

SLOUGH BOROUGH COUNCIL

REPORT TO: Slough Wellbeing Board **DATE:** 29th January 2014

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WARD(S): **All**

PART I **FOR CONSIDERATION & COMMENT**

HOUSING UPDATE

1 **Purpose of Report**

The purpose of this report is to provide members of the Wellbeing Board with an overview of the current service status highlighting both concerns and achievements to date in terms of improving the living conditions of residents across the borough.

2 **Recommendation(s)/Proposed Action**

The committee is requested to note the report

3 **The Slough Wellbeing Strategy, the JSNA and the Corporate Plan**

The quality of and access to housing is a key priority for the council. Slough's Wellbeing Strategy names housing as one of five priorities with the vision that:

“By 2028 Slough will possess a strong, attractive and balanced housing market which recognises the importance of housing in supporting economic growth.”

Housing is central to the health and wellbeing of the population; it gives the ability to access work and for older residents suitably located and adapted dwellings provide a safe environment for retained independence.

Joint Strategic Needs Assessment (JSNA)

Housing is a contributory factor to the wellbeing of Slough residents, and the provision of any form of housing to those in need supports the priorities in the JSNA and it contributes to reducing inequalities in health by avoiding the occupation of poor quality sub-standard housing.

Corporate Plan 2013/14

The project contributes to the priorities in the Corporate Plan by improving the customer experience by ensuring that the available services and facilities are responsive to the demands of local residents.

4 **Other Implications**

(a) Financial

There are no additional financial implications relating to this report

(b) Risk Management

As an updating information report there is no risk management associated with the specific content of the paper.

(c) Human Rights Act and Other Legal Implications

There are no human rights implications for this report.

(d) Equalities Impact Assessment

As a reference report this does not make any recommendations as to future operation of the service or of policy change. Should changes be proposed in future an EIA will be completed at that stage

(e) Workforce

There are no workforce implications within this report

5 **Supporting Information**

- 5.1 As a front line operational service Housing is well used to responding to new demands and challenges and while the service commences each year with an aspirational service plan highlighting how it intends to improve living conditions in the borough it also needs to contend with new legislation, the effects of the economic downturn and of course the reduced funding available to the council to deliver services. This report therefore tries to encompass all of these issues and to demonstrate the future direction of travel for the service.

Houses in multiple occupation (HMO's) – licencing and inspection

- 5.2 A Private Sector Stock and HMO Condition Survey 2009 estimated that there were 2,199 HMO's in the borough mainly within the Upton, Central and Chalvey wards. It is difficult to assess with any degree of accuracy the number of mandatory licensable HMO's (those which are larger or on three floors) but anecdotally there are approximately 200 across the borough.
- 5.3 Because the survey estimated there are 542 HMO's in Chalvey, the intensity of the problem lead the council to adopting a discretionary licensing scheme for that ward which controls all HMO's regardless of their size. To date in Chalvey, 29 have been issued with a mandatory licences while all others will be licensable under the additional licensing scheme.
- 5.4 Apart from the number of HMO's, Chalvey was chosen as the first ward to introduce additional licensing as there is strong evidence of significant anti-social behaviour problems taking place in and around the location of HMO's, affecting other residents and the local community. To date there is no anecdotal evidence that the licensing regime has improved HMO accommodation standards internally. However, at a recent Chalvey Community Forum meeting residents said they have noticed improvements in the area, with landlords doing more work to improve their properties. This is backed up by the figures which show that complaints about anti-social

behaviour, rats and mice, fly-tipping and messy gardens were down 13% in 2012-13 compared to the previous year.

