adequate resources within the scheme to increase staffing levels in order to ensure that development of the scheme is maintained. At the moment development has stalled due to uncertainty over funding and reorganisation of homelessness services. It is also difficult for the project leaders to continue development of the scheme, as they have to carry out their core duties. Full consideration should be given to the government funding regarding social housing and any advantages/disadvantages that may occur should any change be implemented or planned by the government that would affect the future financial viability of this scheme to the Council.
3. It is recommended that Housing Services improve promotion of the LAS to enhance awareness of landlords, letting agents, tenants and Council services borough-wide.
4. It is essential that there are sufficient staffing resources to deal with any major expansion of the scheme. This is particularly the case in respect of the housing benefit processes that are involved whether at the outset of the tenancy or to deal with the ongoing maintenance of the claims throughout the lifetime of the tenancy.
5. The Council Executive should ensure increased financial resources and long-term commitment from the Council to ensure sustainability of the scheme.
6. The Council Executive should lobby the government to ensure that proposed changes to the method of payment of housing benefits (to direct payment) does not adversely impact on the scheme and vulnerable tenants should have their housing benefit paid directly to landlords.
7. The Director of Housing Services should ensure the development of a Housing Benefit Service Level Agreement between the Council and National Approved Letting Scheme (NALS) Accredited Letting Agents.
8. The Director of Housing Services should consider renaming the scheme to reflect the comprehensive accreditation of landlord, letting agent, property, tenant and the procurement objectives to meet the needs of an alternative housing option for the Council.

9. The Director of Housing Services should renew the Contract of Provisions of Services Supplied for the Management of the Scheme. The contract will need a greater degree of detail; as regards to how the scheme regulates the property, agents, landlords and tenants is necessary. Together with a Professional Indemnity Insurance and Client Money Protection Policy which covers the deposits. (Contract expires in March 31st 2005).
10. The Director of Housing Services should consider the introduction of dedicated 'Tenancy Support Officers' posts to interface between the tenants, landlords, agents and the Council thus providing sustainability and ongoing support for the tenancies.
11. The Director of Housing Services should ensure that appropriate monitoring procedures are in place to measure outcomes and success of the scheme.
12. In order that the Landlord Accreditation Scheme acts in accordance with the Council's vision for sustainable communities, the Panel recommends that the Directors of Housing and Environmental Services ensure that criteria for social housing mix (70% in the west of the borough and 30% in the east) is complied with.
13. With reference to standard requirements, the Panel recommends that in addition to the landlords complying with all the criteria listed in the one star rating, the following should also be included in that rating: (i) accurate inventory (ii) provisions of operating instructions for appliances, burglar alarms etc (iii) planned cyclical maintenance system.

## **9.0 SECTION FOUR - HOUSES IN MULTIPLE OCCUPATION & THE UNITARY DEVELOPMENT PLAN.**

- 9.1 This section of the Review concentrates on Houses in Multiple Occupation (HMOs). The Panel looked at the implications of the Housing Act 2004 and considered the impact of the Unitary Development Plan on HMOs in Haringey.
- 9.2 HMOs form an important source of low cost accommodation and the Council realises that they will continue to provide accommodation for certain households in the borough.
- 9.3 The Housing Act 2004 defines an HMO as being a house or a flat that is occupied by *“persons who do not form a single household”* and in which a toilet and/or personal washing facilities and/or cooking facilities are shared by more than one of the different households. A house with self-contained flats that has not been converted at least to the standards required by the 1991 Building Regulations and less than two thirds of the flats are held on long leases or by freeholders, will also be defined as an HMO.
- 9.4 The government believes that safe and properly managed HMOs have an important function in the private rented housing market. Many people need access to cheap flexible accommodation, and in most areas HMOs meet this need. HMOs play a valuable role in providing affordable accommodation in areas of high housing demand where rents are high, but the physical conditions and management standards are often worse in HMOs than other types of accommodation. Occupants are at a far greater risk of death or injury than in any other type of residential accommodation. Facilities in HMOs are often very poor and below statutory standards and in some cases fire escape arrangements are unsatisfactory or unsafe.

