



**PORTFOLIO AREA: Health and Wellbeing**

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**Date of Meeting:** 17/12/2001

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**Public**

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**Key Decision:** Yes

**Recorded in Forward Plan:** Yes

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**InsidePolicy Framework**

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**Title:** Housing Investment Programme for Private Sector  
Properties 2002/03

**Report of:** Director of Environment and Development

**Report reference:** EN.189/2001

**Summary:**

To propose to Members the Private Sector Housing Investment Programme for 2002/03 in light of the possible available resources and an assessment of needs and priorities.

**Recommendations:**

Members are requested to give consideration to this report and recommend in principle the areas of expenditure for Private Sector Renewal in 2002/03.

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**1. BACKGROUND INFORMATION AND OPTIONS**

See introduction.

**2. CONSULTATION**

**2.1 Consultation to Date.**

The Private Sector Housing Strategy has been developed through the Housing Strategy Working Group.

**2.2 Consultation proposed. NIL**

**3. STAFFING/RESOURCES COMMENTS**

Not applicable.

**4. CITY TREASURER'S COMMENTS**

The City Treasurer's comments have been incorporated within the report.

**5. LEGAL COMMENTS**

Not applicable.

**6. CORPORATE COMMENTS**

Not applicable.

**7. RISK MANAGEMENT ASSESSMENT**

Not applicable.

**8. EQUALITY ISSUES**

Not applicable.

## **9. ENVIRONMENTAL IMPLICATIONS**

- 9.1. The provision of decent, well insulated, adapted properties in the Private Sector.

## **10. CRIME AND DISORDER IMPLICATIONS**

- 10.1. The Initiative adopted in Botchergate East will bring benefits to the residents of this area, reducing crime and the fear of crime.

## **11. RECOMMENDATIONS**

- 11.1. Members are requested to give consideration to this report and agree in principle the areas of expenditure for Private Sector Renewal in 2002/03.

## **12. REASONS FOR RECOMMENDATIONS**

- 12.1. To address the overall conditions of the Private Sector housing stock by dealing with the levels of unfitness and disrepair, and the demand for Disabled Facilities Grants.

## **1. BACKGROUND INFORMATION AND OPTIONS**

### **1.1. INTRODUCTION**

1.1.1. This Housing Investment Programme report for Members shows how the proposed funding is to be allocated to the various aspects of Renewal and Regeneration in the Private Sector. The targeting of these resources has been determined on the basis of historic information that is held by the Authority, on the condition of the existing housing stock. The maxim that has been used in recent years has been that we tackle those properties that are in the poorest condition, allied to the ability of the owner, tenant or landlord to carry out the necessary improvement or repair.

1.1.2. The information on private sector stock condition, at the disposal of the Council, is to say the least patchy, and to this end, as Members will recall, a Local Housing Condition Survey was commissioned to give greater clarity on the condition of Private Sector properties in the area. The fieldwork relating to the survey has been completed, and a report will be made available to Members on the findings of the survey in the very near future.

### **1.2. ALLOCATION**

1.2.1. As Members will be aware, since 1<sup>st</sup> April 2000, the Council's allocation of funding for the Housing Investment Programme has been provided by means of a "Single Pot", the only "ring fenced" area of funding being that allocated to the Disabled Facilities Grants.

1.2.2. The DTLR have in the past commented favourably on the City Council's sound, well laid out Housing Strategy with strengths including private sector renewal. This current year saw an "above average" performance rating, and there is no reason to doubt that this upward trend will continue, subject to adequate resources to support the programme.

1.2.3. The proposed allocation breakdown for Private Sector Renewal in 2002/03 is shown in para. 1.4.

### **1.3. PRIVATE SECTOR HOUSING RENEWAL PROGRAMME**

1.3.1. As mentioned previously, a Local House Condition Survey was commissioned by the Council, and was carried out by a firm of Consultants, "The Housing Consultancy, in accordance with the DTLR's methodology for this type of survey.



The information obtained from the exercise will inform, in a much more comprehensive way, future HIP bids to Central Government, and will greatly assist in the targeting of our finance, towards the poorest people living in the worst housing. However, as there is such a diverse range of types of properties, ranging from the traditional inner city terraced property to very rural farmhouses, in isolated areas in the rural hinterland, a diverse range of policies and priorities require to be in place to service this need.

Private Sector Renewal therefore concentrates on the following issues:-

#### **1.3.2. Unfitness**

The largest part of this Section's budget is utilised in dealing with those properties that are considered to be 'unfit' as designated in current Housing legislation. The Government, are however, proposing to supersede the current Fitness Standard with the 'Housing Health and Safety Rating System', which is a risk based assessment. There are ongoing consultations taking place regarding the content and suitability of this system and it may be some time before it is implemented.

#### **1.3.3. Home Repairs Assistance**

This type of grant assistance is mainly used for small scale repair work, to those properties owned or occupied by the elderly, disabled or infirm, who cannot afford to carry out the works themselves. These grants have also been utilised to assist in the Crime and Disorder Strategy by giving assistance to those people who have been burgled, and who do not have proper security measures fitted in their homes.

#### **1.3.4. Disabled Facilities Grants**

These grants which are ring-fenced within the Council's budget, are the only Mandatory Grants that are currently available. They are specifically for assisting those people who are Registered Disabled (or are entitled to be so registered due to their disability), and are provided to facilitate the installation of some aid or adaptation to the property, to enable them to remain and be cared for in their own home. Consultation takes place between this Section, the applicant and the Occupational Therapists to determine what works are required to address the applicants actual needs.

