

HOUSING AND TRANSITION PORTFOLIO DECISION SCHEDULE



30 March 2012

**at 2.00 pm
(or immediately following Transport and Neighbourhoods Portfolio
commencing at 1.30 pm whichever is the later)**

in Committee Room A, Civic Centre, Hartlepool

The Mayor Stuart Drummond, Cabinet Member responsible for Housing and Transition will consider the following items.

1. KEY DECISIONS

No items

2. OTHER ITEMS REQUIRING DECISION

2.1 9 & 11 Windemere Road, Belle Vue – *Assistant Director (Regeneration and Planning)*

3. ITEMS FOR INFORMATION

3.1 Selective Licensing Update – *Assistant Director (Regeneration and Planning)*

4. REPORTS FROM OVERVIEW OF SCRUTINY FORUMS

No items

HOUSING AND TRANSITION PORTFOLIO

Report to Portfolio Holder

30th March 2012



Report of: Assistant Director Regeneration and Planning

Subject: 9 & 11 WINDERMERE ROAD, BELLE VUE

SUMMARY

1. PURPOSE OF REPORT

- 1.1 To seek approval to include the properties 9 and 11 Windermere Road in the Empty Homes Pilot Scheme and approve the proposed end use for these properties.

2. SUMMARY OF CONTENTS

- 2.1 The report provides an update on progress of the Belle Vue Housing Regeneration scheme. It highlights the change in boundary and since the original proposals in 2008 and details the proposals in respect of 2 properties now excluded from the redevelopment boundary 9 and 11 Windermere Road.
- 2.2 The report sets out proposals for inclusion of these properties within the empty homes pilot scheme and for all funds (excluding the management fee) to be recycled into the scheme.

3. RELEVANCE TO PORTFOLIO MEMBER

The Portfolio Holder is responsible for housing policy development and implementation.

4. TYPE OF DECISION

Non Key Decision.

5. DECISION MAKING ROUTE

Housing and Transition Portfolio Holder 30th March 2012

6. DECISION(S) REQUIRED

That Portfolio Holder acknowledges the contents of the report and approves the proposal to include the properties 9 and 11 Windermere Road in the Empty Homes Pilot Scheme. And for approval to be provided for these properties to be transferred to Housing Hartlepool to implement the rent to mortgage option with all funds (excluding management fees) to be recycled into the empty property pilot scheme.

Report of: Assistant Director Regeneration and Planning

Subject: 9 & 11 WINDERMERE ROAD, BELLE VUE

1. PURPOSE OF REPORT

- 1.1 To seek approval to include the properties 9 and 11 Windermere Road in the Empty Homes Pilot Scheme and approve the proposed end use for these properties.

2. BACKGROUND

- 2.1 The Belle Vue housing regeneration area is part of the overall housing market renewal strategy for Hartlepool and has been the subject of numerous Cabinet and Portfolio Holder reports over recent years. As part of the New Deal for Communities area and Housing Market Renewal programme and Housing Hartlepool decent homes programme Belle Vue residents have experienced considerable consultation and there are a number of complimentary projects ongoing to support the investment already taken place in this area.
- 2.2 The process of acquisition, clearance and redevelopment of the Belle Vue scheme has been progressing in partnership with Housing Hartlepool. The site has been assembled using Housing Hartlepool's own funds and the Council's funding via Single Housing Investment Pot and Housing Market Renewal funding.
- 2.3 The Council has supported the community aspiration for change in this area that has been ongoing for nine years with Cabinet approval and support throughout the process. This scheme is a priority within the Housing Market Renewal programme and the National Affordable Housing Programme with the Homes and Communities Agency (HCA).
- 2.4 Housing Hartlepool with developer partner Frank Haslam Milan has been taking forward a mixed tenure development of 2, 3 and 4 bedroom family homes and bungalows that will meet Code for Sustainable Homes level 4 and currently 58 properties are complete with 39 remaining to be delivered. The site is a mix of private sale, shared ownership and social rented. This development aims to meet the Council's objectives of delivering affordable homes to high levels of sustainability for local people.