### **Houses in Multiple Occupation in Haringey**

- 9.5 It is clear that the Council needs to take a greater interest in HMOs than other forms of residential lettings because of the risks to tenants and because of the sometimes adverse impact of HMOs on their immediate area. The Council can take action to improve the condition of premises in poor state of repair and has legal powers to ensure that certain types of improvements are made. Private landlords are also encouraged to acknowledge their responsibilities through the Landlord Accreditation Scheme and through grant allocation to carry out essential repair works. The Council allocated approximately £4.4 million grant budget for group repair works (in 2004-05).

- 9.6 The Environmental Services HMO Team co-ordinate the Council's actions on HMOs. The Panel interviewed the team, who gave an overview of HMOs in the borough, how HMOs are monitored and enforcement action taken, and on the implications of the regulatory changes brought in by the Housing Act 2004. The team try to ensure that a balance is struck between the housing concerns; the position of the occupiers and the technical and legal considerations in their approach to managing this sector.
- 9.7 The Environmental Health Service deliver a strategy for dealing with HMOs, which includes the following elements:
- Reactive - immediate response to occupants of HMOs dealing with all issues that ensure the property attains the necessary standards
  - Pro-active - accommodation over shops on the main thoroughfares are in the process of being inspected to discover the use, condition, potential, and dangers.
  - Two voluntary HMO registration schemes are in operation and over 60 dwellings have been registered.
  - 4 storey HMOs - all 4 storey HMOs are in the process of being identified and the bed-sit type being actioned as urgent. The others will be risk assessed.
  - HMOs used for asylum seekers and homeless households - properties are being identified and urgent action taken for bed-sit type properties. Others will be risk assessed and providers notified.
  - Grants are available to owners of HMOs as it is recognised that they provide a useful form of accommodation, especially for single non-priority homeless households. Grants are available for the provision of means of escape, provision of additional amenities for the increased comfort of the tenants, provision of the separation of gas /electrical supplies for the benefit of the occupants and provision of improved energy/security. The level of grant is dependent on the nomination rights offered to the Authority for rooms within the property.
- 9.8 Partner Referrals - HMOs referred by partners such as the police and fire service will be actioned immediately and risk assessed. Other properties may be referred through Area Forums, Steering Groups and Resident/Tenants association meetings. Risk assessment will be undertaken.

9.9 Haringey's Private Sector Stock Conditions Survey highlighted the impact HMOs have in the borough and the challenges they pose. It estimated that 3,077 dwellings acted as HMOs at the time of the survey. Housing & Environmental Services, however, is of the opinion that this is an under estimation and the more likely level is in the region of 6,000. The Panel feels that proactive measures should be introduced to accurately identify the number of HMOs in the borough. Once the numbers have been confirmed, the highest priority should be directed at removing unfitness and swift action taken where unlicensed HMOs have been identified. The survey found unfitness levels at 27.5% of all bedsit HMOs, 19.3% are in substantial disrepair and 70.5% do not have provision for escape from fire.

<b>Profile of HMOs in Haringey</b>		
Total dwellings	3,077	
No of bedsits HMOs	1,126	
No of terraced properties	1,187	
Percentage of pre 1919 premises		74%
Percentage of terraced properties		98.7%
Disrepair and amenities of bedsits		83.9%
Other HMOs unfitness		93.7%
Number of bed and breakfast/hostels	80	
Registration areas	2	
Number of registered HMOs	78	
Number of households in private rented sector sharing	841	
Number of households living in converted or shared houses	8,156	
Approximate estimation of properties subject to licensing	300	

