

PLEASE NOTE VENUE

NEIGHBOURHOOD SERVICES SCRUTINY FORUM AGENDA



Wednesday 21st March 2007

at 2.00 pm

**in the Main Hall, Owton Manor Community Centre,
Wynyard Road, Hartlepool**

MEMBERS: NEIGHBOURHOOD SERVICES SCRUTINY FORUM:

Councillors S Allison, Brash, Clouth, R W Cook, Cranney, Gibbon, Hall, Henery, Lilley, Rayner and D Waller.

Resident Representatives: Ann Butterfield, Ian Campbell and Linda Shields

1. APOLOGIES FOR ABSENCE

2. TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS

3. MINUTES

- 3.1 To confirm the Minutes of the meeting held on 14th February 2007 (*attached*)
- 3.2 To confirm the Minutes of the meeting held on 19th February 2007 (*to follow*)
- 3.3 To confirm the Minutes of the meeting held on 28th February 2007 (*to follow*)

4. RESPONSES FROM THE COUNCIL, THE EXECUTIVE OR COMMITTEES OF THE COUNCIL TO FINAL REPORTS OF THIS FORUM

No items.

5. CONSIDERATION OF REQUEST FOR SCRUTINY REVIEWS REFERRED VIA SCRUTINY CO-ORDINATING COMMITTEE

No items.

PLEASE NOTE VENUE

6. CONSIDERATION OF PROGRESS REPORTS/BUDGET AND POLICY FRAMEWORK DOCUMENTS

No items.

7. ITEMS FOR DISCUSSION

Scrutiny Investigation into “The Performance and Operation of Private Sector Rented Accommodation and Landlords”

7.1 Draft Final Report (Neighbourhood Services Scrutiny Forum)

8. ANY OTHER ITEMS WHICH THE CHAIRMAN CONSIDERS ARE URGENT

ITEMS FOR INFORMATION

- i) **Date of Next Meeting Wednesday 13th June 2007, commencing at 2.00 pm at Owton Manor Community Centre, Wynyard Road, Hartlepool**

NEIGHBOURHOOD SERVICES SCRUTINY FORUM

MINUTES

14 February 2007

The meeting commenced at 2.00 pm at Owton Manor
Community Centre, Hartlepool

Present:

Councillor: Gerard Hall (In the Chair)

Councillors: Rob W Cook, Kevin Cranney, Steve Gibbon, Geoff Lilley and
Dennis Waller

Resident Representatives:

Ann Butterfield, Ian Campbell and Linda Shields

Also Present:

Sue Thompson, Teesside Properties
Brian Dixon, New Deal for the Communities
Jo Michna, Citizens Advice Bureau
Angela Brough, Citizens Advice Bureau
Brian McBean, Observer
Charles Francis, Observer

Officers:

Ken Natt, Landlord Registration Officer
Joanne Burnley, Senior Environmental Health Officer
Penny Garner-Carpenter, Strategic Housing Manager
Joan Wilkins, Scrutiny Support Officer
Denise Wimpenny, Principal Democratic Services Officer

78. Apologies for Absence

Apologies for absence were submitted on behalf of Councillors Stephen Allison, Jonathan Brash and Pat Rayner.

79. Declarations of interest by Members

None.

80. Minutes of the meeting held on 10 January 2007

Confirmed.

81. Consideration of request for scrutiny reviews referred via Scrutiny Co-ordinating Committee

None.

82. Consideration of progress reports/budget and policy framework documents

None.

83. Scrutiny Investigation into the Performance and Operation of Private Sector Rented Accommodation and Landlords in Hartlepool - Feedback from Site Visit to Gateshead Council (*Scrutiny Support Officer*)

As part of the Forum's ongoing inquiry into the performance and operation of private sector rented accommodation and landlords, the Scrutiny Support Officer referred to a recent visit to Gateshead on 29 January 2007 in which a detailed presentation was provided in relation to Gateshead's approach to tackling the private rented sector in Gateshead. Details of the services provided to the private rented sector were outlined in the presentation, a copy of which was circulated to each Member. Gateshead had a considerable private rented team which provided support and advice to landlords and tenants. The team was funded from various sources ie NRF, NDC and lottery funding. Members were referred to work currently being carried out by Gateshead with private landlords and private tenants, as detailed on page 6 of the presentation. It was considered that selective licensing was the way forward with a high emphasis on partnership working and investigating the links between anti-social behaviour and the private rented sector.

Discussion ensued in which the following issues were raised:-

- (i) Was there staffing shortages in Gateshead? The Chair stated that staffing levels at Gateshead were considerably higher than those in Hartlepool. There was a team consisting of approximately 29 staff which were not all funded by the local authority. Following discussion relating to staffing levels, the Strategic Housing Manager added that the majority of work carried out by both authorities would be similar, irrespective of the size of authority. Staffing levels would be discussed in further detail at the next meeting of the Forum.
- (ii) Members queried Gateshead's vetting and registration procedures together with mechanisms in place to address problem tenants? Members were advised that approximately 700 and 800 vettings of tenants was carried out each year which included obtaining details of the previous five years housing history. The Strategic Housing Manager

advised that whilst it was accepted that a type of referencing scheme was required, the impact on homelessness figures should be considered as well as appropriate support mechanisms for tenants.

- (iii) The Chair commented that the discounted scheme in place for accredited landlords, which provided financial incentives, was a good idea. It was noted that Selective Licensing would be considered by Cabinet the following month.
- (iv) What support was in place for tenants/landlords? It was reported that a multi-agency approach was adopted at Gateshead with a number of incentives to encourage people to become members of the Landlord Accreditation Scheme, details of which were outlined in the Landlord Association packs. The Scrutiny Support Officer commented that there were no systems in place to enforce membership to a Landlords Association, however, this may be something for Members to consider as part of the final considerations. The Chair pointed out Hartlepool Landlords Association had recently been established and it was envisaged that partnership links could be achieved with a view to discussing some of the arrangements now prevalent in Gateshead. A representative from Teesside Landlords Association advised that members of the Forum were welcome to attend a future meeting once the group was more established.

Decision

That the information given be noted, and discussions be used to assist the Forum in completing the scrutiny investigation.

84. Scrutiny Investigation into the Performance and Operation of Private Sector Rented Accommodation and Landlords in Hartlepool – Evidence from Hartlepool's Citizens Advice Bureau (CAB)*(Scrutiny Support Officer)*

As part of the Forum's ongoing inquiry into the performance and operation of private sector rented accommodation and landlords in Hartlepool, Jo Michna the Manager of Hartlepool Citizens Advice Bureau had been invited to attend to provide evidence on housing advice and tenancy support services offered by the CAB. The Chair welcomed Jo, Michna and Angela Brough to the Forum.

The CAB Manager advised that the Housing Advice and Tenancy Support Service had been operating for almost 10 years. Funding for the service was currently provided by Hartlepool New Deal for Communities, The Big Lottery Fund and John Paul Getty Trust Fund. The aim of the service was to provide a housing advice and tenancy support service to both tenants and landlords. Referrals to the service came from a range of other agencies/organisations

including Housing Aid Section, Probation Service, Social Services, Landlords, Letting Agents and Disc. A weekly drop in service was offered whereby clients could call into the bureau without an appointment to be seen by one of the housing advice caseworkers. The client's needs and requirements were assessed at this stage to determine whether the client was suitable to be accepted onto the scheme. Details of the information collated was outlined in Appendix A to the report.

Clients who used the service could expect the following:-

- Homeless or potentially homeless: work with client to create stable, lasting tenancies.
- Difficulty raising a bond – client assessed for SmartMove Bond Scheme. Contact registered landlords to check availability. Properties inspected to ensure recognised code of standards met.
- Eviction or Harassment Issues – Inform clients of their rights. Contact Anti-Social Behaviour Unit on client's behalf, liaise with landlords/letting agents. Ensure client aware of their options.
- Problems with repairs – negotiate with landlord on clients behalf.
- Rent Arrears – contact relevant agencies to make payment arrangements, challenge arrears on client's behalf if in dispute.
- Ongoing supporting Home Visits (SmartMove clients) – to suit client's needs, liaise with other outside agencies to ensure all aspect of support are covered.

