



Private Sector Housing Renewal Policy 2011

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Private Sector Housing Renewal Policy 2011

Chapter one – Introduction and Local Strategic Context

Introduction:

The Council, as the strategic housing authority has the responsibility for considering the standard of housing in all tenures and developing a strategy for dealing with the issues that arise. The Council adopted the previous Private Sector Renewal Strategy in 2006. It was revised in 2007.

The previous policy outlined the Council's approach to tackling the Private Sector Housing issues and took account of the legislative and regulative framework that existed at that time.

There have been changes in both the tone and direction of the overall framework of Private Sector regulation since the 2006 document which need to be incorporated into this revised policy. These are:

- Changes to the Government's Housing Priorities and Direction following the 2010 General Election;

- Creation of the New Homes Bonus;

- Energy Efficiency in the Private Rented Sector;

- Changes in available finance following the CSR and Local Government Settlement announced in December 2010.

This Policy should be reviewed annually within the Department for any necessary legal or financial changes and any such changes reported to Members. In addition, it should be revised and rewritten at no more than 5 year intervals.

Local Strategic Context:

Brentwood has issued a Housing Strategy Statement (April 2010 – March 2011) which sets out the Council's aspirations and base methods of working in respect (amongst other areas) of the Private Sector with a view to making the best use of existing homes. The ways in which best use can be made of homes is expanded below in Chapters four and five.

The emerging Sustainable Community Strategy has the vision *to improve the quality of life for all Brentwood Borough by working in partnership*. Within this strategy are aims to *improve the Borough's Surroundings and to keep the Borough safe and healthy*. These aims are supported by this Private Sector Renewal Policy where they connect with the Private Sector.

The Council's Corporate Plan prioritises ensuring value for money in the services we provide; providing good quality housing; and tackling anti-social behaviour and crime. This policy seeks to play its part in setting conditions within which these priorities can be met in the Private Sector housing arena.

Pending a rewrite of its Housing Strategy, the Council issued a Housing Strategy Statement covering the period April 2010 – March 2012. Within this were listed key priorities for this interim period:

- To refresh our strategic approach to meeting the housing needs of the Borough;
- To enable the delivery of new market and affordable housing;
- To make best use of existing homes, both those in Council and private ownership;
- To respond to the needs of all residents across all housing tenures, including reducing levels of homelessness, and supporting independent living for vulnerable and marginalised people;
- To contribute to building inclusive communities and reducing inequalities.

Working within these priorities, the Statement included the following:

- Working with landlords, we will seek to ensure that all tenanted dwellings in the Private Rented Sector are in a good state of repair and are suitable and safe for their occupants.
- We have devised and will continue to host our annual Private Sector Landlords Forum, when staff from the Environmental Health, Housing and Housing Benefits services give information to landlords on any changes in legislation, best practice in letting, Planning and Housing Benefit changes through presentations, discussions and question and answer sessions.
- We will continue our current grants and financial assistance to enable the homes of the most vulnerable people in the Private Sector to achieve the Decent Homes Standard, and continue to operate our policy to bring empty homes back into use.
- We will continue, through our membership of the Herts and Essex Energy Partnership (HEEP), to offer energy efficiency and renewable measures for privately owned, leasehold or rented homes. Measures will include insulation, heating improvements and renewable technologies.
- We will support independent living for vulnerable and marginalised people by continuing our partnership with Brentwood Staying Put to

assist elderly and disabled applicants to obtain appropriate funding for repairs or works.

- We will work as part of the refreshed Local Strategic Partnership to ensure appropriate housing solutions contribute to the delivery of action plans, where appropriate.

Chapter two – National Priorities for Private Sector Renewal

*We want everyone to have a decent home at a price they can afford whether they own or rent it.*¹

Housing Act 2004

The Housing Act 2004, which came into effect in April 2006, introduced measures of reform that help the most vulnerable whilst also creating a “fairer housing market for those who own, rent or let residential property”. It also assisted in meeting the then Government’s 2010 “Decent Homes” target of 70% of vulnerable households living in Decent Homes by 2010. This target was rescinded, but BBC reached this target and beyond.

A number of discretionary duties and mandatory powers were introduced and below is a summary of the main provisions of the Act:

- The introduction of the Housing Health and Safety Rating System that replaced the Housing Fitness Standard as a measure of whether a dwelling should be lived in. (Category 1 and category 2 Hazards, see below).
- Mandatory Licensing of large, high-risk Houses in Multiple Occupation and discretionary powers to license some smaller Houses in Multiple Occupation.
- The power for local authorities to selectively license private landlords.
- The introduction of Empty Dwelling Management Orders (EDMOs) to assist to bring empty homes back into use. (See below and Chapter five)
- Changes to the Right to Buy Scheme, extending the qualifying period from 2 to 5 years and extending the pay back period.
- The introduction of the Tenancy Deposit Protection Scheme.
- The creation of Residential Property Tribunals (RPTs) with the power to impose Rent Repayment Orders where a landlord has received housing Benefit for tenants living in a property which should reasonably be licensed but is not.