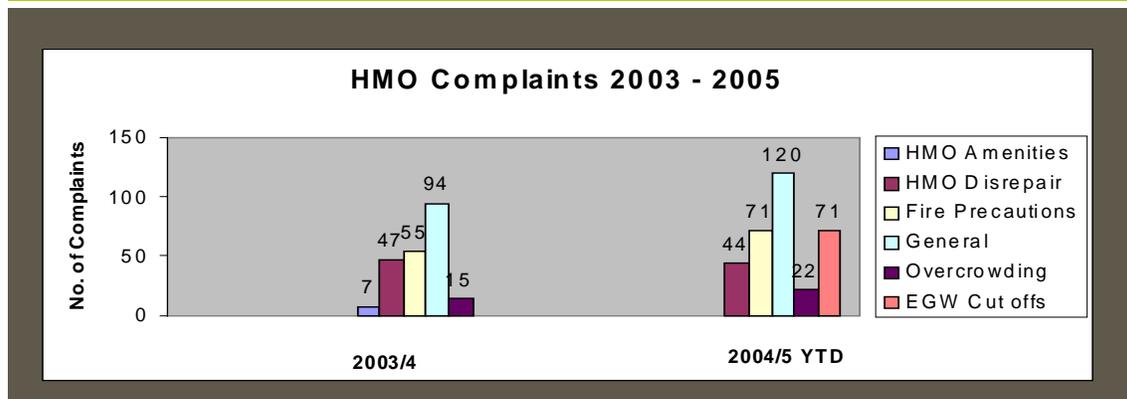
9.10 The impact that badly managed HMOs have on the community include:

- Adverse effect on the welfare and health and safety of tenants.
- Encouraging transience and community destabilisation.
- The property become an eyesore due to neglect
- Problems with dumped rubbish and waste
- Noise and anti-social behaviour
- May attract criminal activity (e.g. drugs, prostitution etc)

9.11 The aim of the Council's activity on HMOs is to improve conditions for all tenants through enforcement and regeneration activities also:

- To respond to complaints relating to defective conditions, ensuring that premises are fit and free from substantial disrepair.
- Improve fire safety in HMOs
- To ensure that tenants are free from nuisance.

# Performance



HARINGEY COUNCIL



- To ensure no overcrowding and adequate sanitary and kitchen facilities
- To ensure good management.

9.12 The table gives an indication of the increase in HMOs related complaints for 2004/005. In 2003/4 there were 218 complaints resulting in 35 formal notices issued to landlords. In 2004/5 year to date shows the service dealt with 328 inquiries and at the same time placed increased emphasis on proactive working. Enforcement Officers physically walk the streets paying particular attention to main thoroughfares and accommodation above shops in order to identify these types of accommodation.

9.13 The Council also prosecute bad landlords and the figures for 2004 shows 7 successful prosecution with a further 7 cases currently with the Legal Department.

9.14 By developing centrally computerised complaints, HMOs, notices and prosecution databases, officers are able to monitor the types of complaints and actions taken.

9.15 It is unclear whether the database include the numbers of applications, licences granted, refusals and types and sizes of HMOs; the length of time for which licences are granted and reasons for refusal. We would recommend that this information should be included on the database.