Members were provided with details of how the Bond Guarantee Scheme operated. It was highlighted that the input and support from the local authority's Landlord Registration Officer had been crucial in the development of the scheme. With regard to funding, it was reported that funding from NDC would come to an end on 31 March 2007 which could result in a reduction in staff resources and impact on the level of service provision.

During the course of discussions, the following issues were raised:-

- (i) Members requested further details in relation to the Bond Guarantee Scheme and savings incentives to which a representative from the CAB provided clarification in this regard.
- (ii) What experience do you have in relation to under 25s not being able to access housing accommodation as a result of the benefits gap and how does this impact on individuals? Members were advised that tenants were not usually placed in properties if it was evident from their financial assessment that they could not afford the rent. Caseworkers provided assistance on price range and carried out negotiations with the landlord. A representative from Teesside

Landlords Association commented that landlords were advised not to charge over £10 more than the housing benefit allowance. Landlords were concerned regarding future proposals to make rent payments direct to tenants, particularly if the tenant had a history of rent arrears. It was highlighted that the Association would not accept tenants without a guarantor, were not interested in bonds and wished to retain the current rents system.

- (iii) It was noted that a number of people could not obtain accommodation with registered social landlords which explained the increase in demand for private sector rented accommodation.

The Chair thanked the representatives of the CAB for their attendance.

Decision

That the information given, be noted and discussions be used to assist the Forum in completing the scrutiny investigation.

85. Portfolio Holder's Response to the Public Convenience Provision in Hartlepool (Joint Report of the Director of Neighbourhood Services and Portfolio Holder for Regeneration, Liveability and Housing)

The Chair reported apologies on behalf of the Portfolio Holder for Regeneration, Liveability and Housing.

On 8 January 2007 Cabinet had further considered the implications of the proposed recommendations outlined within the final report of the Neighbourhood Services Scrutiny Forum into public conveniences. Feedback from the Portfolio Holder, following Cabinet's consideration of the Forum's recommendations was outlined in the report. In addition, a further progress report would be produced for Members' consideration six months after the final report was considered by Council to enable Members to monitor the implementation of recommendations. Following consideration of the final report Cabinet approved the recommendations in their entirety, details of which were outlined in an action plan attached as Appendix A to the report.

Discussion ensued in which the following issues were raised:-

- (i) The public convenience in the new contact centre had no hoist facility. The Director Neighbourhood Services indicated that this would be examined as part of the next phase of the refurbishment works.
- (ii) In relation to public conveniences planned for closure and not demolition, had alternative uses been explored? The Director of Neighbourhood Services advised that it was not intended to use the public conveniences for any other purpose and therefore they may have

to be demolished.

- (iii) Recommendation 7 – “that any capital receipts that may result from the disposal of a public convenience be re-invested for improvements to the service” may be relevant to one or two sites. The Director of Neighbourhood Services stated that this would be investigated.

The Chair expressed his thanks to Cabinet for taking the Forum’s recommendations on board and to the Director of Neighbourhood Services for his attendance and contribution to the investigation.

Decision

That the proposed action plan, be noted.

86. Scrutiny Investigation into the Performance and Operation of Private Rented Sector Accommodation - Results from the Private Landlords Licensing Consultation Exercise (*Strategic Housing Manager*)

As part of the Forum’s ongoing inquiry into the performance and operation of private sector rented accommodation and landlords in Hartlepool, the Senior Environmental Health Officer delivered a presentation on results of a consultation exercise of residents and landlords.

Approximately 9500 resident consultation documents were distributed to residents in the New Deal for Communities (NDC), North Central Hartlepool and Burn Valley areas and Residents’ Association representatives. In addition, a number of drop-in sessions and presentations had been held for residents as part of the consultation exercise. The consultation was publicised through the Hartlepool Mail, local radio and were available on-line.

A full breakdown of results from the residents’ consultation was attached at Appendix A. Residents were asked to rate a number of issues when considering their local areas, a breakdown of which was shown in Table 2 of the report. One third of respondents felt that lack of consideration and respect, noisy neighbours, rubbish dumping and the use of and drug dealing were big problems in their areas. Half of all residents said they had personally had a problem with a private rented house near them which included drugs, anti-social behaviour, damage to property or verbal abuse. Only 7% of residents taking part in the survey said they thought that most private landlords were taking reasonable and appropriate action to combat nuisance and anti-social behaviour. 92% of residents said they wanted landlords in their area to be licensed.

With regard to the results of the Landlords’ consultation exercise, a breakdown of results was attached at Appendix B. Landlords were asked to rate a number of issues when considering areas where they owned or

managed properties, a breakdown of which was shown in Table 3 of the report together with details of tenancy turnover. 10% of landlords did not consider that there were any big problems in the areas of ownership or management, although around a quarter considered that there was a small problem with these issues. 88% of landlords considered that they took reasonable and appropriate action to deal with nuisance and anti-social behaviour in relation to their tenancies. Only 39% of landlords thought they should be licensed and 42% of landlords did not think that licensing would help to reduce anti-social behaviour.

In conclusion, Members were advised that the consultation process had been a useful starting point, however it must be recognised that considerable further work was needed before a decision could be made about whether to proceed with an application to the Department for Communities and Local Government for approval. It was evident that other measures should be explored such as a tenants referencing scheme and the use of existing powers and initiatives. It was also acknowledged that further consultation was necessary.

Following completion of the presentation the following issues were raised:-

- (i) What percentage of landlords had taken the opportunity to register? The Landlord Registration Officer advised that around 50% were part of the voluntary registration scheme.
- (ii) A Resident Representative queried why the issue of crime had not been highlighted in the report or presentation. It was pointed out that whilst it was acknowledged there was a link between anti-social behaviour and crime, all anti-social behaviour activity could not be defined as criminal behaviour and crime was the responsibility of the police. Following further discussions in this regard, it was agreed that it may assist in future discussions if the term criminal activity could be referred to where appropriate.
- (iii) If the authority decided to introduce a referencing scheme, what assurances could be made to ensure this was a reliable scheme? The Landlord Registration Officer advised that references would only be accepted from a reliable source ie previous landlords who had experience/knowledge of that tenant.

87. Any Other Business – Representation from Teesside Landlords Association

The Chair of Teesside Landlords Association advised that she wished to provide input on behalf of the Landlords Association which was a vital part of the consultation process in relation to this scrutiny investigation. The Chair of the Landlords Association advised that the Government had introduced selective licensing as a discretionary tool for local authorities to curb anti-social behaviour in areas of low demand. Before initiating selective licensing it was important to prove that it would make a substantial difference to the area

and that sufficient consultation of affected stakeholders had been undertaken. Reference was made to reports from residents at the Focus Group whose lives had been blighted by anti-social behaviour. It was pointed out that whilst every sympathy was expressed to these people, private landlords had no powers to tackle anti-social behaviour. The Forum was provided with a detailed example of the problems encountered, as a landlord, to evict a problem tenant. The Chair of the Landlords Association queried what selective licensing would achieve and referred to a statement by a neighbouring local authority that: “selective licensing will benefit the local community by reducing anti-social behaviour and increasing housing demand, to make the area a more desirable and safer place to live”. The Chair of the Landlords Association questioned how a local authority would identify the landlord’s responsibility in dealing with anti-social behaviour and reiterated that this would not address anti-social behaviour or criminal behaviour as landlords had no powers to address this.

In response, the Chair advised that the remit of the scrutiny investigation was performance and operation of private sector rented accommodation and landlords and selective licensing was one element. It was about bringing agencies together to share information to ensure appropriate vetting procedures were in place which would assist the landlord and the tenant.

The Strategic Housing Manager explained how the referencing scheme would operate and the introduction of a tenants referencing scheme could help to address anti-social behaviour. There were limited powers available to a local authority with no housing stock and the importance of providing assistance to people to maintain their tenancies was highlighted.