¹ Quote from the Communities and Local Govt website

- The introduction of Energy Performance Certificates to assist with the selling process for residential properties. (See below and chapter XXX)
- The requirement to update statutory overcrowding conditions.
- Extension of Disabled Facilities Grants (DFGs) to people occupying caravans (mobile homes) as their only or main residence. (See Chapter 6)

Category 1 and Category 2 Hazards

The Housing Act 2004 introduced a different method of determining whether living accommodation is suitable for the occupants. Instead of being based on a series of criteria which the dwelling had to be free from – dampness, instability, serious disrepair - and access to adequate lighting, heating and ventilation, wholesome water supply, satisfactory facilities for cooking of food, hot and cold water, a WC, bathroom, and drainage, the new method is risk-based and considers the harm that living conditions may cause to occupants.

Based on the seriousness of the risk to health and the likelihood of that risk being realised, the Council has either a duty or a power to require the owner to rectify any of a list of 29 Hazards. Where the dwelling exhibits one or more Category 1 Hazards, the Council is required to take the “appropriate enforcement action” in respect of the hazard(s). Where the dwelling exhibits one or more Category 2 Hazards, the Council has a power to take particular kinds of enforcement action.

Where such hazards exist, this Housing Renewal Policy will seek to assist those vulnerable and low income persons who have a responsibility to keep housing suitable for occupation to shoulder that responsibility (see Chapter 6).

Energy Efficiency

The Government has, rightly, made the eradication of fuel poverty and the provision of warm homes a priority in recent years. The present government has, whilst changing the means of so doing, continued to give energy efficiency prominence in its policies.

The “Green Deal”²

One of the main components in the **Energy Bill 2010-11** is the framework for a “Green Deal”. The aim of the Green Deal is to encourage energy efficiency improvements in properties, to be paid for by savings from energy bills.

² House of Commons Library. Standard Note SN/SC/5763

The Green Deal would enable customers [of energy suppliers] to receive money upfront to make the energy efficiency improvements to their properties. The repayments would then attach to the energy bill at a property, rather than to an individual. The “core principle” of the Green Deal is the “golden rule”; that the instalment payment for the energy saving measures, including the cost of finance, labour and products, should not exceed the projected associated cost savings on the average bill for the duration of the green finance arrangement. The arrangement could be for as long as 25 years.

Underpinning the Green Deal would be an “Energy Company Obligation” (ECO). This would focus the obligation on those properties and households which could not make energy savings without extra financial support, such as those with hard-to-treat homes, the vulnerable and the fuel poor. (The Government estimates that this sector accounts for about a quarter of all carbon emissions).

It is expected that the Green Deal and the ECO will come into force in early 2013.

As a part of this Housing Renewal Policy, assistance will be offered to vulnerable persons and elderly persons on a low income to improve the energy efficiency of their home (to a minimum level) and provide suitable fixed heating. (see Chapter six)

Energy Performance Certificates, which are provided for new occupants of all homes – both owner occupiers and tenants – are likely to encourage the improvement of energy efficiency. Such improvements are to be supported and occupants wishing to carry out such works will, whilst it is still operating, be directed in the first instance to the HEEP scheme. Once that scheme ceases (2011/12), assistance will be offered in house.

Housing & Health

There have been two major reports linking Housing and Health,

1. from the Warwick Law School and the Building Research Establishment;³
2. from the Chartered Institute of Environmental Health ⁴

The former concluded that poor housing in England is costing the NHS in excess of £600 million a year. It also showed that low cost interventions give particularly good value in terms of health and well-being benefits. for example, minor works carried out through the Home Improvement Agency, and Handyperson Schemes to deal with hazards such as Falling on Level

³ Linking Housing Conditions and Health: A Report of a Pilot Study into the Health Benefits of Housing Interventions – February 2010)

⁴ Local Authority Private Sector Housing Services – Delivering Housing, Health and Social Care Priorities, Helping Vulnerable People and Local Communities – January 2011

Surfaces, Falling on Stairs and Entry by Intruders can give a payback period (the time for the cost of works to balance with the cost saving to the NHS) of one or two years. Work carried out by the Audit Commission states that “Every £1 spend on providing housing support for vulnerable people can save nearly £2 in reduced costs of health services, tenancy failure, crime and residential care.”⁵

The latter pointed out that the Private Rented Sector is growing and that 30% of the dwellings in this sector have serious health and safety hazards. It also reiterated the words from the Empty Homes Agency – “*Homes that stand empty are a wasted resource and have a detrimental effect on neighbourhoods*”.

Empty Properties

Nationally, there are more than 300,000 long-term empty dwellings which could be brought back into residential use. Government has long encouraged local authorities to use the tools which have been made available reduce the numbers of this type of property which attract squatters, anti-social behaviour and bring misery for neighbours. Instead, local authorities should treat such empty property as an asset to be brought back into use for those families that need somewhere to live.

It is the government’s aim to develop options to bring more empty homes back into use, working with the local authorities and housing associations and some of the property owners, neighbours and others affected.⁶

⁵ Audit Commission (2009) *Building Better Lives: Getting the best from strategic housing*.

⁶ Quote from Communities Minister Andrew Stunell.