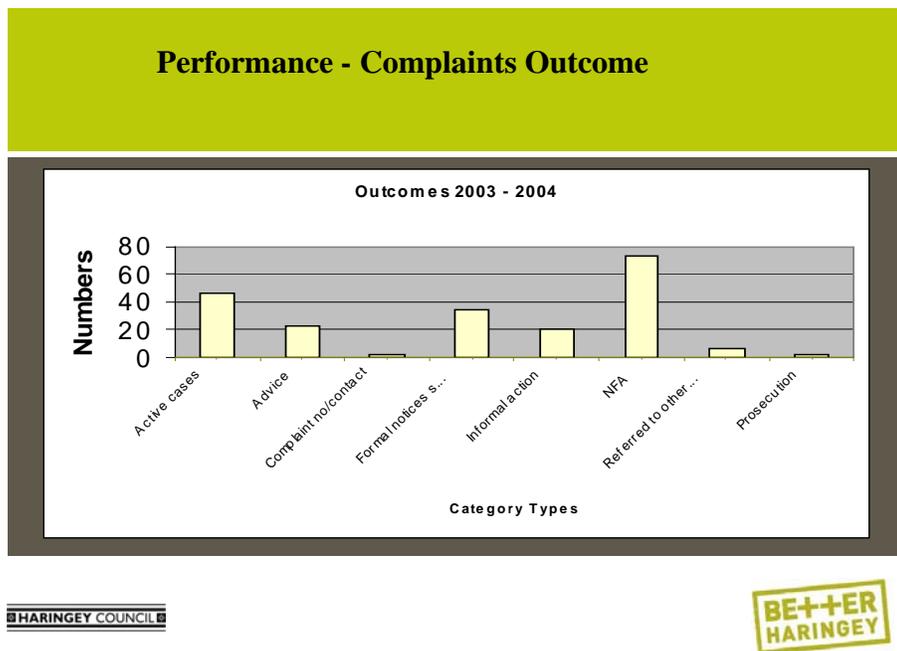
9.16 Members have long expressed concern about the effect of the existence of HMOs in their wards. Concerns have included issues such as the effect of such properties on the amenity of the area; the behaviour of the occupants and the management of the properties.

9.17 The role, condition and management of HMOs in the borough is a key concern and it is the intention of the service to establish an officer working group to look at issues and challenges facing the Council in managing these properties.

9.18 The working group will look at issues such as:

- The role that HMOs play in the borough and in different areas of the borough.
- The impact that concentrations of HMOs have on the environment, transience, sustainability and regeneration activity.
- The intervention necessary to address any issues identified.

9.19 This work will lead to the development of a comprehensive HMO Strategy by April 2005.



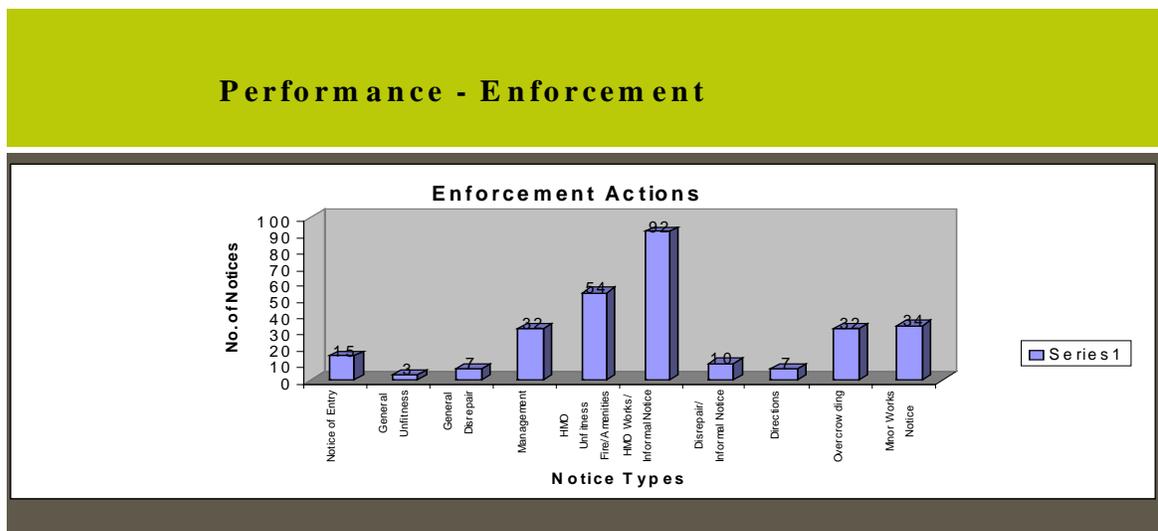
9.20 It is the view of the Panel that Members should receive information designed to increase their awareness of the range of HMO powers available to the Council, detailing how powers are to be used, and under what circumstances, and to establish the most appropriate and effective methods of dealing with these properties as a corporate issue.