Following much debate, it was considered that significant Government lobbying was required to raise the concerns referred to above particularly in relation to the lack of powers available to tackle anti-social behaviour.

Decision

That the information given be noted, and discussions be used to assist the Forum in completing the scrutiny investigation.

GERARD HALL

CHAIRMAN

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NEIGHBOURHOOD SERVICES SCRUTINY FORUM

21 March 2007



Report of: Neighbourhood Services Scrutiny Forum

**Subject: DRAFT FINAL REPORT – PERFORMANCE AND
OPERATION OF PRIVATE SECTOR RENTED
ACCOMMODATION AND LANDLORDS IN
HARTLEPOOL**

1. PURPOSE OF REPORT

- 1.1 To present the draft findings of the Neighbourhood Services Scrutiny Forum following its investigation into the 'Performance and Operation of Private Sector Rented Accommodation and Landlords in Hartlepool'.

2. SETTING THE SCENE

- 2.2 Historically, the private rented sector has played a major role in the housing market with in the 1900's 90% of households in England lived in private rented accommodation.
- 2.1 Over the last decade changes to the housing market, and people's expectations in terms of home ownership, have nationally resulted in the decline of the private rented sector. Rising house prices are, however, now making it increasingly unaffordable for many people to get onto the property ladder and this coupled with a reduction in the availability of good quality public housing has resulted in a gap in housing provision. The private rented sector is to play a vital role in filling this gap, and with increased levels of buy to rent, the prevalence of private rented accommodation is increasing again.
- 2.2 In considering a subject for investigation the Neighbourhood Services Scrutiny Forum explored a variety of options and during the course of initial discussions raised issues around:-



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- (i) Problems experienced by private sector tenants and surrounding residents, particularly in relation to the condition of properties and anti-social behaviour (criminal or non-criminal);
- (ii) The effect on communities (both social and economic) of increasing levels of private rented accommodation of varying quality in areas across the town; and
- (iii) The operational practices of Registered Social Landlords (RSL's) and Private Sector Landlords (PSL's) and the options available particularly for the regulation of the private sector.

2.3 The private rented sector has throughout its history been the subject of contention in terms of quality of provision and the behaviour of landlords and tenants. It is, however, important to acknowledge that not all private landlords and their tenants are bad, the majority are responsible. There are also clear benefits from the operation of the private rented sector, including the provision of a flexible form of tenure and wider choice to assist in meeting the full range of housing needs.

2.4 Taking into consideration all of these issues, and their impact on the residents of Hartlepool, the 'Performance and Operation of Private Sector Rented Accommodation and Landlords in Hartlepool' was selected as an investigation to be undertaken as part of the Neighbourhood Services Scrutiny Forum's 2006/07 work programme.

3. THE OVERALL AIM OF THE SCRUTINY INVESTIGATION

3.1 The overall aim of the Scrutiny investigation was to examine the performance/operation of private sector rented accommodation, and landlords, in Hartlepool and evaluate the options available to the Local Authority for the protection of tenants and surrounding residents.



4. TERMS OF REFERENCE FOR THE SCRUTINY INVESTIGATION

4.1 The Terms of Reference for the Scrutiny investigation were as outlined below:-

- (a) To gain an understanding of national policies and practice relating to the performance/operation of Private Sector Rented Accommodation and Landlords, with particular reference to:-
 - i) Current and future national policy/legislation regulating the provision

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of rented accommodation;

- ii) The difference between private sector landlords and registered social landlords and the legislation/regulations effecting the operation of each; and
 - iii) Possible changes to the Local Authorities enforcement powers in relation to private sector landlords as a result of changes in legislation and the introduction of landlord licensing (Mandatory and Discretionary);
- b) To gain an understanding of local policies and practice relating to the operation of Private Sector Rented Accommodation and Landlords, with particular reference to:-
- i) The position in Hartlepool in terms of the regulation of private landlords and the options currently available to the Local Authority for the protection of private sector tenants and surrounding residents;
 - ii) The level and types of problems experienced by private sector tenants, landlords and surrounding residents and the social/economic effects on communities of concentrated pockets of private rented accommodation;
 - iii) Ways of dealing with the social and economic effects on communities of concentrated pockets of private rented accommodation, which could include schemes to facilitate increased home ownership (i.e. shared ownership) and demolition of properties;
 - iv) The effectiveness of the voluntary registration scheme for private landlords currently in operation in Hartlepool; and
 - v) The implications of current and future actions in relation to the regulation of the private rented sector particularly the 'knock on' effect of enforcement action against landlords and tenants.
- (c) To examine and compare best practice for the provision of rented accommodation with particular reference to:-
- i) Examples of best practice implemented by Registered Social Landlords, responsible private landlords and letting agencies/companies to deal with problem tenants in order to ascertain if any could be implemented as part of a landlord licensing scheme (Mandatory and Discretionary); and
 - ii) Strategies/practices implemented in other Local Authorities (for

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example Gateshead Council, Newcastle Council or Manchester Council), with those in place in Hartlepool in order to identify any possible areas for improvement.

- (d) To seek the views of local residents, Ward Councillors, private landlords, tenants, letting agents and representatives from national and local bodies in relation to the provision of rented accommodation.
- (e) To determine on the evidence provided whether the action available to Hartlepool Borough Council to protect tenants and surrounding residents is being undertaken effectively.

5. MEMBERSHIP OF THE NEIGHBOURHOOD SERVICES SCRUTINY FORUM

5.1 The membership of the Scrutiny Forum was as detailed below:-

Councillors S Allison, Brash, Clouth, R W Cook, Cranney, Gibbon, Hall, Henery, Lilley, Rayner and D Waller.

Resident Representatives: Ann Butterfield, Ian Campbell and Linda Shields.

6. METHODS OF INVESTIGATION

6.1 Members of the Neighbourhood Services Scrutiny Forum met formally from the 25 October 2006 to 21 March 2007 to discuss and receive evidence relating to this investigation. A detailed record of the issues raised during these meetings is available from the Council's Democratic Services.

6.2 A brief summary of the methods of investigation are outlined below:-

- (a) Detailed Officer reports supplemented by verbal evidence and detailed presentations;
- (b) Evidence from the Portfolio Holder for Regeneration, Housing and Liveability;
- (c) Site visit to examine good practice within a neighbouring Local Authority (Gateshead Council);
- (d) Relevant officers from various Departments (Community Safety Division and Benefits Division);
- (e) Private Landlords. (Both registered and unregistered landlords with particular involvement through a Focus Group Session);
- (f) Representatives from national and regional bodies. (Teesside Landlords Association and Letting Agents operating in Hartlepool -

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Involved thin the process through a Focus Group Session);

- (g) Representatives from Residents Associations, Housing Associations, Letting Agents, Housing Hartlepool (Registered Social Landlord), New Deal for Communities, the Rent Office and Hartlepool Citizens Advice Bureau;
- (h) Local residents and Resident Representatives; and
- (i) Ward Councillors.

FINDINGS

7 COMPOSITION OF THE HOUSING MARKET AND IN PARTICULAR THE PRIVATE RENTED SECTOR (NATIONAL AND LOCAL)

- 7.1 At the beginning of its investigation the Forum received national and local base line evidence on the composition of the housing market, and in particular the private rented sector.

The National Housing Market ^(v)

- 7.2 The Forum was advised that the majority of the United Kingdom housing market is today made up of mixed tenure housing, consisting of different social landlords, private landlords and owner occupiers. In terms of the private rented sector, the 2001 Census showed a decrease in the proportion of households in England and Wales, and the North East, renting privately over the decade from 1991 to 2001.

	1991	2001
North East	6.7	6.3
England & Wales	9.2	8.7

- 7.3 This tend is, however, being reversed nationally and the private rented sector now accounts for 10% of the overall housing market. It is also dominated by landlords with small portfolios, with:-

- 74% of private lettings owned by those for whom being a landlord is a sideline activity;
- 60% of private lettings owned by private individuals;
- A quarter of all private lettings owned by landlords with only one letting and three quarters have less than 40 lets. (The average number of lettings owned is seven); and
- More landlords, particularly those with small portfolios, indicating that they would welcome more information about their rights and responsibilities.