- 2.5 In addition to the housing regeneration agenda the Belle Vue area is a focus for action in respect of the Empty Homes Strategy. The streets of Borrowdale and Patterdale have a particular problem with empty properties and the Councils incentive/enforcement approach is being used to encourage owners to bring properties back into use. A number of empty property owners have signed up to the empty property pilot scheme being delivered in partnership with Housing Hartlepool. A resident and owner compact has also been developed to improve community relations and attitudes within the area by a partnership of organisations and to compliment the ongoing initiatives.
- 2.6 The acquisition of remaining properties within the regeneration scheme has been taken forward by Housing Hartlepool following the abolition of the Housing Market Renewal fund. Housing Hartlepool have now acquired all properties within the original boundary with the exception of the remaining privately owned properties on Windemere Road. Sufficient funding could not be secured to acquire the remaining private interests on Windemere Road and therefore this area was excluded from the boundary of regeneration.
- 2.7 Of this block, 2 properties had been acquired by the Council. These properties have been held vacant since their acquisition and it is now essential to bring these properties back into use to support the existing investment in this area.

3. PROPOSALS

- 3.1 19 and 21 Windemere Road have been empty since their acquisition in 2008 and 2010 respectively.
- 3.2 As mentioned above the Council and Housing Hartlepool are implementing an empty property pilot scheme in partnership. This scheme is a lease and repair model where an interest free loan is provided to owners and repaid through the rental income. Properties are improved to a high standard and managed by Housing Hartlepool for the duration of the lease agreement.
- 3.3 It is proposed that these two properties are included in the Empty Homes Pilot Scheme and brought back into use to the standards set out within that scheme. This would support regeneration objectives and resolve the impact of long term empty properties on that block. The full costs of the improvement works will be covered by the empty homes scheme and will be as follows:

£30,850 – 9 Windemere Road
£30,223 – 11 Windemere Road

- 3.4 It is proposed that the properties will be transferred into the ownership of Housing Hartlepool to implement a rent to mortgage product. This will provide a unique home ownership product to allow local residents to access home ownership and will enhance other products available in the area. The property is let at 80% of market rent; the tenant is expected to save the additional 20% as a mortgage deposit. After a 5 year period the tenant purchases the property having saved the appropriate deposit. The rental income will pay Housing Hartlepool's management fees and then repay the debt for improvement works. On purchase of the property the full acquisition cost will be recycled into the empty homes pilotscheme pot.
- 3.5 The additional funding provided by this proposal will fund the improvement of a further 4 properties through the pilot scheme.

4. ASSET MANAGEMENT CONSIDERATIONS

- 4.1 The project is not considered to have any adverse asset management considerations involved in this proposal. The units will continue to be managed by Housing Hartlepool and rental income will be recycled into the empty homes scheme following payment of the management charge. On acquisition of the property by the tenant the remaining refurbishment debt will be repaid into the recycled pot and any remaining paid back to the Council.
- 4.2 The use of the Councils assets to facilitate regeneration and investment improving the provision of social housing in the town accords with the key objectives of the Asset Management Plan. Properties were originally acquired using HMRF funding and not the Councils own resources.

5. RECOMMENDATIONS

- 5.1 That Portfolio Holder acknowledges the contents of the report and approves the proposal to include the properties 9 and 11 Windermere Road in the Empty Homes Pilot Scheme. And for approval to be provided for these properties to be transferred to Housing Hartlepool to implement the rent to mortgage option with all funds (excluding management fees) to be recycled into the empty property pilot scheme.

6. REASONS FOR RECOMMENDATIONS

- 6.1 To support the overall regeneration and empty homes agendas within the Belle Vue area and to enhance options for home ownership as part of an overall housing mix within the area.

7. CONTACT OFFICER

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HOUSING AND TRANSITION PORTFOLIO

Report to Portfolio Holder

30th March 2012



Report of: Assistant Director (Regeneration and Planning)

Subject: SELECTIVE LICENSING UPDATE

SUMMARY

1. PURPOSE OF REPORT

To update the Portfolio Holder on progress with the Selective Licensing scheme and to highlight the enforcement options available under Part 3 of the 2004 Housing Act, including the process involved to achieve a successful prosecution.