9.21 We welcome the establishment of the working group and feel that it is important that the working group bear in mind that the use of any powers will depend on the individual circumstances of each particular case. In particular the Council should decide how to treat tenants if an HMO closes due to the refusal of a licence. The new Strategy will also need to have regard to the Human Rights of the Landlords; the occupiers and the Council's obligations in respect of the homeless.

9.22 *The Panel also feels that although the Environmental Services Directorate will have overall responsibility for the actual operation of the licensing scheme, the HMO working group should continue in existence for liaison purposes to promote a corporate and consistent approach. The working group can provide a forum for HMO policy development; forge links between the Planning & HMO and clarify professional responsibilities, if necessary.*

### Enforcement Action

9.23 The targets for enforcement action are HMOs and unfit tenanted properties. The table below shows the enforcement actions taken by the HMO team who use enforcement procedures to deal with unsatisfactory HMOs.



## **The Housing Act 2004**

- 9.24 The Housing Act 2004 included significant measures in relation to private sector rented housing and particularly the regulation of HMOs. Various parts of the Act come into force at different times: e.g. mandatory and additional licensing Autumn 2005 and selective licensing June 2005.
- 9.25 The Act should make the regulation of the largest HMOs much more effective, through mandatory licensing. There will be serious resource implications, however, and the Council will have to decide whether it intends to implement the discretionary licensing provisions in the Act. The main provisions relating to the regulation of the private rented sector and housing standards are:
- 9.26 **The Housing Health and Safety Rating System**  
This replaces the current fitness standard. It will be a complex system to put into place.
- 9.27 **Mandatory Licensing:**  
The Act places a statutory duty on local housing authorities to introduce a mandatory licence scheme for certain higher-risk HMOs in their area. The Act prescribes these as being HMOs of three storeys and above in which at least five people live. The scheme must be completed within five years. The person managing or controlling an HMO in this category has a duty to ensure that it is licensed and that the licence conditions are met. Failure to obtain a licence for a licensable HMO is an offence, punishable by a fine of up to £20,000. Breaching the conditions of the licence is also an offence.
- 9.28 **Additional Licensing**  
Local authorities under the Act are also able to designate part or all of their areas as subject to additional licensing, so that smaller HMOs, not covered by the mandatory scheme, could be covered by additional licensing. There is a long process the Council will have to go through before designation could take place, including intensive consultation, and the scheme needs to be approved by the Secretary of State. It is limited to five years.
- 9.29 **Selective licensing**  
This gives local authorities powers to make licensing mandatory for private rented housing (not just HMOs) in a selected area, if it suffers from low demand and or antisocial behaviour. The Council has to apply to the Secretary of State for approval, and the scheme can last for up to five years.

### 9.30 **Resource Implications**

It is clear that currently there are not enough officers dealing with HMOs in Haringey. Some staff are financed through Neighbourhood Renewal Funding which is temporary. It is essential that, at least, current numbers are maintained.

9.31 There are also resource implications in implementing the new Housing Act. There is some government funding for start-up costs, but the mandatory licensing scheme is meant to be self-funding through fees. It was not clear at the time of the Panel's investigation what the level of fees will be.

9.32 There are also problems nationally with the recruitment and retention of skilled staff and this can only get worse with the new Act. The Panel understands that the Council is working with other London boroughs to overcome some of these problems. Solving skills shortages must be seen as a priority.

### **How the Service is preparing for the new legislation:**

9.33 The Panel wanted to know what the Council was doing in preparation for the new legislation. Officers stated that in addition to setting up a working group to prepare an HMO strategy, staff have received introductory training, they have also:

- Established an HMO database (approximately 500 properties already logged)
- Undertaken proactive surveys/inspection of 3/4 storey properties
- Briefing issued to staff, management and elected Members on licensing and anti-social behaviour.
- Informed landlords of the details of the Housing Act 2004
- Attendance and participation with other local authorities and agencies at the CIEH Housing Study Group and at sub-regional level.