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The Housing Market in Hartlepool

- 7.4 On a local basis, the Forum learned that the housing market in Hartlepool is currently unbalanced in terms of its composition with a high number of small terraced houses that no longer attract owner-occupiers. It was also noted that the main issues affecting Hartlepool relate to affordable housing, large numbers of empty properties (leading to illegal use) and poorly maintained and managed homes (causing problems for tenants and neighbours). All of these issues have served to discourage owner occupiers and increase the number of properties left empty or rented out.
- 7.5 In March 2004 the Council transferred its housing stock to Housing Hartlepool, which is now the largest of the town's sixteen Registered Social Landlords (RSL's). The Forum was interested to learn that Registered Social Landlords now account for 26.6% of the housing market in Hartlepool, with the remainder of the market consisting of 63% owner occupier, 7.4% private rented and 3% other. The level of private rented accommodation across the town does, however, vary with higher concentrations in certain areas such as the New Deal for Communities area (21.6%) and Dyke House ward (9.6%).^(viii)
- 7.6 When comparing previous years figures, it became apparent to the Forum that there had been an increase in the proportion of households in Hartlepool renting privately over the decade from 1991 to 2001 (7.7% in 1991 to 8.3% in 2001).^(xii) This trend was mirrored across the Tees Valley with 5.8% of households privately renting in 1991 compared to 6.5% in 2001.

8 NATIONAL POLICIES AND PRACTICE – PERFORMANCE/OPERATION OF PRIVATE SECTOR RENTED ACCOMMODATION AND LANDLORDS

Differentiation between Private Sector Landlords (PSL) and Registered Social Landlord (RSL)

- 8.1 During the course of the investigation it became apparent that there was some confusion as to the local authority's power to initiate enforcement action against RSL's, PSL's and their tenants. This often leads to expectations over and above what the local authority can actually do in terms of controlling the behaviour of the different types of tenants and landlords. To assist in clarifying the situation evidence was provided by the Chief Executive of Housing Hartlepool, and Council officers on the organisational and regulatory differences between the two types of landlords.
- 8.2 Registered Social Landlords (RSL's) - The Forum noted that organisations such as trusts, co-operatives and housing associations act as RSL's on a 'not for profit' basis with any surpluses they might have retained within the organisation. In terms of their operational practices RSL's are regulated through the Housing Corporation (a Quango). In addition to this, in Housing

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Hartlepool's case, as the 'transfer' organisation it shares a waiting list, allocation policy and housing strategies with Hartlepool Borough Council.

- 8.3 The Forum noted that the operation of RSL's can affect the private sector market in a number of ways. Particular concern was expressed regarding their waiting lists and allocation policies which can deter some tenants from applying or result in their eviction. Whilst the Forum was pleased to see the affective management of tenancies and implementation of tenancy agreements issues were raised regarding the displacement of problem tenants into the private rented sector. To this end there is a greater degree of control over RSL's.
- 8.4 Private Sector Landlords (RSL) - The Forum learned that the definition of a PSL is a private individual or company who owns property that is entirely independent of the local authority or the registered social landlord sector. The size of property portfolio owned by private landlords can vary and whilst RSL's offer assured tenancies PSL offer, in the main assured short-term tenancies.
- 8.5 In terms of the regulation of PSL's, the Forum learned that the Authority has very little control over this element of the housing market with the exception of powers in relation to property maintenance and tenancy management in relation to houses of multiple occupation. Further details of these powers are outlined in Section 9 of the report,

Legislation Covering the Regulation of the Private Rented Sector

- 8.6 It was evident to Members upon receipt of the evidence provided that Central Government legislation covering the private rented sector is much and varied. Members also learned how legislation was being updated and expanded to create a fairer and better private rented housing market, with the most recent legislation enacted being the Housing Act 2004. The Forum discussed in detail the following key aspects of the Act and considered how they were being, or would be, implemented in Hartlepool as outlined in Section 9 of the report:-
- (i) the Health and Safety Rating System;
 - (ii) licensing of Houses of Multiple Occupation;
 - (iii) Selective voluntary licensing for low areas of housing demand or areas faced with particular anti-social behaviour problems;
 - (iv) A Private Sector Pilot Project;
 - (v) Landlord Accreditation; and
 - (vi) Tenant Referencing.

9 LOCAL POLICIES AND PRACTICE – PERFORMANCE/OPERATION OF PRIVATE SECTOR RENTED ACCOMMODATION AND LANDLORDS

The Regulatory Position in Hartlepool and Options Currently Available for the Protection of Private Sector Tenants and Surrounding Residents

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- 9.1 The Forum accepted that despite the level of legislation covering this sector of the housing market, as shown in Section 8.6/8.7 of the report, the local authority has very little actual control. Areas where the local authority does, however, have regulatory/enforcement control are:-

Property Maintenance - The Local Authority regulates the condition of Housing; empty properties (securing and bringing them back into use) and statutory nuisance (leaky gutters etc. and not anti-social behaviour).

Management of Tenancies - licensing of houses of multiple occupation, and accreditation in the NDC area.

Strategically:-

- i) Influencing size and location of sector;
 - ii) Supporting the sector through advice and assistance;
 - iii) Licensing and accreditation;
 - iv) Homelessness strategies; and
 - v) The 'Supporting People' strategies.
- 9.2 Members were pleased to find that the local authority is successfully undertaking a variety of activities under each of these areas and exploring further schemes to support tenants, landlords and neighbouring residents. Details of these schemes/initiatives are outlined at a later stage in this report (Section 9.? refers).
- 9.3 Despite the work being undertaken, Members continued to be concerned regarding the misapprehension that the local authority's has power/responsibility to deal with issues such as anti-social behaviour (criminal or non-criminal) in private rented accommodation beyond its role through the Anti-Social Behaviour Unit. This view came to the fore again during the Focus Group session on the 13 December 2006.
- 9.4 The Forum welcomed clarification that it is the responsibility of the landlord to take eviction where their tenants, or their visitors, are causing problems. How this misapprehension could be dispelled was, however, to continue to be a problem.

Evidence from the Authority's Cabinet Member for Culture Housing and Transportation

- 9.5 The Portfolio Holder for Culture, Housing and Transportation informed the Forum of his concerns as to how the new legislation for the provision of selective licensing and tenant referencing was being portrayed in the press. The Forum shared the Portfolio Holders view that the legislation would not be the sole solution to all anti-social behaviour problems, but could work as part of a package of measures. The Forum also welcomed Cabinet's commitment, financial and otherwise, to landlord licensing and tenant referencing schemes in 2007.

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Problems Experienced by Private Sector Tenants, Landlords and Surrounding Residents

- 9.6 The Forum considered evidence in relation to the problems experienced by private sector tenants, landlords and surrounding residents at each of its meeting throughout the investigation. A Focus Group session was also held on the 13 December 2006 at which the Forum received further evidence (Section 11 of the report refers).
- 9.7 Problems and Issues raised throughout the investigation were as outlined in **Appendix B**.

Dealing with the Social and Economic Effects on Communities of Concentrated Pockets of Private Rented Accommodation

- 9.8 The Forum was reminded that the composition of the housing market in Hartlepool is unbalanced with in some areas of the town high numbers of small terraced houses that no longer attract owner-occupiers and large numbers of empty or poorly maintained properties. The Forum acknowledged the detrimental affect this can have on the sustainability of communities and welcomed the activities of New Deal for Communities (NDC) in areas of the town to improve housing and the environment and build strong sustainable communities.
- 9.9 Traditional approaches to dealing with problem tenants/landlords and residents concerns have in the past tended to be on a case by case basis. Much of the recent legislation affecting private renting, however, now relies on local authorities developing coherent and relevant strategies for improving the private rented sector, going beyond previous methods of intervention. The Forum acknowledged the importance of initiatives such as selective demolition, and redevelopment, and in particular the NDC's role as the pilot area for the voluntary landlord registration scheme. The Forum also agreed with the views of the NDC's in relation to the importance of tenant referencing and support.
- 9.10 The Forum was also interested to learn about other initiatives in place to assist tenants who have had tenancy problems in the past, including the NDC Bond Scheme. Members were also interested to find that the Council's activities in supporting people and reducing homelessness were proving to be very effective.
- 9.11 Whilst the Forum noted landlords concerns regarding the disadvantages of selective licensing, and concerns regarding the creation of ghettos in the area(s) selected were taken on board it was apparent that there were possible benefits from the introduction of selective licensing. The Forum was, however, clear in its view that further work would need to be undertaken in relation to the selection of an area and the feasibility/benefits of the scheme. The Forum also of the view that the scheme would operate best in conjunction with a package of other measures, including landlord

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accreditation and tenant referencing.