2. SUMMARY OF CONTENTS

The report provides an update on the Selective Licensing scheme and progress made from introduction in May 2009 to date.

3. RELEVANCE TO PORTFOLIO MEMBER

The Portfolio Holder is responsible for all housing activity.

4. TYPE OF DECISION

For information only

5. DECISION MAKING ROUTE

Housing and Transitions Portfolio 30th March 2012.

6. DECISION(S) REQUIRED

That the Portfolio Holder notes the content of the report and the progress made to date.

Report of: Assistant Director (Regeneration and Planning)

Subject: SELECTIVE LICENSING UPDATE

1. PURPOSE OF REPORT

- 1.1 To update the Portfolio Holder on progress with the Selective Licensing scheme and to highlight the enforcement options available under Part 3 of the 2004 Housing Act, including the process involved to achieve a successful prosecution.

2. BACKGROUND

- 2.1 The Housing Act 2004 introduced a discretionary power for Local Housing Authorities to designate areas for 'Selective Licensing'. Areas of private sector housing to be designated had to be suffering from, or likely to suffer from, low demand and/or significant and persistent anti-social behaviour. Selective Licensing is intended to be a focussed and intensive area-based activity targeted in a small area normally not more than a ward or 500 to 1000 licensable dwellings.
- 2.2 The objective of a Selective Licensing scheme is to improve the way private landlords manage their properties and to promote good practice within the sector. The primary focus for the scheme is to reduce anti-social behaviour, sustain suitable tenancies increasing occupancy and demand within the designated areas.
- 2.3 The Council must be satisfied that designation will significantly assist them to improve social or economic conditions or to reduce or eliminate anti-social behaviour. It must also consider whether other courses of action are available that might provide an effective method of achieving those objectives.
- 2.4 Selective Licensing needs to be integrated and to have a consistent strategic fit with other initiatives aimed at regeneration of older housing areas in Hartlepool. However while it is a useful tool, just as 'bad' landlords are not the sole reason for the decline of an area, Selective Licensing is not the sole solution to all problems. There needs to be a balancing of expectations of what Selective Licensing can achieve as the primary concern is with management standards rather than property condition.
- 2.5 Although Selective Licensing can impact on the quality and condition of private sector properties by raising overall management standards the main focus in dealing with issues of disrepair and poor housing condition are covered under part 1 of the Housing Act 2004 and cannot be enforced under the legislation for Selective Licensing.

3. PROGRESS OF SELECTIVE LICENSING IN HARTLEPOOL

- 3.1 Selective Licensing was implemented in Hartlepool in May 2009 and comprises 6 areas (Areas A to F as detailed at **Appendix A**). In February 2011 Housing Services underwent a major management restructure bringing all housing functions together into the Regeneration and Planning division. In May 2011 the management and operation of the Selective Licensing scheme was relocated to the Housing Options Centre, creating a focal point for all Landlord/Tenant functions.
- 3.2 Following the management restructure and an audit review of the scheme in July 2011 concerns were raised regarding the effectiveness of the scheme and this has led to a major review of all policies, procedures and working practices. An action plan has been developed to ensure the schemes legal compliance and has provided definitive aims and objectives which are now being achieved.
- 3.3 At their meeting in September 2011 Cabinet agreed to postpone introducing the scheme into a further 9 areas of Hartlepool until the effectiveness of the existing scheme can be demonstrated and a thorough evaluation of the evidence is available. This evidence is a fundamental requirement of the legislation if a new designation is to be approved. Cabinet will receive an update report in September 2012 to aid their decision to designate further areas of Hartlepool for Selective Licensing.