9.34 The Council's existing voluntary licensing scheme will be useful in enabling officers to meet the targets for mandatory licensing: HMOs licensed under the scheme should be able to be 'passported' into the new scheme without the full process being gone through.

9.35 We also feel that there is a need to build capacity by reviewing requirements and capabilities, so that costs and additional staff resources are identified, and that the service should consider the following:

- The Council should consider carefully whether to use the powers in the Act to extend licensing under the additional licensing and/or the selective licensing schemes.

- Enforce housing standards.
- Provide a well-resourced tenancy relations service to inform tenants and other agencies of their legal rights.
- Invest in good quality well managed, long term privately rented homes by building on and enhancing the Haringey Landlord Accreditation Scheme.

9.36 The Panel interviewed the Assistant Director of Planning & Environmental Control who outlined the definition of HMOs for the purposes of planning. In planning terms an HMO is considered to be a property where a family dwelling house or self contained flat in a house is organised in such a way that it becomes occupied by a number of separate households, where the occupiers share some of all facilities, such as hostels or bed sits. In housing terms, the Housing Act 1985 defines a HMO as a house which is occupied by persons who do not form a single household; this covers a wide range of properties including properties divided into self contained flats.

9.37 Under the Housing Act 1985 a local authority can make a control order in respect of an HMO under the following circumstances:

- A notice requiring the execution of works has been served.
- A direction limiting the number of occupants has been given or
- It appears to the authority that the state or condition of the house is such as to call for action under those sections, and it appears that the living conditions in the house are such that it is necessary to make the order to ensure the protection; safety; or health of individuals living in the property. Although the local authority can immediately take control of the HMO following the making of a control order, the owner does have the right to appeal to the County Court.
- In order to improve standards in this sector generally.
- Help alleviate the problem of inappropriate dwellings being converted into HMOs without proper planning permission, or the facilities and proper management arrangements to support tenants.

## HMOs and Haringey Unitary Development Plan

- 9.38 As a number of HMOs in Haringey are of a poor standard, the Council is committed to ensuring that standards are improved to provide satisfactory living conditions, but where this is not possible, to encourage conversions back into single dwelling homes. The Assistant Director, Planning & Environmental Control, stated that the planning system only has control when a planning application is made to the Council for new developments involving HMOs or to convert dwellings into HMOs.
- 9.39 Enforcement action can be taken where HMOs have been created without the necessary planning permission. The draft Unitary Development Plan (UDP) seeks to provide a sufficient amount of decent housing that meets a range of needs, which is affordable and safe. However, the draft UDP recognises the issues revolving around a transient population and the impact the over concentration of certain types of housing such as HMOs and hostels and a poor standard of housing can have on a local community.
- 9.40 Planning policy is used to control the location, number and design of HMOs in so far as they constitute a change of use that required planning permission. The Council intends to prepare specific planning guidance (SPG) on HMOs to help guide people wishing to convert their property into an HMO and enable the Council to exert more controls. When the Guidance is produced, it will help guide those wishing to convert their properties into HMOs. The national timeframe for the production of the SPG is 2006 and we recommend that the Director of Environmental Services should ensure that this timescale is achieved.
- 9.41 The Council also aims to control the number of new HMOs by only granting planning permission for HMOs in areas where there is no over concentration of them, and to identify areas where HMOs would not be permitted. In addition the Council will encourage sub standard HMOs to be converted back to single family dwelling houses where there is no prospect of them being brought up to reasonable standards. In this way the planning system can help ensure that only appropriate dwellings are converted into HMOs and avoid over concentration in certain areas.
- 9.42 The Department of the Environment Circular 12/93 urges local authorities to take a corporate approach, using not only housing powers to deal with the problems of HMOs, but also Environmental Health and Planning Legislation.