- 9.12 In considering this issue the Forum was also encouraged by the activities of Housing Hartlepool in terms shared equity and new build initiatives (Section 10.2 refers) and the work being undertaken by the Anti-Social Behaviour Unit.

Effectiveness of Hartlepool's Voluntary Registration/Accreditation Scheme for Private Landlords

- 9.13 The Forum learned that the Landlord Accreditation Scheme currently provides advice to 200 landlords (approximately 380 properties) per year on the management and maintenance of properties. The scheme has also been useful in relation to anti-social behaviour complaints and has been used to inform landlords of responsible and effective methods to deal with such problems. The Forum was pleased with indications that the scheme had led to improved engagement with landlords and with closer working relationships had improved the Authority's understanding of the market, enabling activities to be more effectively focused.
- 9.14 Members acknowledged that it was difficult to assess the effectiveness of the scheme with no figures in terms of its effects on the creation of sustainable tenancies available at this time. The Forum, however, welcomed indications that recent inspections had shown an improvement in standards, particularly in the fitting of smoke alarms and security. However, whilst four out of five properties inspected were now up to standard the Forum noted with concern that the level of staffing within the Private Sector Housing Team had meant that not all properties covered by the scheme had been inspected. With this in mind it was apparent to the Forum that the level staffing and other resources would need to be reassessed if the Landlord Accreditation Scheme was to operate effectively.

The Implications of Current and Future Actions in Relation to the Regulation of the Private Rented Sector

- 9.15 Whilst it was accepted that the local authority has little direct control the private rented sector, the Forum was of the view that with joined up working the private rented sector could be successfully managed. If this was to occur a full range of tools needed to be utilised, and sufficient resources provided, including Selective Landlord Licensing and Tenant Referencing.
- 9.16 Selective Licensing - In terms of Selective Licensing, the Forum was interested to receive the results of the recent consultation exercise with residents and landlords. Members were advised that the majority of residents supported selective licensing whilst there was limited support from landlords. This had also been reflected during the course of the Forum's investigation.
- 9.17 Members acknowledged possible problems in relation to the displacement of problem landlords and tenants and it was suggested that the most effective

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way of trying to prevent this would be to implement a scheme alongside an expanded version of the existing voluntary accreditation, and the new tenant referencing, schemes. Again, however, the Forum was of the view that prior to the implementation of a Selective Licensing Scheme, consideration would need to be given to the benefits/feasibility of the scheme, specifically the geographical location of the area covered and staffing/financial implications.

- 9.18 Tenant Referencing – In relation to the Tenant Referencing Scheme, Members considered proposals of the introduction of a scheme and noted the views expressed in relation to its benefits, including those made at the Focus Group session (**Appendix C** refers). These views included the suggestion that the most appropriate way of providing a reference would be through the use of a tenant 'Passport'.
- 9.19 In considering the information provided, Members emphasised the importance of the support from resident, landlords, tenants, and the provision of a housing support package, if the introduction of a Tenant Referencing Scheme was to be successful. The Forum again discussed the issue of displacement of problem landlords and tenants and reiterated the earlier view that the most beneficial way of implementing a Tenant Referencing Scheme would be in conjunction with any Selective Licensing and Accreditation Schemes.
- 9.20 Rent Assessments, Under 25 Single Room Rate and Discretionary Payments – The Forum considered evidence from the Rent Officer in relation to the way in which rent assessments are made and the level at which they are set. Members noted with concern the gap that regularly exists between rent assessments and actual rents and were advised of the availability for the Authority to make discretionary payments to bridge this gap.
- 9.21 Members learned that Hartlepool was in 2006 allocated £45,000 for the payment of discretionary payment and on a regular basis utilised over and above its allocation. In view of this, it was apparent to the Forum that there was not only a need for a review of the current budgetary allocation for Discretionary Payments more truly reflect demand, but also a need to explore mechanism by which to lobby the Rent Office and Central Government in relation to the requirement of realistic rent assessments.
- 9.22 In relation to the process for the allocation of discretionary payments the Forum also noted that there was an issue regarding the role of the Housing section and the lead currently taken by the Benefits section. The Forum listened to explanations in terms of the appropriateness of both options and on the basis of the information provided was of the view that a review should of the process for the award of Discretionary Payments would be beneficial, with particular reference to:-
- (i) the possible inclusion of a Housing Division representative on the Discretionary Payments Panel; or
 - (ii) the practicalities of transferring responsibility for the award of

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discretionary payments to the Housing Division with input from Housing Benefits.

- 9.23 The Forum also learned that there is a real issue in Hartlepool in terms of the effects of the under 25 single room rate and the knock on effect in terms of 'sofa surfing'.

What More Could Be Done By The Local Authority

- 9.24 On the basis of the information provided during the course of the investigation, including the view expressed at the Focus Group session on the 13 December 2006 (**Appendix C**), Members acknowledged that there are limited enforcement options available to the local authority in terms of the regulation and enforcement of the private rented sector. However, it was recognised that a considerable amount of good work is being undertaken by the Authority and its partners to reduce problems associated with the private rented sector, including the effects of anti-social behaviour (criminal and non criminal).
- 9.25 In relation to tenancy advice and support, the Forum noted the considerable work was also being undertaken to help tenants and landlords manage and maintain tenancies. Particular attention was drawn to the role of supported accommodation in equipping individuals who had previously experienced failed tenancies to take on new tenancies in the private and social rented sectors. The Forum, however, expressed concern regarding the amount of supported accommodation available in Hartlepool and suggested that ways of providing it needed to be looked into. It was also suggested that where insufficient supported accommodation was available the provision of additional 'floating support' needed to be explored.
- 9.26 Whilst no single action, or initiative, could solve the problems associated with the private rented sector Members shared the national view that there is a general lack of knowledge of responsibilities among Landlords regarding both the ending of tenancies and how to deal with anti social behaviour. The Forum also recognised that tenant referencing, tenancy support, selective licensing, accreditation and enforcement were all vital elements of a package of activities required to address problems associated with the operation of the private rented sector.

10 EXAMPLES OF BEST PRACTICE - MANDATORY AND DISCRETIONARY LANDLORD LICENSING SCHEMES

- 10.1 The Forum were keen to seek examples of best practice implemented by registered social landlord and a neighbouring local authority with a view to identifying any possible areas for further improvement in Hartlepool. The findings of which are outlined overleaf.

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Registered Social Landlords (RSL's)

- 10.2 There are currently sixteen Registered Social Landlords in Hartlepool, as shown in **Appendix C**. As the largest of the sixteen the Forum considered evidence provided by the Chief Executive of Housing Hartlepool and found of real interest the how thoroughly the organisation manages its tenancies and interfaces with the Local Authority and other agencies/bodies.
- 10.3 The Forum shared the view that whilst RSL's and PSL's are different entities this should not be a barrier to good management practice. The Forum also found of interest:-
- (i) the view that the licensing regime could make it attractive for RSL's to compete to provide management and maintenance services to the private rented sector;
 - (ii) the long term prospect that there was through licensing and referencing schemes the possibility of a blurring of the distinction between the private rented sector and social renting in terms of quality and access; and
 - (iii) Housing Hartlepool's involvement in shared equity schemes as a way of getting people on to the property ladder and new build schemes as a way of providing revenue for the sale of property to increase their housing stock.
- 10.4 The Forum welcomed Housing Hartlepool involvement in shared equity and new build schemes and suggested that this could be one of the ways forward to provide people with good quality housing in sustainable communities. The Forum, however, noted problems related to it regarding the complexity of some allocations policies and highlighted the need for the provision of effective advice.