### 1.3.5. Housing in Multiple Occupation (HMO's)/Accreditation Scheme

A Registration Scheme for HMO's and an Accreditation Scheme for student accommodation has been in place for a number of years, to ensure that accommodation standards in these types of properties are maintained to a decent standard, in what is generally regarded to be the bottom end of the property market. In 1997 the Government indicated that licensing of properties in the Private Rented Sector was to be introduced, but to date no confirmation has been received as to when this will be implemented. Various consultation documents have been circulated regarding "Selective licensing", "Licensing in Areas of Low Demand" etc., but as yet there are no concrete proposals. It is proposed that we continue with the current arrangements until advised otherwise.

### 1.3.6. Area Renewal

The pilot scheme introduced in the Botchergate East area was not the success that was anticipated. It was intended to target:-

- 1) Landlords who owned 1 and 2 bedroom properties that failed the Fitness Standard.
- 2) Vacant properties that could be brought back into use.
- 3) To introduce adequate security measures to properties before they were burgled, rather than after.

The response to the mail shot that was circulated within this area was very poor, and, in order to ascertain why, a feedback session was arranged between the Environmental Services Division, Cumbria Constabulary and the owners/tenants of the area. Approximately 12 people attended, and it was ascertained that although there had been a poor response to the mailshot, there was a groundswell of opinion from the residents that something needed to be done. Although only 12 attended, they each represented 2/3 or 4 others who did not attend, but expressed an interest in the Crime and Disorder Strategy.

The local Community Police Officer agreed to act as a co-ordinator, and feedback views to the Council, in order to move things forward. Further meetings will take place in the near future to progress matters. A further report will be submitted for Members consideration when details are available.



### 1.3.7. Group Repair

This is an intermediate action, somewhere between single renovation grant schemes, and full-scale Renewal Area work.

Although the Government have given Local Authorities more flexibility and discretion to deal with Renewal Areas, Group Repair will continue to achieve the external renovation of complete blocks of properties where owners cannot afford to carry out the works themselves. Successful schemes in the past have included:-

- i) St. Nicholas Street
- ii) Hassell Street
- And iii) Harold Street

### 1.4. PROPOSED PROGRAMME 2002/03

The City Treasurer's report on estimated Capital Resources (FM.2001/02 No.114) was presented to the meeting of the Executive on 26<sup>th</sup> November 2001 (Ref Ex.074/01) and set out the suggested allocation of capital resources in the next financial year. Set out below is a summary of the estimated resources in respect of the Private Sector together with the proposed programme.

#### 1.4.1. Available Resources

|                                                                      | £000's     |
|----------------------------------------------------------------------|------------|
| Private Sector allocation of basic credit approval                   | 295        |
| Specified Capital Grant for Disabled Facilities Grants (DFG's) (60%) | 153        |
| Usable Capital Receipts                                              | <u>520</u> |
|                                                                      | 968        |

- 1.4.2. However, Members must be made aware that FM.2001/02 No.114 was issued prior to the Government's announcement of HIP allocations and borrowing allocations for 2002/03. These are now expected on 10 December 2001 and an updated version of the above financial memo will be presented elsewhere on today's agenda.

### 1.4.3. Renewal Programme

£000's

|                                                                                          |           |
|------------------------------------------------------------------------------------------|-----------|
| Discretionary Renovation Grants                                                          | 360       |
| Home Repairs Assistant                                                                   | 133       |
| Disabled Facilities Grants (DFG's)                                                       | 255       |
| Empty Properties Initiatives                                                             | 10        |
| Slum Clearance                                                                           | 3         |
| Group Repair                                                                             | 150       |
| Energy Efficiency Initiatives                                                            | <u>57</u> |
|                                                                                          | 968       |
| LESS 'hold back' element of Renovation Grants<br>(As recommended in 'Capital Resources') | 50        |
| Home Repair Assistance                                                                   | 25        |
| Group Repair                                                                             | <u>50</u> |
| TOTAL                                                                                    | 843       |

## 2. ADDITIONAL INFORMATION

- 2.1. Due to the ever-increasing demand on the Renewal Programme budget and the fact that in this current financial year, the available funding was decreased by c£120,000 (from £1,081,000 (2000/01) to £968,000) (2001/02 less £125,000 holdback) it has become necessary to introduce a waiting list for grant applications/enquiries. At the present time, we have already overcommitted this year's budget for Renovation Grants by £182,000 and for DFG's by £45,000. Although it is necessary carry forward committed expenditure into the next financial year, to allow continuity, last year we carried forward only £108,000 of renovation grant work. Allied to the over-commitment there are currently c.50 enquiries at some stage of development within the Section. As Members can see, should the current level of budget be maintained or even worse reduced, this would have a detrimental effect on our ability to service the needs of those who most need our assistance.
- 2.2. Although the full report is not available from the Consultants on the findings of the Local Housing Condition Survey, early indications show that the 'unfitness rate' is likely to be in the region of 3.5%. This would give a total number of unfit properties in the City Council area of 1330. At current levels of financial input it would take 29 years to attend to the unfit properties, and that excludes all of the properties that are currently in disrepair, that would fall into the category of unfitness over the 29 year



period. At current average grant levels (c£12,000 per property) this would incur costs of approximately £16 million to bring these properties up to a decent standard.

**M. BATTERSBY**

**Director of Environment and Development**