- 9.43 Links with other strategies and initiatives was raised as a significant factor for successful joint working. Issues around HMOs impact on initiatives and strategies such as anti social behaviour strategies, the Better Haringey Initiative, Neighbourhood Renewal, sustainable communities, homelessness and the Decent Homes Standards. Particular focus is placed on the impact of the infrastructure i.e. education, social services and the environment.

### **HMOs & Anti Social Behaviour Orders**

- 9.44 There are concerns about possible anti social behaviour connected with residents of some HMOs. There are legal powers available to the Council that must be considered in the broader legal framework. The Council is required to consider crime and disorder in all functions in terms of the Crime and Disorder Act and anti social behaviour could be part of the reasoning and justification for action, but the Act does not contain powers specifically in relation to HMOs.
- 9.45 The Housing Act 2004 could have further impact on the Council's use of this power (the Crime & Disorder Act), with the provisions relating to the new system of licensing and the introduction of new Management Orders.
- 9.46 Each property will be considered individually, but in general terms the enforcement of the Housing Act HMO Registration Scheme; prosecution and if necessary de-registration of the HMO, is the course of action that is most appropriate for controlling Houses in Multiple Occupation. It should be effective with more chance of success, and be quicker than using Compulsory Purchase Orders.

### **RECOMMENDATIONS:**

1. The Directors of Housing and Environmental Services should target the use of grants for improvement and more external maintenance in the private rented sector and explore the use of Neighbourhood Renewal Funds to develop this.
2. The Executive should use the Better Haringey Initiative to exercise enforcement powers to ensure that Houses in Multiple Occupations (HMOs) are of a satisfactory standard and comply with Health and Safety Regulations: funding from the Better Haringey Initiative budget should be explored to achieve this.

- 3 The Executive should ensure that proactive measures are introduced to accurately identify the number of HMOs in the borough. Once the numbers have been confirmed, the highest priority should be directed at removing unfit properties and swift action taken where unlicensed HMOs have been identified. Additionally, the Better Haringey Initiative should be encouraged to employ extra Environmental Health Officers to assist in accurately identifying the numbers of HMOs and carry out effective inspection of these properties. It is essential that, at least, current staffing levels be maintained.
- 4 There are also problems nationally with the recruitment and retention of skilled staff and this can only get worse with the new Housing Act. The Panel recommends that the Council continue to work with other London boroughs to overcome some of these problems. Solving skills shortages must be seen as a priority.
5. The Panel recommends that there is a need to build capacity by reviewing requirements and capabilities, so that costs and additional staff resources are identified, and that the Directors Housing and Environmental Services should:
  - Consider carefully whether to use the powers in the Housing Act 2004 to extend licensing under the additional licensing and/or the selective licensing schemes.
  - Provide a well-resourced tenancy relations service to inform tenants and other agencies of their legal rights.
  - Invest in good quality well managed, long term privately rented homes by building on and enhancing the Haringey Landlord Accreditation Scheme.
6. The Director of Environmental Services should ensure that the Supplementary Planning Guidance is produced on target.
7. It will be necessary for the Council to publicise the introduction of mandatory licensing. This should include advertising and producing information material such as leaflets for HMO operators. Information should also be publicised on the Council's Website. Officers should investigate some of the methods used by other London boroughs, such as providing a comprehensive guide on HMOs for the Council, tenants and landlords.