- 5.5 The targets for service delivery of this function are totally dependent on available staffing resource. At present the service endeavours to issue licenses to appropriate premises and fit and proper persons after receiving a completed application form within eight weeks. An internal audit review has shown the service to be well managed within the resources available however with an establishment of seven officers the service has never been able to maintain more than four staff in employment at any one time. Successive recruitment exercises have failed to either generate any interest or attract candidates of suitable calibre and meanwhile we have been unable to attract agency staff to fill the void, this despite including a market supplement in the advertised payscales.
- 5.6 From an aspirational perspective, additional staffing resourcing will deliver a quality of service to more landlords by completing more applications and therefore ensuring more complaint owners of HMO's with good accommodation standards. The recent merger of the Neighbourhood Enforcement Teams with Housing Services will allow the delivery of a more holistic service to residents and by exposing existing enforcement staff to the issues of HMO's it is hoped that over time many will acquire the skills required to enforce HMO standards such that we can effectively 'grow our own' and not rely on the wider employment market for the necessary skill sets.
- 5.7 However, in the mean time, it is clear from the number of licenses issued both mandatory and additional (98 in total, 15 licenses being processed) does not address the need to license the estimated number of HMO's remaining during which time there is a risk persons may be living in HMO properties that are unlicensed and poor conditions.

Slough Sheds

- 5.8 In summer 2009 a successful bid was put in to Government Office South East (GOSE) for £350,000 in funding for a project to establish a multi agency approach to tackling Houses in Multiple Occupation (HMO's) and Slough Sheds. The key objectives of the project were to focus on improving standards in HMO's and reduce the number of Slough Sheds as anecdotally it was felt that Sheds were housing illegal workers. In 2010 the change of government meant that there was a reduction in the money available and left Slough with a working budget of £220,000.
- 5.9 The project's initial measurable targets were set to decrease the number of non-decent properties by 2015 to 25% from 28.3% and to reduce the number of sheds by 20% from 300. These targets were not met due to procedural and legal issues surrounding previous planning advice which severely limited the council's ability to order the removal of sheds. Revised outcomes and planning enforcement policy and procedures then looked at intelligence gathered regarding the number of outbuildings identified by the aerial images against the authorised use and cross referencing the requirement to have an energy performance certificate for rented accommodation. Early evidence revealed that of the 150 identified outbuildings checked against the energy performance certificate register, all were unauthorised for use as accommodation and only one had a valid EPC. This information was to have been forwarded to Trading Standards to consider enforcement against property owners however just as the project launched further legislative changes removed the need of EPC's for small ancillary buildings.

- 5.10 Once again the focus of the project was amended and alongside the aim of removing sub standard accommodation from the borough, a second initiative to regulate the lawful occupation of satisfactory accommodation was launched which included referral of 'acceptable' sheds to the District Valuation Service to have them rated and eligible for the levying of Council Tax.
- 5.11 In March of last year Slough became the first council to engaged the services of 'Blue Sky', a thermal imaging data capture organisation who successfully obtained thermal imaging and aerial mapping of the borough. The resulting information revealed where there are unauthorised buildings to the rear of properties and where properties have had unauthorised extensions to the main building. Other spin off benefits of the survey have been targeting properties with poor heating to screen for respiratory infections; and external agencies such as the Fire and Rescue Service to identify outbuildings that would be difficult to tackle due to their location, and the Police Service due to possible criminal behaviour (cannabis farms in the roof voids of houses). The thermal imagery data has enabled many service delivery areas to take advantage of this unique information to improve council services within the borough, and the costs have been seen as value for money in the savings it has already made.
- 5.12 In June Slough hosted a regional conference attended by representatives of the CLG and from nine other local authorities, the Local Government Association and the Chartered Institute of Housing to see the data presented. The results have lead to other authorities adopting the Slough approach to thermal imaging and the CLG advised that they would be recommending the council as a model of best performance. In September a further bidding round was announced but despite the CLG approval and endorsement of our bid, Slough was not successful in receiving any additional funding.
- 5.13 The lack of future funding jeopardises the work to regularise the 'acceptable' models of Slough Sheds but if the pilot study proves successful, resources will be sought on an invest-to-save basis if this generates significant additional income from Council Tax levies.