Local Authority Best Practice – Gateshead Council

- 10.5 Members of the Forum visited Gateshead Council on 29 January 2007 to examine good practice within a neighbouring Local Authority and how Hartlepool could benefit from the adoption of any such practices.
- 10.6 During the delivery of the presentation from Gateshead Council, Members were informed of the Council's approach to working with landlords, tenants and other partners. Members found of particular interest the Council's experience in implementing selective licensing and based on the information shared the Forum learned that:-
- (i) Gateshead operates an incentive scheme to encourage landlord participation in their Accreditation Scheme;
 - (ii) Staffing in Gateshead's Housing Renewal Team, with responsibility for

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the implementation of initiatives and enforcement in the private rented sector, is approximately 29 staff;

- (iii) The Housing Renewal Team is funded from, including NRF, NDC and lottery funding;
 - (iv) Gateshead Council considers selective licensing, with emphasis on partnership working, as the way forward;
 - (v) Gateshead Council had assisted in the formation of the Gateshead Landlord Association and worked in close partnership with it;
 - (vi) Approximately 700 and 800 tenants were vetted last year as part of the referencing scheme. This included a five years housing history; and
 - (vii) The area selected for the introduction of Selective Licensing in Gateshead was clearly defined, something which it would be hard to do in Hartlepool.
- 10.7 The Forum found information provided in relation to the incentive scheme of particular interest and were impressed with the possible benefits of introducing of a similar scheme in Hartlepool. Members also considered evidence in relation to staffing levels in Hartlepool and it was evident to the Forum that consideration needed to be given to the actual staffing/resource levels required for the implementation of schemes such as selective licensing, accreditation and tenant referencing if they are to be effective.
- 11 PRIVATE RENTED ACCOMMODATION AND LANDLORDS - THE COLLECTIVE VIEWS OF HARTLEPOOL'S RESIDENTS, WARD COUNCILLORS, PRIVATE LANDLORDS, TENANTS AND LETTING AGENTS**
- 11.1 In addition to the consultation exercise already being undertaken with landlords, tenant and resident in relation to selective licensing and tenant referencing, Members of the Forum were keen to engage with residents, providers and users of private rented accommodation as part of the investigation.
- 11.2 Therefore the Forum sought the views residents associations, tenants, landlords and letting/estate agents in a Focus Group event held on 13 December 2006 in West View Community Centre (illustrated in the photograph below). The event was publicised in the local press, on local radio and with direct invitation to those outlined in **Appendix A**.

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Focus Group with members of the public, tenants, landlords and Estate/Letting Agents held on 13 December 2006

- 11.3 The issues raised during the course of discussions were as outlined earlier in the report (Section 9.2 refers).

12 CONCLUSIONS

- 12.1 The Neighbourhood Services Scrutiny Forum concluded:-

- (a) That there are limited enforcement options available to the local authority in terms of the regulation and enforcement of the private rented sector. However, a considerable amount of good work is being undertaken to reduce problems associated with the private rented sector, including the effects of anti-social behaviour (criminal and non criminal);
- (b) That the importance of good quality rented accommodation can not be underestimated in creating an environment of respect for tenants in terms of the properties they live in and the surrounding communities;
- (c) That no single action, or initiative, can solve the problems associated with the private rented sector;
- (d) That tenant referencing, tenancy support, selective licensing, accreditation and enforcement are vital elements of a package of activities required to address problems associated with the operation of the private rented sector;
- (e) That any action taken to improve the operation and management of the private rented sector should not have a detrimental effect on work being undertaken elsewhere in the town or on other services, e.g. homelessness and the costs of temporary accommodation;
- (f) That shared equity and new build schemes could be one of the ways forward to provide people with good quality housing in sustainable communities;

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Selective Licensing

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- (g) That in principle the introduction of selective licensing in Hartlepool be supported;
- (h) That it was evident that the most effective way of implementing selective licensing in Hartlepool would be for it to run in conjunction with the existing voluntary accreditation and tenant referencing schemes. Thereby providing a holistic approach against the displacement of problem tenants/landlords;
- (i) That should the authority chose to introduce a Selective Licensing Scheme in Hartlepool, consideration would need to be given to the benefits/feasibility of the scheme, geographical location of the area covered and staffing/financial implications;

Landlord Accreditation Scheme

- (j) That in principle the continuation of the existing voluntary landlord accreditation scheme be supported;
- (k) That based on the evidence obtained during the visit to Gateshead Council the Forum recognised the benefits of an incentive scheme to encourage landlord participation and was of the view that Hartlepool would benefit from the introduction of a similar scheme;

Tenant Referencing Scheme

- (l) That in principle the introduction of a Tenant Referencing Scheme be supported;
- (m) That in terms of addressing the issue of displacement of problem landlords and tenants it would be beneficial for a Tenant Referencing Scheme be implemented in conjunction with any Selective Licensing and Accreditation Schemes;
- (n) That support from resident, landlords, tenants and the provision of a housing support package would be vital to the success of a Tenant Referencing Scheme;

Partnership working with outside agencies/bodies

- (o) That, if future actions to deal with problems associated with the private rented sector are to be successful, significant emphasis should be placed upon partnership working between Council departments and outside agencies, including the Hartlepool Partnership;
- (p) That it was disappointed to find that existing funding arrangements for the NDC Bond Guarantee scheme were to cease in the near future, resulting in the discontinuation of scheme;

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Supported Accommodation

- (q) That it was concerned to find that there is an insufficient supply of supported housing in Hartlepool to meet demand and recognised the need to explore ways of:-
 - (i) increasing supported housing provision or providing additional 'floating support'; and
 - (ii) improving the transmission of accurate information in relation to planning applications for supported housing premises in order to prevent the creation of misapprehensions.

Hartlepool Landlords Association

- (r) That it was encouraged to find that the work already undertaken in relation to this investigation had prompted the creation of a Hartlepool Landlord Association. It was, however, recognised that further efforts were required to develop the role, Code of conduct/Constitution and activities of the association;
- (s) That in view of the authority's strategic role in the provision of housing in Hartlepool it would be imperative for there to be local authority representation on the Hartlepool Landlords Association;

Registered Social Landlords

- (t) That Registers Social Landlords should be commended on their activities to provide affordable and good quality housing;
- (u) That in view of the complexity of allocations policies emphasis should be placed upon the provision of effective advice for prospective tenants;
- (v) That in view of the effectiveness of the way in which Registered Social Landlords manage their tenancies ways of sharing expertise with the private rented sector would be beneficial;

Fair Rents and Discretionary Payments

- (w) That the consistent gap between the levels of rent assessments, undertaken by the Rent Office, and the actual rental charges in Hartlepool should be addressed;
- (x) That there were concerns regarding the process for the award of Discretionary Payments in relation to the membership of the Panel and involvement of the Housing Division;
- (y) In view of the importance of Discretionary Payments in bridging the gap

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between rent assessments and actual rents a review of the budgetary allocation for Discretionary Payments is needed to ensure that it meets demand;

Tenant, Resident and Landlord Support

- (z) That there is a need to place emphasis upon the benefit and value of support activities, in particular supported accommodation, already provided for tenants, residents and landlords in order to create sustainable tenancies and communities; and
- (aa) That it was pleased to learn of the advice service already available through the local authority for residents, tenants and landlords. There was, however, a need for the availability of this advice service to be better publicised.

13 RECOMMENDATIONS

13.1 The Neighbourhood Services Scrutiny Forum has taken evidence from a wide range of sources to assist in the formulation of a balanced range of recommendations.