8. With reference to the computerised database for monitoring HMOs it is recommended that the database include the number of licensing applications received; licences granted; refusals and types and sizes of HMOs; the length of time for which licences are granted and the reasons for refusal.
9. The Panel recommends joint working with the fire service, police, voluntary organisations and other relevant agencies be established. Working at sub-regional level among authorities, the police, and the fire service and other agencies in the application of the Licensing Act could provide examples of good practice.
10. It is recommended that elected Members should receive information designed to increase their awareness of the range of HMO powers available to the Council. The Information should detail how powers are to be used, and under what circumstances, and to establish the most appropriate and effective methods of dealing with these properties as a corporate issue.
11. We welcome the establishment of the HMO working group and feel that it is important that the working group bear in mind that the use of any powers will depend on the individual circumstances of each particular case. In particular the Council should decide how to treat tenants if an HMO closes due to the refusal of a licence. The new Strategy will also need to have regard to the Human Rights of the Landlords; the occupiers and the Council's obligations in respect of the homeless.
12. The Panel also recommends that the HMO working group should continue in existence for liaison purposes to promote a corporate and consistent approach. The working group can provide a forum for HMO policy development; forge links between the Planning & HMO Services and clarify professional responsibilities, if necessary.

## **10. CONCLUSIONS**

- 10.1 The Review was conducted against a background of the government's intention to strengthen the regulations around intervention into private sector housing. With the introduction of the Housing Act 2004; the repeal of the renovation grant process and its replacement with a general power covering a wide range of options, including the giving of grants, and loans.
- 10.2 The Housing Scrutiny Review Panel welcomes the Council's Private Sector Renewal Strategy 2004-2006. The Panel considered the appropriateness of the current policy and practice that recognises the need to consider the balance between tenures across the borough. However it is the view of the Panel that the Council needs to consider the Strategy beyond 2006.
- 10.3 The Review concluded that there is a need for private sector housing renewal to be part of a holistic process in which economic and social issues are tackled, particularly as the Council strives to ensure decent standards not only in the public sector but across all tenures in the borough. A 'joined-up' approach, linking housing to the corporate policy framework is crucial to ensure community stability. The Review also found that resources are inadequate in a number of areas, and expressed concerns about medium term funding when funded programmes (e.g. sub-regional funds) reach their conclusion. The Council needs to be clear about how priority programmes will be funded once these come to an end.
- 10.4 The Review also highlighted a number of areas for consideration by the Council. These are outlined under the various sections of the Review. We also recommend that the Directors of Housing and Environmental Services should report back to the Overview & Scrutiny Committee in due course on the implementation of the recommendations contained in this report.

## APPENDIX 1

### Membership of the Review Panel

Councillor John Bevan - Chair	Councillor David Beacham
Councillor Gina Adamou	Councillor Liz Santry
Councillor Herbie Brown	Councillor Laura Edge

Councillor Diakides	Executive Member for Housing
Stephen Clarke	Director of Housing Services
Shifa Mustafa	Assistant Director - Environmental Services
Jonathan Ellis	Chief Executive - Empty Homes Agency
Steve Fallon	Project Manager - Metropolitan Care & Repair
Bridget Greeves	Metropolitan Care & Repair
Theresa Goede	Croydon Churches Housing Association
Helena Pugh	Health & Social Care Policy Team
Rob Ankers	Policy Officer
Denise Gandy	Policy Officer
Tracey Moore	Strategy & Programme Manager
Tony Jemmott	Team Leader - Houses in Multiple Occupation
Steve Russell	Housing Renewal Manager
Alan Elborough	Project Leader - Landlord Accreditation Scheme
Hamid Khan	Housing Needs Manager
Jim McLaughlin	Project Leader - Landlord Accreditation Scheme
Derek Pearce	Grants Officer - Regeneration
Neil Mawson	Metropolitan Housing Trust
Anoma Amarajeewa	Empty Homes Officer
Moria Lucas	Manager - Empty Property Group
Susan Woodhull	Benefits & Local Taxation Manager
Raymond Prince	Principal Lawyer Housing and Litigation
Stephen Turner	Senior Lawyer Civil Litigation Legal Services
Debbie Ricketts	London Borough of Hammersmith and Fulham
Scrutiny Policy Officer	London Borough of Camden
Private Landlords	Haringey
Letting Agents	Haringey

We have received oral and written evidence from officers of the Council. We are grateful to everyone who contributed to this Scrutiny Review