Prosecutions

- 5.14 The council's staff do not undertake their enforcement role with the aim of prosecuting offenders and only when all other options have been exhausted will the service commit cases to the magistrates and crown courts. That said, when prosecutions do occur, we will maximise the publicity of these successes which clearly demonstrate the council's resolve and act as a far greater deterrent than persuasive publicity.
- 5.15 On the 23rd December Fazal Karim was successfully prosecuted for having control of an unlicensed HMO at 11 Australia Place, Slough. DJ Vickers, the district judge sentenced the defendant to a £7,500 fine, £120 victim surcharge and £3,000 costs with a collection order made in respect of this sum. Compared to other cases the fine is on the high side, though the DJ said that had there not been a guilty plea, he'd have been looking in the range of a £9-10,000 fine.
- 5.16 Following sustained complaints from neighbouring properties, a joint Housing and Neighbourhood Enforcement operation identified a large number of breeding dogs being kept in wholly unsuitable conditions. Informal approaches and requests to improve conditions were ignored but on the 19th December Ifrac and Rehman Ahmed, both of 54 Gilliat Road pleaded guilty to causing "Unnecessary Suffering" to 3 puppies (3 charges) and of failing in their "Duty of Care" to 7 dogs (1 charge). Each

brother was sentenced to 100 hours community order to be completed in the next 12 months, £2,500 costs with collection order issued, a £60 Victim surcharge and an indefinite ban from keeping “any animal” which can only be appealed after 10 years. As the property is a council house

5.17 In March of last year Zia Ur Rehman the owner of 74a High Street Chalvey pleaded guilty to managing an unlicensed and substandard HMO and was fined £10,500 together with £2,974 costs and £15 victim surcharge.

5.18 In July J.S. and G.S. Bhullar and their company Bellforce Developments were jointly and severally found guilty in a joint prosecution by SBC and RBF&RS of managing an unlicensed HMO providing dangerous, overcrowded and unregulated accommodation at Manor Lodge, Mildenhall Rd, a former Berks CC children’s home. Having heard the case H.H.J. Grainger imposed fines totalling £22,300 on the housing enforcement indictments as well as £42,550 fines for the fire service issues. Costs of £31,732 were also awarded with 12 months to pay for each defendant but reinforced with a suspended prison sentence of six months and two months.

Adoption of a new Allocations policy

5.19 After wide consultation with elected members, service users and other stakeholders the council duly adopted a new Allocation Policy. The Housing Allocation Scheme sets out the criteria for allocating council and registered provider properties by Slough Borough Council. The scheme operates within guidance issued by government, including the new flexibilities offered by the Localism Act. The scheme contributes to the council’s well being priorities by providing good quality housing to those in greatest need, while balancing the rights and responsibilities of applicants, and rewarding those who contribute positively within their community and the borough of Slough. The scheme provides support to the most vulnerable residents in Slough, working in conjunction with initiatives that help people live healthy, fulfilling and independent lives.

5.20 Only those who can demonstrate that they have lived in the area for a minimum period of five years will be admitted to the register. Applicants who behave anti socially and are not financially responsible will be ineligible to join the housing register. Additional preference will be given to individuals whose behaviour contributes positively to the community and Slough Borough Council’s priorities and who make a community contribution through employment, training, education or involvement in established charitable and community projects through volunteering. Those with good tenancy records will gain additional preference as they have demonstrated their responsibilities by paying rent on time, treating their property, their neighbours and their area with respect. Those who receive support through council initiatives such as fostering and adoption, care leavers, young people moving on and those participating in the family first programme will also receive additional preference as they are demonstrating positive community contribution. Members and former members of the armed forces are also recognised through the Armed Forces Covenant and will be granted additional preference.

Housing Management

5.21 The Localism Act also required all housing providers to adopt a tenancy strategy and policy determining how properties will be managed and what expectations are placed upon tenants in maintaining their lawful occupation of our homes. This provided an opportunity to update the tenancy agreement which all residents sign upon first

occupation of the property. The new agreement includes anti-fraud initiatives such as thumbnail photographs of tenants, electronic storage of signatures and the use of passport scanners which can detect forged legal documents used for proof of eligibility and identity.

5.22 The new policy is more explicit about what constitutes both good and bad behaviour but also advises tenants that committing anti-social behaviour, running up rent arrears or engaging in any illegal activities will risk the loss of their tenancy but also render them ineligible for re-housing, transfers and mutual exchanges until such times as they can demonstrate a competency in managing their tenancy. Those tenants who can demonstrate such a level of competency will benefit by receiving additional priority for relocation should they desire it.