13.2 The Forum's key recommendations to the Cabinet are as outlined below:-

- (a) That before any actions are taken to improve the operation and management of the private rented sector an assessment of their impact be undertaken;

Selective Licensing

- (b) That prior to the introduction of any Selective Licensing Scheme in Hartlepool an evaluation be undertaken of:-
 - (i) its feasibility and benefits;
 - (ii) the level of staffing and financial resources required for its effective operation; and
 - (iii) the practicalities of operating the existing voluntary registration scheme alongside any Selective Licensing and Tenant Referencing Schemes.

Landlord Accreditation Scheme

- (c) That the introduction of an incentive scheme to encourage landlords to become members of the accreditation scheme be further explored;
- (d) That the provision of tenant and landlord information packs as part of the accreditation scheme be explored;

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- (e) That an assessment of staffing requirements to enable the effective provision, and expansion, of the Landlord Accreditation Scheme be undertaken;

Tenant Referencing Scheme

- (f) That a Tenant Referencing Scheme be implemented within Hartlepool and the practicalities of its operation alongside the proposed Selective Licensing and Accreditation Schemes be explored;

Partnership working with outside agencies/bodies

- (g) That partnership working be developed further to ensure the success of future initiatives to deal with problems associated with the private rented sector;
- (h) That ways of assisting the NDC to identify alternative funding sources to ensure the continuation of its Bond Guarantee scheme be explored;

Supported Accommodation

- (i) That further work be undertaken to identify ways of increasing the level of supported housing in Hartlepool and/or 'floating support' in order to meet demand;
- (j) That in dealing with planning applications for the provision of supported housing ways of better publicising accurate details of applications be explored on order to prevent the creation of misapprehensions;

Hartlepool Landlord Association

- (k) That further work be undertaken with the newly formed Hartlepool Landlords Association in relation to:-
 - (i) the promotion of partnership working, in particular the inclusion of a Hartlepool Borough Council representatives on its board; and
 - (ii) the development of its code of conduct, role and activities.

Registered Social Landlords

- (l) That the development of a working relationship between Registered Social Landlords and the private rented sector for the sharing of management services be explored;
- (m) That an evaluation of the effectiveness of Registered Social Landlords advice to prospective tenants in terms of their allocation policies be explored;

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Fair Rents and Discretionary Payments

- (n) That the Authority explores a mechanism by which to lobby the Rent Office and Central Government in relation to the requirement of realistic rent assessments;
- (o) That a review be undertaken of the process for the award of Discretionary Payments with particular reference to:-
 - (i) the possible inclusion of a Housing Division representative on the Discretionary Payments Panel; and
 - (ii) the practicalities of transferring responsibility for the award of discretionary payments to the Housing Division with input from Housing Benefits.
- (p) That the current budgetary allocation for Discretionary Payments be reviewed to more truly reflect demand; and

Tenant, Resident and Landlord Support

- (q) That further work is undertaken to more widely publicise the advice service available for residents, tenants and landlords through the local authority.

14 ACKNOWLEDGEMENTS

- 14.1 The Committee is grateful to all those who have presented evidence during the course of our investigation. We would like to place on record our appreciation, in particular of the willingness and co-operation we have received from the below-named:-

Hartlepool Borough Council:

Dave Stubbs, Director of Neighbourhood Services

Penny Garner-Carpenter, Housing Strategy Manager

Siobhan Rafferty, Homeless Strategy Officer

Alistair Simpson, Tenancy Relations Officer

Alison Mawson, Head of Community Strategy and Prevention

Sally Forth, Anti-Social Behaviour Co-ordinator

Claire Clark, Community Safety Co-ordinator

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Joanne Burnley, Senior Environmental Health Officer

Ken Natt, Landlord Registration Officer

Christopher Akers-Belcher, Benefits Manager

External Representatives:

Joe Michna, Manager, Hartlepool Citizens Advice Bureau

Alan Simpson, Valuation Team Manager, the Rent Service

Graeme Wilson, Gateshead Council

Mandy Reed, Gateshead Council

Cath Purdy, Chief Executive, Housing Hartlepool

Andy Powell, Director of Housing Services, Housing Hartlepool

Malcolm Walker, Programme Director, New Deal for Communities

Bryan Hanna, Partnership Chair, New Deal for Communities

Brian Dixon, Programme Manager, New Deal for Communities

Bob Farrow, New Deal for Communities

Sue Thompson, Teesside Landlords Association

**COUNCILLOR GERARD HALL
CHAIR OF THE NEIGHBOURHOOD SERVICES SCRUTINY FORUM**

March 2007

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BACKGROUND PAPERS

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The following background papers were consulted or referred to in the preparation of this report:-

- (a) Department of Communities and Local Government - Housing Research Summary (No. 228, 2006) – Dealing with ‘Problem Rented Housing’
- (b) Residential Landlords Association (web page – www.rla.org.uk)
- (c) National Federation of Residential Landlords (web page – www.nfrl.org.uk)
- (d) Housing Corporation (web page – www.housingcorp.gov.uk)
- (e) Department of Communities and Local Government - Housing Research Summary (No. 054, 2005) – Private Landlords in England
- (f) Presentations given at Neighbourhood Services Scrutiny Forum on 7 February 2007
- (g) Protection from Eviction Act 1977
- (h) Housing Act 1988
- (i) Children's Act 1989
- (j) Housing Act part VII (as amended) 1996
- (k) Homelessness Act 2002
- (l) Anti-Social Behaviour Act 2004
- (m) Housing Benefit Act (as amended) 2006 - Regulation 12 - Rent Determinations, Private Sector, Regulation 2 - Single Room Rent
- (n) Human Rights Act 1998
- (o) 2001 Census

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APPENDIX A**

HOUSING ASSOCIATIONS IN HARTLEPOOL

- Anchor Trust;
- Guinness Trust;
- Home Housing Association;
- Bramley Court Residents Association;
- Elmtree Community Action Group;
- Fens Residents Association;
- Manor Residents Association;
- Ow ton Fens Community Association;
- Ow ton Manor West Neighbourhood Watch & Residents Association;
- Brougham Area Residents Association;
- Brus Ward Residents Association;
- Communities Acting Together (CAT);
- Derw ent Grange Residents Association;
- Dyke House Residents Association;
- Friends of Regent Square;
- Residents Association of Clavering and Hart Station (RACHS);
- Headland Residents Association;
- Lancaster Road Residents Association;
- Middle Warren Action Group;
- Middleton & Raby Road Community Action Group;
- Percy Street Residents Association;
- Princess Residents Association;
- Springw ell Residents Association;
- Throston Grange Residents Association;
- West View Residents Association;
- Oak & Pine Residents Association;
- Belk/Cameron/Furness Street Residents Association;
- Belle Vue Residents Association;
- Burn Valley North Residents Association;
- Clarence Estate Residents Association;
- Cobden Area Residents Association;
- Dent/Derw ent Street Residents Association;
- Endeavour Residents Action Group;
- Greatham Community Association;
- Grosvenor Gardens Residents Association;
- Hart Villagers;
- Hartw ell Residents Association;
- Holt & Lister Street Residents Association;
- Manor Residents Association;
- Oxford Road East Residents Association;
- Rift House Community Association;
- St Cuthbert's Resident Association;
- Stockton Road Areas Residents Association;
- Stotfold Area Residents Association;
- Salaam Centre;
- West End Residents Association;
- West Park Residents Association;
- Westbourne Road Residents Association;
- Wharton/Errol Area Residents Association; and
- Derw ent Grange Residents Association.

Source – Hartlepool Housing Department

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APPENDIX A**

LETTING AND ESTATE AGENTS IN HARTLEPOOL

Letting Agents :

- Paramount Homes;
- Ashvale Homes;
- Live Smart Homes Ltd; and
- Cavey Craig Commercial Ltd.

Estate Agents :

- Jones;
- Robinsons;
- Downen;
- Gowland White; and
- Whitegates.

Source - Access (web page – www.accessplace.com)

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APPENDIX B

PROBLEMS EXPERIENCED BY PRIVATE SECTOR TENANTS, LANDLORDS AND SURROUNDING RESIDENTS

Problems experienced by tenants and residents.