4. UPDATE OF BASELINE DATA

- 4.1 Attached at **Appendix B** is an update of the baseline data for each of the six Selective Licensing areas. As can be seen the incidents of reported anti- social behaviour have decreased across the town as a whole however this reduction is at a higher rate throughout these six areas and especially in areas E and F where the reduction is over 40%. The baseline data includes information on the following for each of the six areas;
- The number of anti-social behaviour incidents reported
 - The number of service requests received by the Private Sector Housing Team
 - The number of properties empty for more than 6 months
 - The number of claimants in receipt of housing benefit

5. UPDATE ON ENFORCEMENT AND POTENTIAL CRIMINAL INVESTIGATIONS

- 5.1 The Council's Litigation Solicitor has advised that as part of the criminal investigation it would be good practice to interview the prospective defendant under caution in accordance with the Codes of Practice

issued under the Police and Criminal Evidence Act 1984. The purpose of the interview would be to ascertain whether the defendant could raise the defence of reasonable excuse for failing to comply with the requirements of the Selective Licensing provisions of the legislation, and also to obtain an admission if necessary, as all the evidence required to prove the offence should already have been obtained. New procedures are now being implemented to facilitate these interviews.

The following table indicates the number and type of criminal investigations currently being prepared:

Non supply of valid gas safety certificates	19
Operating without a licence	49

6. LEGAL CONSIDERATIONS AND OPTIONS

- 6.1 In order to present a case at Magistrates Court to prove an offence of either failure to operate without a licence or failure to comply with a licence condition, a number of essential elements have to be proven which include:
- a designation order is in place and the property is located within the relevant area
 - the defendant is the person having control of or managing the property
 - the property was occupied at the date of the offence
 - proof that a request has been made by the Council to provide a required document or certificate
 - the information and summons would need to be filed at court within 6 months of the offence occurring
 - the case can be proved beyond reasonable doubt (not on the balance of probabilities)
 - it is in the public interest to proceed with a prosecution
- 6.2 In this latter requirement of 'public interest' the likely penalty imposed for a breach of licence condition would be a consideration when preparing a case, and although the maximum fine is £5,000 it is likely that a fine of no more than £300 would be imposed for a first offence, with a conditional discharge likely on a guilty plea. There is also a provision in the Act, that landlords can offer a 'reasonable excuse defence' for breaching licence conditions i.e. unable to gain access to undertake a gas safety check.
- 6.3 Operating in a designated area without a licence is subject on conviction to a fine of up to £20,000, however on a first offence it would be more likely to result in a less substantial fine.
- 6.4 The Council's Litigation Solicitor has advised that successful enforcement is more likely to be achieved on a proven breach of one of the five mandatory conditions as specified in schedule 4 of the Act, a summary of which are;

- Production of annual satisfactory gas safety certificates (where gas is supplied in the property)
- Production of Portable Appliance Test (PAT) certificates and any furniture provided meets fire regulations (where applicable)
- Provision of smoke alarms
- Provision of a valid tenancy agreement or written statement of terms of the tenancy
- Requirement to take up references for prospective tenants

7. REVOCATION OF A LICENCE

- 7.1 The Council may choose to revoke the licence instead of, or in addition to, prosecuting the licence holder for breach of condition. It should be noted a licence continues in force until it expires, is terminated due to death of the licence holder or is revoked by the Council.
- 7.2 A licence can be revoked with the agreement of the licence holder or under other particular prescribed circumstances i.e. where the Council consider that the licence holder or manager has committed a serious breach of a condition of the licence or has committed repeated breaches of a condition.
- 7.3 A licence may only be revoked if the breach of a condition of the licence is serious, for example where the health and safety of the occupiers or community is adversely affected. However, if less serious breaches occur repeatedly, the licence can also be revoked.
- 7.4 Where the Council are minded to revoke a licence under these circumstances a legal consultation process must be adhered to which includes serving notices on the licence holder and all relevant persons giving the reasons for the revocation and allowing a specified period for responses to be made. Once the decision has been made there is a right of appeal against the decision through the Residential Property Tribunal Service (RPT). Any application through the RPT will be considered and a decision will be made to either: confirm, reverse or vary the decision of the Council.

8. CURRENT SITUATION

- 8.1 The following table provides a summary of activity undertaken over the term of the Selective Licensing scheme and illustrates the progress made to date.