Chapter three – Local Housing Conditions

There are 27,965 Private Sector dwellings in the area which accommodate 27,051 households. Of these, 26% are Non-Decent (7,247). There are 3,234 vulnerable households living in Brentwood, of which 826 live in Non-Decent accommodation.⁷ Given that the Council is committed to “prioritising services and targeting resources to communities and individuals in the greatest need, and supporting residents who are the most vulnerable in society”; and that the Corporate Plan seeks to provide “good quality housing”, financial help to assist such persons in ensuring their homes are not adversely affecting their health is something the Council should do, within reasonable resource limits.

In 2008 in Brentwood, there were more than 13,200 people over the age of 65. This represents 18.3% of the population as a whole.⁸ This has a bearing on the numbers of people eligible to apply for Disabled Facilities Grants (DFG) as around 90% of grants are given to the over 65s. In 2010/11, 43 grants were approved with a total spend of greater than £230,000. DFGs are mandatory grants and, if an application is made by an eligible person, must be approved, to a maximum in any one instance of £30,000.

80% of the housing stock is owner occupied, with around 9% in the Private Rented Sector. The majority of the housing has been built since 1945, and much of the older housing has been improved and renovated. In 2010 (1st quarter) the average price of a house in Brentwood was £350,930. This is the highest average in Essex (£243,993) and much higher than the average for England (£224,064)⁹

Council Tax Benefit (CTB) and Housing Benefit (HB) are common measures of low income and a lack of accessible savings. In Brentwood, of the 27,051 households in the Private Sector, there are 1,551 in the Private Rented Sector who are in receipt of Housing Benefit and/or Council Tax Benefit. This would indicate that at least this number of tenants are on a low income and may well be unable to afford to heat their homes properly, even if the insulation of those homes is to a decent standard. There are a further 2,116 owner occupier households who receive CTB. These persons will be unlikely to maintain their homes without help from relatives, friends, the community or the Council.¹⁰

House Condition Survey Results

The recent Private Sector Housing Stock Modelling carried out by the Building Research Establishment (BRE) for Brentwood BC in 2011 states that all of the house condition and energy efficiency indicators suggest the Private Sector Housing stock in Brentwood to be better than the national average. (Stock

⁷ Brentwood Borough Council: BRE Housing Stock Models and options for further developing private sector housing information. February 2011.

⁸ ONS, 2008

⁹ Brentwood District Profile. August 2010

¹⁰ BBC Benefits (first quarter 2011)

Modelling provides data for basic legislative, government and local reporting on Private Sector Housing information. It does this by using complex statistical techniques to extrapolate data from the English House Condition Survey (EHCS) down to small local area level based on correlations with census and other data. It has not considered any data about specific housing conditions and has not involved the inspection of any dwellings. It is a purely statistical report and cannot be related to any specific addresses).

- The percentage of non-decent homes at 26% is 8% lower than the average for England in 2008;
- The model estimate for dwellings which fail thermal comfort, 11%, is 2% lower than the national average in 2008;
- For Housing Health and Safety Rating System Category 1 hazards the model estimate 17%, is 7% lower than the national average;
- Excess cold, which is the most common Category 1 hazard, at 8% is 2% lower than the national average;¹¹
- The one indicator provided solely of socio-economic conditions, vulnerable households, shows these conditions to be considerably better than the national average (12% compared to 19%);
- The percentage of vulnerable households in non-decent homes, 3%, is considerably lower than the national average in 2008 of 7%;
- The modelled estimate for former CLG PSA7 indicator, vulnerable households in decent homes, for Brentwood is 74%. This is 13% better than the national average in 2008.
- The model estimate for fuel poverty is 9% which is 6% lower than the national average in 2008 of 15%.

See Table 1 below

¹¹ i.e. shows that housing locally does not suffer from excess cold as much as other parts of the country.