- (i) Anti-social behaviour of all types, from loud noise to threatening behaviour, over a sustained period;
- (ii) Landlords in the Raby Road/Perth Street and Stephen Street areas are renting properties to unacceptable tenants i.e. drug dealers resulting in anti-social behaviour problems;
- (iii) Some privately rented properties are unsafe, and not adequately maintained, and their appearance creates an adverse impression of the area;
- (iv) Tenants have reported problems to landlords/collection agents regarding the condition of properties and no action is taken. Alternatively some tenants are afraid to make complaints;
- (v) Residents find it difficult to contact landlords to pass on information directly to them regarding problems with vacant properties and problem tenants. In most instances residents have to go through the Local Authority to pass on this information and in some instances this has resulted in the boarding up of property when it is not really needed;
- (vi) Responses from Neighbourhood Police is patchy and slow with difficulty addressing noise/nuisance problems;
- (vii) The phrase 'anti social behaviour landlords' was used frequently in that it was felt that some landlords felt it was acceptable to rent properties to individuals with an ASB background;
- (viii) That there was clearly sub-standard properties placed on the rental market by landlords who felt it was acceptable to do so;
- (ix) That the majority of landlords lived out of the area or in fact the country, which resulted in rented properties becoming neglected/in a state of repair, although it was felt that the agents were not managing/dealing with the condition of such properties with a degree of urgency. In fact it was actually questioned whether some agents were actually fulfilling their role in an honest way;
- (x) That poor repairs were undertaken on rental properties although it was acknowledged that this was improving;
- (xi) The rental of properties to individuals with ASB quickly effects the owner occupier market within the area, resulting in properties being left empty which are then subject to acts of vandalism etc; and
- (xii) Void properties encourage ASB resulting in the neighbourhood deteriorating.

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APPENDIX B**

Problems experienced by landlords.

- (xiii) From a landlords perspective references and the requirement of guarantors is not always effective in weeding out problem tenants. Problems have been experienced with:
- Parents acting as guarantors for their children who then go on to create problems; and
 - Poor/inaccurate references from the Bond Scheme and Smart Move Scheme.
- (xiv) In instances where responsible private landlords serve eviction notices they can feel pressured by organisations such as the Council and Social Services not to do so.

Help received with your problem and how effective was it?

- (i) Whilst residents with problems go through various routes to seek solutions it is often felt that nothing really happens to deal with the problem. Also, that the needs of the tenant are seen as more important than rights of neighbours to live without disturbance;
- (ii) Where problems are experienced with vacant private rented properties often action taken is too much too soon, in terms of the installation of shutters. This can be detrimental to the image of even the best area and promote its degeneration;
- (iii) Police response times to complaints;
- Neighbourhood Policing has made a real difference; although there was also mixed feelings in relation to the response time from the police. Some felt that there was no urgency from the police in fact on occasions responses received were 'it was not a police matter its a council matter – sorry' with no further assistance being provided;
- (iv) Contact with Hartlepool BC and Housing Hartlepool was satisfactory although any action undertaken in terms of enforcement was felt to be extremely slow;
- (v) The formation of Resident Associations was proving to be very effective and should be encouraged across the town;
- (vi) On occasions it was felt that the letting agents choose to ignore tenants concerns, with no feedback or action being undertaken; and
- (vii) In general it was felt that the powers available to the Council weren't enough to deal with ASB issues associated with rented properties.

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APPENDIX C

WHAT MORE IT WAS FEEL COULD BE DONE BY THE LOCAL AUTHORITY TO ADDRESS INDIVIDUAL PROBLEMS AND THE GREATER OVERALL ISSUE OF PROBLEM LANDLORDS AND TENANTS IN HARTLEPOOL?

Suggested actions for landlords:-

- (i) Landlords should carry out more checks on the suitability of tenants;

Suggested actions for the Local Authority:-

- (ii) It should be easier for tenants to contact landlords directly should they wish. This would reduce the need for the Local Authority intervention;
- (iii) In terms of the transmission of information on tenants:
 - The concept of a tenant referencing scheme was supported, however, it was felt that the best way to do this would be through a 'Tenant Passport'. Landlords would be required to complete this document and tenants required to produce it when applying for a new tenancy;
 - It was suggested that a tenant referencing, or 'Passport', scheme needs to be operated on a regional basis if it is to work effectively; and
 - It was suggested that existing channels of communication between Residents Associations and some landlords (i.e. almost an informal referencing service) need to be formalised and made available to all landlords.
- (iv) Increased enforcement action should be undertaken and the length of time it takes addressed;
- (v) The Council should publicise an emergency contact number for residents and tenants with problems;
- (vi) Increased information needs to be made available to residents, tenants and responsible landlords to ensure that they know the most appropriate course of action to deal with problems;
- (vii) A way of dealing with irresponsible landlords and in particular those who live out of the town needs to be found;
- (viii) In respect of tenant complaints to landlords/collection agents regarding the condition of properties it was suggested that a process/service should be provided:
 - To assist tenants in making complaints to their landlords. This could add weight to complaints and assist in getting something done;

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APPENDIX C

- Whereby the Council could make complaints for tenants who are perhaps unable to do so for themselves, for whatever reason; and
- To enable tenants to make anonymous complaints to the Council without fear of retribution. The Council should then pursue the landlord through the avenues open to rectify the problems.
- (ix) Arrangements need to be put in place to provide a system that provides alternatives to the boarding up of vacant private rented properties by both the Council and landlords. Boarding up should be the last alternative;
- (x) Co-ordination between Council departments and other organisations needs to be improved and the implementation of enforcement action speeded up;
- (xi) Residents, agents, tenants and landlords in attendance weren't aware of the Council's emergency out of hours number and it was felt that this would be widely publicised;
- (xii) The Police's response to ASB issues in rental neighbourhood needs to be addressed and where the police say its a council matter, further signposting of key services/contacts should be provided;
- (xiii) The Council should both exercise and publicise its enforcement powers more widely; and

Suggested actions for other agencies:-

- (xiv) The rate at which police respond to complaints needs to be improved and the gravity of the impact of anti-social behaviour on neighbours acknowledged.

General comments.

- (i) The primary problem with the private rented sector is that good tenants tend to go to registered social landlords leaving the less well behaved tenants to move into private rented accommodation;
- (ii) Enforcement action by registered social landlords results in the displacement of problem tenants into the private rented sector;
- (iii) Many problem tenants are 'serial movers'. This makes them difficult to deal with and even less inclined to behave in a responsible manner towards the property they occupy and the community around them;
- (iv) Concern was expressed that Government quangos are living off anti-social behaviour with little incentive to really solve the problem;

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- (v) That not all problem tenants are on housing benefit. Those in employment can also create problems so in this sense the withholding of housing benefit payments to landlords would not completely address the problem;
- (vi) There was a clear difference of opinion between those landlords and residents present in terms of whether a landlord should be held responsible for the actions of their tenant; and
- (vii) Concern was expressed that the operation of a selective licensing scheme could create a negative image for the areas selected (a ghetto).

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APPENDIX D**

**REGISTERED SOCIAL LANDLORDS IN HARTLEPOOL AND NUMBER OF
RENTED HOMES WITHIN THEIR PORTFOLIOS**

- Housing Hartlepool (7326);
- Tees Valley Trust Limited (11);
- Three Rivers Charitable Housing Association Ltd (118);
- Anchor Trust (342);
- Home Group Ltd (957);
- Tees Valley Housing Group Ltd (340);
- North British Housing Ltd (2);
- Housing 21 (50);
- New Era Housing Association Ltd (10);
- Accent Homes Ltd (105);
- Three Rivers Housing Association Ltd (241)
- The Guinness Trust (269);
- Endeavour Housing association Ltd (233);
- Victoria Homes and Others (26);
- Railway Housing Association and Benefit Fund (25); and
- Hartlepool's War Memorial Homes and Crosby Homes (24).

Source - Housing Corporation (web page – www.housingcorp.gov.uk)