Responding to benefit reforms

5.23 Beneath the Welfare Reform blanket there are a number of individual strands all of which impact on housing.

- The spare room subsidy or bedroom tax on social tenants
- Reduction in Council Tax benefit
- Introduction of Universal Credit and ending direct payment to tenants.
- The resultant 'London effect' where low income households are forced out of the high cost rental areas in London towards cheaper accommodation potentially in Slough

5.24 Although the spare room subsidy or 'bedroom tax' was introduced in April it is still too early to draw any conclusions as to its impact on household income and the ability to pay rent. There has certainly been an increase demand for affected tenants seeking to downsize into smaller property but total rent arrears do not appear to have been disproportionately affected although we may still be in a 'honeymoon' period as tenants make up their rental shortfall by dipping in to savings. The council has received more applications for Discretionary Housing Payments (DHP) than in previous years. We have spent £314,322 as at the end of November and £419,528 has been approved for payments to the end of the financial year. This time last year we had only spent £112,505.86 with £70k approved for future payments. The government will increase DHP by £40 million in both 2014-15 and 2015-16. This will ensure the amount of DHPs available to support those social housing tenants affected by under-occupancy deductions will not be reduced for the next 2 years, giving councils discretion to make longer term awards. Funding of DHPs will be met from Department of Work and Pensions (DWP's) budget from 2014-15.

5.25 The caseload for Housing Benefit has not changed considerably over the year, with uptake remaining fairly consistent when compared to previous year's caseload volumes.

Figure for November 2012 = 11,595 compared to
November 2013 = 11,732

5.26 With regard to a mass exodus from London, to date, the council has no evidence that this is happening, even on a small scale and although the 'footfall' of clients seeking housing advice from the service at Landmark Place has increased by over 40% since last year, these clients either facing eviction from private landlords, escalating rent or mortgage arrears or other threats are existing Slough residents.

- 5.27 Previous enquiries by Slough's MP focussed particularly on LB Hounslow identified a dozen families in temporary accommodation in our borough and an FOI request by the BBC suggested that as a whole, London boroughs had only placed some 90 households within our area. Additionally, our neighbouring boroughs of Windsor & Maidenhead, Wycombe and Bracknell Forest are known to use the temporary accommodation within Slough while they each retain responsibility for their clients and will ultimately re-house them back into the placing authorities when homes become available. There is no evidence of any increase in the use of out-of-borough temporary accommodation, because, if for no other reason, the supply of available rooms is fairly fixed and this does not impact upon either the level of housing demand, rent and property values or the workload of the housing needs service as a consequence.
- 5.28 Therefore, it is reassuring for the moment at least to know that contrary to the pessimistic predictions, Slough is not becoming a 'dumping ground' for other borough's problems. In future the council's position is further safeguarded by adoption of the new allocation policy which requires applicants to live within Slough for a minimum of five years before they become eligible to join our housing waiting list.

Developing new social/affordable Housing

- 5.29 The decline in the housebuilding market and reduction in public funding for new affordable homes means that the council has not seen any new affordable housing through former RSL partner organisations for the last two years. However the future is looking brighter with large developments at Castleview, Middle Green and St. Bernard's Convent either underway or soon to be so, providing 170 rented and 46 shared ownership units.
- 5.30 Additionally, for the first time in a generation the council is able to construct new council houses and the first 24 in Britwell are now occupied by families enjoying well specified and constructed homes on the sites of the Jolly Londoner pub and Newbeech Care home. A further 9 units are currently under construction on the Britwell Library site.
- 5.31 Construction is also underway on the Britwell Regeneration scheme both in Wentworth Avenue and on Kennedy Park which will deliver a further 107 council and RSL properties (including 44 shared ownership) over the next three years.
- 5.32 Changes in housing financing and the reinvigoration of Right to Buy introduced by the Localism Act mean that the council now has both the funding and the land available to develop significant numbers of new council homes over the next 5 – 10 years. This represents much improved circumstances for the council as a whole as we are now able to 'build our own' on existing land holdings and collect rent in perpetuity rather than gift the land to RSL's as was the case under previous financial regimes.
- 5.33 The Government's proposal to simplify planning legislation, particularly in relation to empty office blocks has even given the council the opportunity to work with freeholders to evaluate the acquisition of office blocks for conversion into new homes. Couple with exciting prospects of creating subsidiary housing companies this will give the council the option to provide not just social rented homes, but also sub-market and even market renting homes to meet local need but also to generate income back to the council for further reinvestment.