Table1: Modelled Data, Private Sector

Ward	Dwellings							Households				Vulnerable households
	Dwellings (private)	Households (private)	Non Decent	Inadequate Thermal Comfort	Housing Health and Safety Rating System	Disrepair	Non Modern	Excess Cold	Fuel Poverty	Vulnerable Households	Vulnerable Non Decent	Vulnerable Decent (PSA7)
Brentwood North	2,441	2,367	623 (26%)	276 (11%)	358 (15%)	73 (3%)	36 (1%)	133 (5%)	165 (7%)	367 (16%)	91 (4%)	276 (75%)
Brentwood South	2,124	2,038	527 (25%)	260 (12%)	338 (16%)	76 (4%)	34 (2%)	122 (6%)	155 (8%)	309 (15%)	75 (4%)	234 (76%)
Brentwood West	2,594	2,475	533 (21%)	221 (9%)	370 (14%)	52 (2%)	31 (1%)	101 (4%)	150 (6%)	272 (11%)	55 (2%)	217 (80%)
Brizes and Doddinghurst	2,121	2,060	664 (31%)	323 (15%)	443 (21%)	59 (3%)	32 (2%)	302 (14%)	202 (10%)	250 (12%)	77 (4%)	173 (69%)
Herongate	1,512	1,461	463 (31%)	193 (13%)	307 (20%)	45 (3%)	21 (1%)	158 (10%)	170 (12%)	164 (11%)	48 (3%)	116 (71%)
Hutton Central	1,417	1,365	274 (19%)	111 (8%)	173 (12%)	25 (2%)	11 (1%)	52 (4%)	107 (8%)	122 (9%)	24 (2%)	98 (81%)
Hutton East	1,328	1,286	319 (24%)	147 (11%)	200 (15%)	32 (2%)	12 (1%)	61 (5%)	100 (8%)	184 (14%)	43 (3%)	141 (76%)
Hutton North	1,491	1,450	320 (21%)	146 (10%)	173 (12%)	29 (2%)	17 (1%)	55 (4%)	119 (8%)	217 (15%)	47 (3%)	170 (78%)
Hutton South	1,631	1,573	304 (19%)	127 (8%)	203 (12%)	20 (1%)	12 (1%)	65 (4%)	104 (7%)	98 (6%)	18 (1%)	80 (82%)
Ingatestone	2,356	2,293	761 (32%)	331 (14%)	508 (22%)	85 (4%)	43 (2%)	289 (12%)	260 (11%)	270 (12%)	85 (4%)	185 (68%)
Pilgrims Hatch	2,040	1,991	555 (27%)	240 (12%)	325 (16%)	60 (3%)	25 (1%)	113 (6%)	184 (9%)	336 (17%)	87 (4%)	249 (74%)
Shenfield	2,197	2,127	555 (25%)	252 (11%)	300 (14%)	56 (3%)	32 (1%)	135 (6%)	179 (8%)	119 (6%)	31 (1%)	88 (74%)
South Weald	779	740	248 (32%)	103 (13%)	176 (23%)	23 (3%)	12 (2%)	73 (9%)	65 (9%)	84 (11%)	25 (3%)	59 (70%)
Tipps Cross	1,403	1,374	471 (34%)	208 (15%)	324 (23%)	38 (3%)	20 (1%)	227 (16%)	163 (12%)	145 (11%)	48 (3%)	97 (67%)
Warley	2,533	2,451	631 (25%)	272 (11%)	429 (17%)	65 (3%)	31 (1%)	214 (8%)	184 (8%)	299 (12%)	76 (3%)	223 (75%)
Brentwood	27,965	27,051	7,247 (26%)	3,210 (11%)	4,626 (17%)	740 (3%)	370 (1%)	2,101 (8%)	2,307 (9%)	3,234 (12%)	828 (3%)	2,406 (74%)
England 2007			(36%)	(16%)	(23%)	(7%)	(3%)	(11%)	(13%)	(20%)	(8%)	(61%)
England 2008			(34%)	(13%)	(24%)	(7%)	(3%)	(10%)	(15%)	(19%)	(7%)	(61%)

Within these general figures however, there are variations which indicate where any available monies should be spent first. The wards of Brentwood North and Brentwood South, Brizes and Doddinghurst, Ingatestone and Pilgrims Hatch all have 4% of their vulnerable households living in Private Sector housing stock which is non-decent. Ingatestone, Tipps Cross and South Weald have a large proportion (23 and 22 %) of their Private Sector stock exhibiting Category 1 hazards. (see Table 1)

In order to firm-up these figures, and put addresses to the identified problems, it would be necessary to carry out a much wider Private Sector Housing Survey in these parts of the Borough at an estimated cost of £40 - £50,000. Resources being so limited, a more practical way of targeting help to those who need it most would be to advertise/promote the availability of financial assistance in these areas. This would not preclude the giving of assistance in other areas in individual cases.

The House Condition Survey has shown that to make all of the 7,247 non-decent homes in the area decent would cost more than £37M.

Table 2: Cost of Making Non Decent Homes Decent.

Criteria	Average Cost	Total Number in Brentwood	Total cost (£000)¹²
Non Decent Home	£5,155	7,247	£37,358
Dwelling which fails Thermal Comfort	£3,171	3,210	£10,179
Dwelling which fails Housing Health and Safety Rating System Cat 1 Hazards	£4,128	4,626	£19,099
Dwelling which fails Disrepair	£10,879	740	£8,052
Dwelling which fails Modernisation	£15,401	370	£5,707
Vulnerable Households in Non Decent Homes	£5,155	828	£4,269

Clearly, such expenditure is not the responsibility of the Council. However, where there are vulnerable persons living in non-decent

¹² Figures don't add to £37,358,000 because some dwellings feature in more than one category.

conditions such as to pose a serious risk to their health, the Council will seek to offer help in as many appropriate ways as possible. Advice, grants, loans and negotiations with Private Sector landlords are all ways in which the Council can help.

Chapter four – Energy Efficiency/Fuel Poverty

Fuel Poverty can be defined as occurring when a household has to spend more than 10% of its disposable income on total fuel bills – space and hot water heating, cooking, lighting, appliances and standing charges. It results in households experiencing to a lesser or greater degree either fuel debt (i.e. they cannot afford to pay their fuel bills), or an inadequately heated home.