Licensed Properties	2009/ 10	2010/ 11	2011/12 Q1-Q3
Number of properties licensed	44	482	43
Licences revoked	0	0	6

Gas/Electrical Safety	2009/ 10	2010/ 11	2011/12 Q1-Q3
Notice Served for non supply of satisfactory Safety Certificates	N/A	139	134
Reminder Letters sent for Safety Certificates	N/A	395	425
Certificates Supplied following Reminder or Notice sent	N/A	257	489
Number of landlords assisted in tackling ASB	N/A	N/A	2
Number of landlords' called in for interview prior to taking further enforcement action	N/A	N/A	7
Potential Prosecution Files being prepared	0	0	68
Housing Standards Inspections	2009/ 10	2010/ 11	From July 2011
Inspection of Licensed Property completed	0	86	203
Schedule of Works Sent with recommendation for action for Licensed property	0	10	120
Current Applications and Assessments			
Applications awaiting return			71
Applications out of time and enforcement proceeding			49
Undergoing assessment			31
Accepted as 'Duly Made'			6
Licence proposed			1
Approved and to be issued			2

9. RECOMMENDATIONS

- 9.1 That the Portfolio Holder notes the content of the report and the progress made to date.

10. CONTACT OFFICER

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APPENDIX A

Area A

Brougham Terrace	2 to 40 Evens
Grainger Street	1 to 21 inc
Gray Street	
Hurworth Street	
Perth Street	
Turnbull Street	46 to 68 inc

Area B

Addison Road	2 to 4 Evens
Belk Street	
Cameron Road	
Furness Street	

Area C

Blake Street	2 to 18 Evens
Carr Street	
Hart Lane	31 to 57 Odds
Hopps Street	
Jobson Street	
Murray Street	77 to 79 Odds
Richardson Street	
Rodney Street	

Area D

Avenue Road	36 to 60 Evens
Dent Street	
Derwent Street	
Elliott Street	2 to 12 Evens
Errol Street	
Lowthian Road	
Morton Street	
Raby Road	25 to 57 Odds
Straker Street	
Wharton Street	
York Road	11 to 81 Odds
York Road	2 to 48 Evens
Young Street	5 to 11 Odds

Area E

Charterhouse Street	
Cornwall Street	
Derby Street	
Devon Street	
Dorset Street	
Eton Street	
Harrow Street	
Jackson Street	
Marlborough Street	
Oxford Road	2 to 136a Evens
Richmond Street	
Rossall Street	
Rugby Street	
Shrewsbury Street	11 to 39a Odds
Uppingham Street	

Area F

Borrowdale Street	
Kathleen Street	2 to 8 Evens
Kathleen Street	1 to 5 Odds
Patterdale Street	

APPENDIX B

Selective Licensing Baseline Data Update

Selective Licensing Area	Anti-social Behaviour (ASB) Incidents				Private Sector Housing (PSH) Service Requests				Empty Properties				Housing Benefit			
Year	2007/8	2009/10	2010/11	% Change from Baseline data	2007/8	2009/10	2010/11	% Change from Baseline Data	2007/8	2009/10	2010/11	% Change from Baseline Data	2007/8	2009/10	2010/11	% Change from Baseline Data
Area A (230)	119	104	84	-29.4%	90	92	98	8.89%	50	32	23	-54%	83	N/A	59	-28.92%
Area B (175)	80	121	63	- 21.3%	50	28	26	-48%	21	22	14	-33.3%	58	N/A	84	44.8%
Area C (212)	75	72	61	-18.7%	9	39	50	455.6%	71	23	30	-57.7%	51	N/A	61	19.6%
Area D (367)	254	121	199	- 21.7%	54	38	37	- 31.5%	36	30	37	2.8%	104	N/A	173	66.3%
Area E (666)	357	334	201	- 43.7%	42	14	68	61.9%	62	52	62	0.0%	189	N/A	285	50.8%
Area F (125)	63	63	37	- 41.3 %	50	35	29	- 42 %	55	22	24	-56.4%	35	N/A	30	-14.3 %
Townwide (41879)	11900	10708	10428	-12.4%	816	1117	1045	28.06%	1849	1200	1250	-32.4%	1941	N/A	3966	104.33%