5.34 Even with the massively increased discounts on RTB, current figures show that the council is only selling between 30 and 40 homes each year, compared to the 120 per year ten years ago. Thus we can confidently predict that based upon current performance projections over the next 5 to 10 years the council will be able to deliver a net increase in homes for local people.

Working with private sector landlords

5.35 The Council continues to work with private sector landlords proactively and a recent Landlords Forum was attended by over 100 landlords who learnt of the council's offer in terms of managing and leasing their properties together with a briefing on the implications of the welfare reform initiatives.

5.36 Working with Arvato we are now able to guarantee swifter assessment for HB claims where landlords receive nominated tenants from the council and negotiations are also underway to offer an insurance policy which indemnifies landlords for loss of rent and repairs resulting from wilful damage. These initiatives will ensure an increasing supply of well managed and maintained private sector properties to which clients can be referred when initially threatened with homelessness, thereby avoiding actual homelessness and a spell on B&B or any other form of temporary accommodation.

5.37 Having the Tenancy Strategy and Allocation Policy in place the next 'weapon in the armoury' will be a revised Homelessness Strategy which will use the powers introduced by the Localism Act to discharge duty into the private rented sector. What this means in practice is that by September of this year the link between claiming homelessness and access to a council house will be broken. After adopting the new policy an offer of a suitable tenancy in the private rented sector will classify as a 'suitable offer' and whether the offer is accepted or not, the council will have fulfilled its statutory duty.

5.38 There will no longer be any incentive to claim homelessness as there is no perceived reward at the end of the process. With a supply of private sector accommodation the need for temporary accommodation will all but disappear overnight along with the associated budget liabilities.

Homelessness and temporary accommodation

5.39 A focussed approach on early intervention and homelessness avoidance together with a suite of reinforced policies and procedures means that performance in terms of our statutory homelessness duty and use of temporary accommodation is the real success story for this year.

5.40 Despite an increase of over 60% in clients seeking housing advice or claiming homelessness (809 customers in the first seven months of the year) the service has managed to end the use of B&B accommodation not just for families, as is the CLG desire, but entirely for all approaches for assistance. 12 months ago the council was supporting on average between 40 and 60 households at any time with a resultant financial burden of over £600,000. This year expenditure is less than £30,000 and additionally the total number of households in other temporary accommodation is down to just 72 households a figure not seen since the last millennium. Of all approaches for assistance homelessness is avoided in 93% of cases.

5.41 All this has been achieved with two less staff than previously in post and includes those households who still have a statutory right to receive an offer of a council property. If our relationship with local private sector landlords is maintained and we introduce the new homelessness strategy mentioned above there is a genuine prospect that we will effectively end the blight of long term homelessness and occupation of temporary accommodation.

Emerging Housing Strategy

5.42 The Housing Strategy is no longer considered to be a 'statutory document' for the council however it is still essential to have a simple concise document which identifies the council's priorities, direction of travel and future ambitions. Having adopted the raft of new policies, strategies and procedures mentioned above, the final task is to bring this together into a new overarching strategy document. Work is already underway on this with a 'key themes' document already being circulated around the council and other stakeholders. A full Housing Strategy will be ready for consultation and then adoption by late summer 2014.

6 Comments of Other Committees

None

7 Conclusion

7.1 This report outlines not all but the major initiatives currently underway within the comprehensive housing service. Naturally in a re-active front line service some initiatives have made more headway than others but collectively there is demonstrable evidence that the Council is continuing to enhance the quality of life for our residents and improve housing conditions which are fundamental to enabling residents to thrive.

8 Background Papers

None