If the home is inadequately heated, the householder may suffer from cold-related diseases. It has been estimated (by charities set up to cater for the aged) that 48,000 more people die in winter each year than in the summer. Most are elderly. The charity estimates that 77% of the elderly in the UK are “fuel poor”. When a property is inadequately heated it can lead to condensation and damp conditions, which increase the rate of asthma and respiratory diseases. It is estimated that increased cold-related and respiratory diseases, associated with fuel poverty, cost the NHS £1Bn per annum. Fuel poverty can also lead to the deterioration of the property itself and associated increased maintenance/repair costs and reduced asset value. There are also other interrelated problems caused such as under use of available floor space.

Previous Governments have sought to try and eliminate fuel poverty, especially from vulnerable households. Grants and advice/information have had some success in this regard since the introduction of the Home Energy Conservation Act 1995, and the efforts of local authorities and central government. However, with the recent increase in fuel prices, much of this work has been undone and the numbers in fuel poverty have started to rise again.

Although the previous Private Sector Housing Renewal Policy included the awarding of grants in respect of energy efficiency, since 2009 a partnership with 15 local authorities in Hertfordshire and Essex has been set-up to administer grants and loans for this purpose using a Government Grant. This scheme, the Herts and Essex Energy Partnership (HEEP), has overseen the payment of £164,311 in respect of 542 dwellings. There is a prospect of a further £95,330 being spent (268 dwellings) before the scheme finally winds-up sometime in 2011.

In addition, the Council has awarded 21 grants totalling £13,012 during the same period to applicants who do not satisfy the HEEP conditions but who are nevertheless on a low income or otherwise vulnerable.

Chapter five – Interventions which the local authority can take:

With regard to Private Sector Housing, the Council can have a positive effect on the quality and quantity of the housing stock. By applying the Housing Health and Safety Rating System, dwellings can be upgraded by ensuring that they do not exhibit any of the 29 Hazards and so ensuring that they are safe and healthy places to live. By seeking to bring empty property back into use, the Council will increase the numbers of dwellings forming the stock.

Housing Health and Safety Rating System.

Environmental Health annually receives nearly 100 complaints (requests for service) concerning the condition of dwellings. Some of these are from the occupiers (mainly tenants), whilst others are from neighbours of poor quality property or from the owner occupiers of such. The numbers of complaints vary from year to year (see Table 3), but are a substantial part of the annual workload. In each instance, visits will be made and appropriate action taken.

Table 3: Numbers of Complaints received by Environmental Health.

Year	Number of Complaints
2005/6	60
2006/7	75
2007/8	93
2008/9	99
2009/10	87
2010/11	84

The Council's Enforcement Strategy will ensure that, as far as possible, unsatisfactory rented accommodation will be remedied, with landlords being either encouraged or forced to bring it up to standard. Owner occupied property will be treated sympathetically, with advice being offered, together with financial assistance if appropriate. However, should the property be adversely affecting another, or be having an adverse effect on health, there are statutory measures which can be brought about.

Empty Dwellings.

There are 226 dwellings which have been empty for more than 6 months.¹³ Whilst this is a small number, less than 1% of the Private Sector Housing Stock, it is evident that such properties "can attract anti social behaviour and bring misery for neighbours"¹⁴ Should the Council wish to expend resources

¹³ 31 March 2011

¹⁴ Communities Minister Andrew Stonell 10 January 2011.

to reduce this number of “wasted homes”, there are a number of tools which it could use to bring it about.

- Empty Dwelling Management Orders (EDMOs);
- Compulsory Purchase;
- Enforced Sales Procedure.

However, it should be borne in mind that all of these actions are the end result of concentrated effort and a great deal of expended time, and additional resources would be required to carry out such work.

EDMOs can be served on the owners of empty dwellings when certain conditions are satisfied. If a property has been empty for at least 6 months and there seems no prospect of it being re-occupied or sold, the local authority can apply to a Residential Property Tribunal (RPT) for an **Interim EDMO**. This lasts for up to 12 months, during which time the Council, whilst taking over the day-to-day management, must work with the landlord to agree a way of getting the property back into use. This can include the local authority letting the property *with the permission of the landlord*. If no agreement can be reached, the Council can make a **Final EDMO**, following which it has the right to possession of the property for a fixed period of time, which can be for up to 7 years. During this time, the Council must take whatever steps it considers appropriate to get the property occupied or to keep it occupied and ensure that it is properly managed. Any costs incurred in the execution of a Final EDMO – management costs, repair costs etc. – will be recovered from the rental income. Any surplus must be returned to the landlord, whilst any losses must be borne by the Council.

Compulsory Purchase powers under the Housing Act 1985 or the Town and Country Planning Act 1990 can be used by local authorities to acquire empty dwellings with a view to ensuring the development of the site or to ensure that they are occupied – either by adding them to their own stock or by selling them on the open market or to a preferred bidder (an RSL). Compulsory Purchase Action is a long and involved process, the eventual outcome of which is often subject to a Public Local Enquiry held at the local authority’s expense.

The **Enforced Sales Procedure** can be invoked by local authorities where a recoverable debt has been placed as a charge on the property by the local authority. Not all debts are able to be made a land charge, but those incurred by the carrying out of, for instance, works in default of statutory action, can be used. The procedure involves sending an invoice in respect of the debt to the owner concerned which, if not paid, can result in the local authority causing the property to be sold in order to recover the outstanding amount.¹⁵

¹⁵ Law of Property Act 1925

Houses in Multiple Occupation.

Brentwood is not a Borough which has a high level of Houses in Multiple Occupation (HMOs) or, indeed, an appreciable number of houses which lend themselves to such occupation. HMOs are often occupied by young single persons or couples who either cannot find or cannot afford to rent traditional houses or flats, or by vulnerable persons who have no permanent address. Occupation of such accommodation is often transient and the occupiers are more likely to move rather than complain about their living conditions. By definition, they are a part of the Private Rented Sector which itself contains much of the worst housing in the Borough.

The Housing Act 2004 brought in new definitions of what constitutes a HMO, and also gave local authorities a duty to license the larger HMOs (see Appendix 2) which were seen to pose the most risk to the occupiers, especially risk from fire. BBC has 19 licensed HMOs (2011), but an unknown number of HMOs which do not need to be licensed, but many of which still pose a risk to the occupants in terms of lack of means of escape or of poor facilities or living conditions. To discover these houses, it would be necessary to not only trawl Council Tax Records and the Electoral Register (provided such actions were not prohibited by the Data Protection Act 1998 and associated Orders), but also to visit probable buildings to ascertain their current status. Work on such non-licensable HMOs would require additional resources

The Management of Houses in Multiple Occupation Regulations 2006 (as amended) impose duties on the owner/manager of a HMO regarding safety (including fire safety), provision of facilities, gas and electrical installations, maintenance, living conditions, etc. A breach of these Regulations, which are enforced by local authorities, renders the owner/manager of a HMO liable to a fine not exceeding level 5 on the standard scale.

Home Improvement Agency.

The Council has had a relationship with a Home Improvement Agency (HIA) provider for more than 20 years. Anchor Trust has provided a holistic housing service aimed at assisting elderly and vulnerable people to solve their housing problems by:

- helping them obtain grants or to access other funding,
- helping them to understand and fill out complex forms,
- providing a gardening service,
- providing a handyman service.

From early July, the HIA provider will be *Papworth Trust Housing Solutions*. This charitable Trust has been successful in bidding to provide the HIA service in Thurrock; Castle Point; Rochford; Southend; Harlow; Uttlesford and Brentwood. The tender was let by Essex CC as a part of its Supporting People work.

Historically, BBC has paid £44,000 to assist with the running costs of the HIA. This sum has been [nearly] matched by monies from Supporting People. The new HIA will be funded in a similar manner, with both BBC and Essex CC paying a reduced amount. Any shortfall of running costs will be made up by Papworth charging an increased level of fees.

The details of the HIA, where it will be based and how it will promote itself in Brentwood are, as yet, unclear. However, it is expected that there will be a seamless transfer of work from Anchor to Papworth, and that there will be no loss of service to residents.

Advice:

Residents of the Borough will often rely on advice from Environmental Health in respect of their housing problems. Apart from signposting to other Departments of the Council, Essex CC, the HIA, DWP, HEEP, or other Agencies, advice on what works should be undertaken to remedy defects or combat poor housing conditions is freely given. Environmental Health will work with communities, self-help groups and other interested bodies in order to improve housing conditions.

Grants / loans:

The Council has long been the provider of financial assistance to home owners. Grants to repair or improve living accommodation have been given for more than 50 years with thousands of dwellings being brought up to a decent standard. More recently, since the last Private Sector Renewal policy was implemented in 2006, BBC has assisted 389 people to improve, adapt and repair their homes and has, in the process paid grants and loans totalling £1,236,924.

Table 4: Grant monies expended since 2006

Year	DFG		Renovation		Home Repair Assistance		Affordable Warmth	
	Amount £	Num	Amount £	Num	Amount £	Num	Amount £	Num
2006	107,831	31	34,935	4	48,000	23	34,666	34
2007	182,745	35	0	0	47,683	21	61,060	29
2008	205,344	45	0	0	41,304	23	61,207	30
2009	106,420	23	13,719	2	42,538	23	12,815	16
2010	196,245	35	18,765	2	21,450	12	197	1
TOTAL	798,585	169	67,419	8	200,975	102	169,945	110

With more limited financial resources being available for distribution, the Council will in the future have to be more discerning in who is awarded grant aid. Indeed, much of the activity in this area will have to be carried out on a loan basis, rather than giving grants. Such loans would be repaid when the property was sold, with the monies being recycled into the budget for discretionary grants and loans.

Chapter 6 outlines the proposed way that financial assistance will be given in the future.

Chapter six – Grants & Loans. (See Appendix 3)

Subject to qualifying conditions, and subject to available financial resources, the Council will provide assistance through its Housing Renewal Policy in one of or a combination of the following ways:

- Disabled Facilities Grants;
 - Mandatory Grant
 - Discretionary Grant
- Empty Property Loans;
- Energy Efficiency Grants/Loans
- Warm Front Top-up Grant
- Provision of Heating Grants/Loans
- Renewable Energy Installation Loans
- Emergency Repair Assistance;
- Decent Homes Loans;

All Mandatory Disabled Facilities Grants are subject to continued funding from Government of a majority of the cost. At present, the Govt provides £120,000 p.a. as a non ring-fenced capital sum. Historically, the Government grant has formed 60% of the total available for mandatory grant aid with BBC contributing a sum equivalent to a further 40%. This year, BBC has budgeted £75,000 for mandatory grants, thus making a total of £195,000 available to be distributed.

All other grants and loans are subject to sufficient funding being made available by Brentwood Borough Council on an annual basis. This financial year, BBC has budgeted for £65,000 to be available.

Mandatory Disabled Facilities Grants

Mandatory grants for people with a disability to make adaptations to their home (including caravans and houseboats) to enable them to:

- move freely into and around the dwelling and enjoy the use of the dwelling and the facilities and amenities within it. i.e. reasonable access to the home and the living room, bedroom, bathroom or shower room in which there are suitable facilities for washing and/or showering;
- make a dwelling or building safe for a disabled occupant;
- provide a room or provide access to a room used or usable for sleeping;
- provide suitable toilet and washing, bathing or showering facilities;
- facilitate the preparation and cooking of food;
- adapt heating, lighting and power installations for the benefit of a disabled person;

- access the garden in a safe manner.

The grant is subject to the government's prescribed "Test of Financial Resources" (Means Test) which is used to calculate the applicant's contribution (if any). The maximum grant cannot exceed £30,000.

The Council has to consult with Essex County Council Adult Health & Community Services, (Occupational Therapists) as to what works are necessary and appropriate and then has to decide whether the works recommended are reasonable and practicable.

All DFGs in excess of £5,000 will be subject to a condition that, should the property be sold, or the ownership change, within 10 years of the works being completed, the grant paid above £5,000 will be repaid to the local authority, subject to a maximum repayment of £10,000.¹⁶

Discretionary Disabled Facilities Loan

In addition to the Mandatory Grant, the Council will consider awarding Discretionary Loans for other related works, or to "top up" the Mandatory Grant to meet [some] additional costs. ECC will, through its Housing Options Panel, consider paying for essential works costing in excess of the maximum grant of £30,000. However, in cases where there is still a shortfall, BBC will consider offering a loan which will be repayable on the sale or disposal of the property. The offer of a DDFL will remain open for a maximum period of 4 months, or longer at the discretion of the awarding authority.

Empty Property Loans

In order to assist owners of Long Term Empty Dwelling to bring them back into tenanted residential use, the Council will consider offering a repayable loan to help carry out essential repairs and improvements. Such a loan would be made a charge on the property and be repayable after 10 years or when the property is sold, whichever comes soonest. The awarding of such a loan will be subject to certain conditions as to who can occupy the dwelling and at what rent level. The loan would only be available to persons who had owned the property for more than 12 months or who had inherited it from a deceased relative. The loan will be limited to a maximum of £10,000. The offer of an EPL will remain open for a maximum period of 4 months, or longer at the discretion of the awarding authority.

Energy Efficiency Grants/Loans

This assistance is available to vulnerable persons and takes five forms:

- Cavity wall insulation & loft insulation installation;
- Warm Front Top-up;
- Provision of heating;

¹⁶ The Housing Grants, Construction and Regeneration Act 1996: Disabled Facilities Grant Conditions relating to approval or payment of Grant) General Consent 2008.

- Renewable Energy Installation;
- Hard to Treat Homes.

Cavity Wall Insulation and Loft Insulation Grant:

Vulnerable owner occupiers, and vulnerable tenants whose landlords agree to keep the property available for letting for a minimum of 5 years, will be entitled to a grant to install cavity wall insulation and/or loft insulation to raise the energy efficiency of their dwelling to a suitable level. The offer of this grant will remain open for a maximum period of 4 months, or longer at the discretion of the awarding authority.

Warm Front Top-up Grant:

Whilst Warm Front Grants (WFGs) are still being offered by eaga on behalf of the Government – i.e. until April 2012 - there will be instances where the WFG is insufficient to provide a first-time heating installation. In such cases, as applicants for WFGs are by definition vulnerable, a grant will be offered to top-up the Government grant to cover the full costs. (Such top-ups are usually of less than £1,000). The offer of this grant will remain open for a maximum period of 4 months, or longer at the discretion of the awarding authority.

Provision of Heating Loan:

Where dwellings are lacking in central heating, a loan will be offered to vulnerable owner occupiers to enable an installation to take place. Such a loan will be a local land charge and will be recoverable on a change of ownership of the property. Where a landlord intends to install central heating for the first time, the loan will be made available, but will be repayable after 10 years or on a change of ownership or tenure of the property, whichever occurs first. Maximum loan to be £5,000. The offer of this loan will remain open for a maximum period of 4 months, or longer at the discretion of the awarding authority.

Renewable Energy Installation Loan:

Certain forms of renewable energy – solar thermal, ground source heat pumps - will attract loan assistance if the applicant is a vulnerable owner occupier. Such a loan will be a local land charge and will be recoverable on a change of ownership of the property. Where a landlord intends to install a renewable energy facility for the first time in a dwelling occupied by a vulnerable tenant, the loan will be made available, but will be repayable after 10 years or on a change of ownership of the property or a change in tenure, whichever occurs first. Maximum loan to be £10,000. The offer of this loan will remain open for a maximum period of 4 months, or longer at the discretion of the awarding authority.

Hard-to-Treat Homes Grant/Loan.:

Dwellings constructed with solid walls cannot be improved by cavity wall insulation and are therefore hard to insulate to a reasonable standard. Vulnerable owner occupiers of such dwellings, provided that in all other respects the dwelling is energy efficient, will be entitled to a grant, not exceeding £10,000, to provide a suitable external cladding to the building which will bring the SAP rating up to a minimum of 65. The grant will be repayable if the property changes ownership within 3 years and will be placed on the Local Land Charges Register..Landlords who wish to improve their dwellings which are occupied by vulnerable tenants in a similar manner will be offered a loan, not exceeding £10,000, which will be repayable after 10 years or on a change of ownership of the property or a change in tenure, whichever occurs first. The offer of this grant/loan will remain open for a maximum period of 4 months, or longer at the discretion of the awarding authority.

Emergency Home Repair Assistance

Dwellings occupied by owner occupiers who are both elderly and vulnerable and which are in need of emergency repairs to keep them wind and weatherproof or otherwise safe to be occupied, will be entitled to a grant not exceeding £3,000 to enable those repairs to be carried out. The grant will be repayable if the property changes ownership within 3 years and will be placed on the Local Land Charges Register. The offer of this grant will remain open for a maximum period of 4 months, or longer at the discretion of the awarding authority.

Decent Homes Loans

Dwellings which do not meet the Decent Homes Standard and which are owned and occupied by vulnerable people will attract loan assistance (maximum £5,000) to help bring the house “up to standard”. Such a loan will be registered as a local land charge and will become repayable on the sale or change of ownership of the property. Any offer of loan will be available only for a 4 month period, or longer at the discretion of the local authority.

05 April 2011

DECENT HOMES STANDARD

The basic principles of the Decent Homes Standard are:

- **Houses must meet the current statutory minimum standard for housing**
i.e. Homes must be free from Category One Hazards as defined in Part 1 of the Housing Act 2004.
- **Houses must be in a reasonable state of repair**
Homes which fail to meet this standard are those where either:
 - one or more of the key building components are old and, because of their condition, need replacing or major repair; or
 - two or more of the other building components are old and, because of their condition, need replacing– or major repair
- **Houses must have reasonably modern facilities and services**
Homes which fail to meet this standard are those which don't have three or more of the following:
 - reasonably modern kitchen (20 years old or less)
 - a kitchen with adequate space and layout
 - a reasonably modern bathroom (30 years old or less)
 - an appropriately located bathroom and WC
 - adequate insulation against external noise (where external noise is a problem)
 - adequate size and layout of common areas for blocks of flats
- **Houses must provide a reasonable degree of thermal comfort**
This means that homes must have both effective insulation and efficient heating

LICENSABLE HOUSES IN MULTIPLE OCCUPATION

In general terms, HMOs¹⁷ which satisfy all of the following conditions **must** be licensed by the local authority.¹⁸

- The building containing the HMO is of 3 or more storeys;
- The HMO is occupied by more than 4 persons;
- The HMO is occupied by 2 or more households as their only or main residence.¹⁹ This includes occupation :
 - By asylum seekers, migrant and seasonal workers;
 - As a refuge by persons escaping domestic violence; or
 - By students in higher or further education.

¹⁷ As defined by sections 254 – 259 of the Housing Act 2004.

¹⁸ It is an offence for the owner/manager of a licensable HMO not to license it.

¹⁹ A household is either a single person or members of the same family who are living together. This includes people who are married or living together as married (including those in same-sex relationships). It also includes specific relatives who are living together: parents, grandparents, children (and step children), grandchildren, brothers, sisters, uncles, aunts, nephews, nieces or cousins. Foster children are also treated as part of their parents' household.

GRANTS/LOANS PRIORITY LIST

Type of Grant/Loan	Available Amount 2011/12 (£)	Priority	Maximum Grant/Loan (£)	Comments
Mandatory DFG	195,000	High	30,000	Dependent on numbers of referrals from ECC
Discretionary DFG	nil	High	No limit	Very rarely has to be used. No funds available in 2011/12, but efforts to be made to transfer from other headings if required
Empty Property Loan	15,000	Med	10,000	Empty Property Strategy to be written during 2011
Cavity Wall Insulation and Loft Insulation Grant	10,000	High	No limit	Subject to HEEP funds being exhausted first. Fall-back if other funds can't help
Warm Front Top-up Grant		High	No limit	Subject to HEEP funds being exhausted first. Fall-back if other funds can't help
Provision of Heating Loan		Low	5,000	Subject to HEEP funds being exhausted first. Fall-back if other funds can't help
Renewable Energy Insulation Loan		Low	10,000	Subject to HEEP funds being exhausted first. Fall-back if other funds can't help
Emergency Repair Assistance	20,000	High	3,000	Owner occupiers who are both elderly and vulnerable
Decent Homes Loan	20,000	Med	5,000	Vulnerable owner occupiers
Hard-to-Treat Homes Grant/Loan	nil	Med	10,000	Subject to HEEP funds being exhausted first.. Fall-back if other funds can't help. No funds available in 2011/12, but efforts to be made to transfer from other headings if required

