



North Tyneside Council

Housing Sub-Committee

17 November 2017

Monday 27 November 2017 Room 0.01, Ground Floor, Quadrant, The Silverlink North, Cobalt Business Park, North Tyneside **commencing at 6.00 pm**

Agenda Item

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1. Apologies for Absence

To receive any apologies for absence from the meeting.

2. Appointment of Substitute Members

To be notified of the appointment of any Substitute Members.

3. To receive any Declarations of Interest and Notification of any Dispensations Granted

You are invited to declare any registerable and/or non-registerable interests in matters appearing on the agenda, and the nature of that interest.

You are also invited to disclose any dispensation in relation to any registerable and/or non-registerable interests that have been granted to you in respect of any matters appearing on the agenda.'

Please complete the Declarations of Interests card available at the meeting and return it to the Democratic Services Officer before leaving the meeting.

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4. Minutes	
To confirm the minutes of the meeting held on 23 October 2017.	3 – 4
5. Lettings Policy Update	
To receive an update on the implementation and impact of changes made to the Lettings Policy following a review in 2015/16.	5 – 8
6. Empty Homes	
To receive a report on the number of Empty Homes within the borough, the Empty Homes Service offered by the Council and the powers available to help deal with problematic properties.	9

Members of the Housing Sub-Committee:-

Councillor A Arkle
Councillor K Bolger
Councillor S Cox (Chair)
Councillor L Darke
Councillor John Hunter
Councillor N Huscroft

Councillor M Madden
Councillor P Mason
Councillor A Newman (Deputy Chair)
Councillor P Oliver
Councillor M Thirlaway
Councillor J Walker

Housing Sub-Committee

23 October 2017

Present: Councillor S Cox (Chair)
Councillors A Arkle, K Bolger, L Darke, John
Hunter, M Madden, P Mason, A Newman, P
Oliver, M Thirlaway and J Walker

HO16/10/17 Apologies

No apologies for absence were reported.

HO17/09/17 Substitute Members

No substitute Members were reported.

HO18/09/17 Declarations of Interest

No declarations of interest or dispensations were reported.

HO19/09/17 Affordable Homes Programme

The sub-committee received an update report from the Housing Growth Manager on the delivery of the Affordable Homes Programme. It was noted that since the inception of the Affordable Homes Programme, the total number of new affordable homes delivered stood at 969. In 2017/18 (to date), 119 homes had been delivered and progress was on target to deliver 280 new homes during the financial year. A full delivery programme had been appended to the report. It was highlighted that there were a large number of variables that could see delivery numbers change year on year but that the programme was on target to achieve the delivery of 3000 new affordable homes by 2024. The report detailed how homes had been delivered through the following different avenues: Housing Revenue Account (HRA); North Tyneside Living; Working with Registered Providers; Empty Homes; Volume Builders; North Tyneside Development Company and Specialist Housing.

In March 2016, Cabinet approved an indicative 4-year HRA Housing Growth Delivery Programme 2016-2020 to deliver new homes. At the site of the former Dudley and Weetslade Social Club, work had begun in May 2017 to create 20 homes, which once completed in March 2018, would be known as Clayton Close. In Seaton Burn (on the former Chapelville) 6 bungalows, to be known as 1-6 Railway Close, had been constructed and would be tenanted by the end of October 2017. A further development was Perth Gardens, Howdon, the site of the former Care Call office accommodation. Original proposals for the development were for 3 x 1 bedroom apartments and 4 x 2 bedroom apartments. However, feedback from housing showed that there was low demand for 2 bedroom apartments in the area and the conversion changed to 7 x 1 bedroom apartments, 4 of which would incorporate a study. Members questioned the lack of demand for 2 bedroom apartments in the area as this was not the feedback they received from residents. It was queried whether the study could be classed as a second bedroom (for bedroom tax purposes) and it was explained that the room was not big enough. Members requested that dimensions of the properties and the evidence base for the decision to change to 1 bedroom apartments be circulated after the meeting.

The sub-committee was informed that the authority continued to work closely with Registered Providers to identify opportunities and funding to meet housing needs within the borough. As part of the Homes and Communities Agency's Affordable Homes Programme 2015-18, North Tyneside Council was successful in securing £7.2 million worth of grant funding to support the development of 300 affordable homes in the borough. It was clarified that this grant had been awarded, in parts, to the Council, developers and RP's. Members asked the officer to provide a breakdown of which parties secured what proportion of the £7.2 million grant funding. In 2017/18, 80 homes were due for completion (by the end of March 2018) through work undertaken with RP's. Members asked for confirmation of the breakdown (by tenure) of the 80 homes to be provided and asked how many of the properties had been adapted. The officer undertook to provide this information after the meeting.

The new Council Housing Strategy had increased the overall target of returning 35 long term empty homes to occupation in 2017/18. This target took into consideration the range of work the council was involved in to help secure the reoccupation of long term problematic empty homes. Work undertaken by the local authority included the provision of specialist advice to owners, support to become landlords, working with RP's, enforcement and through bespoke schemes to secure empty homes as additional affordable housing units. Requests for assistance in relation to 66 properties had been responded to and the owners of 7 long term empty homes had been assisted by working with them throughout the often lengthy reoccupation process. Work continued to target those areas of the borough with the highest numbers of long-term empty homes. Members asked how the 35 properties were identified and it was explained that this was through members enquiries; complaints from members of the public; housing patch teams and via the call centre/envirolink. The sub-committee asked how many long term empty homes there were across the borough. It was agreed that this information would be circulated after the meeting.

It was noted that, to date, 81 affordable homes had been developed through the Specialist Housing Project, which included housing for older people as well as individuals with physical and learning disabilities. Work was due to commence onsite at Charlton Court in Quarter 4 of 2017/18 that would see shared accommodation with 13 beds built for people with learning difficulties. Children's Services secured funding through the Social Care Innovation Programme to convert Elm house from surplus office accommodation to 6 en-suite bedrooms with shared living facilities and support staff for 16-21 year olds leaving residential care. Known as Staying Close, this was a transition into supported housing and will be classed as affordable. These were due to be completed by the end of 2017.

Building on the success of the programme to date, the remainder of 2017/18 would continue to see significant numbers of much needed affordable homes delivered in North Tyneside. The programme was predicted to deliver a further 286 new affordable homes in 2018/19. This would potentially include a further 28 new Council homes. The Affordable Homes Programme would see a significant milestone with the 1,000th new affordable home being delivered during 2017/18. Officers remained confident that the programme would deliver 3,000 much needed new homes by 2024.

It was **agreed** to note the report.

Meeting: Housing Sub-Committee

Date: 27 November 2017

Title: Lettings Policy Update

Author: Katrina Anderson Tel: 0191 643 7569

**Service: Environment, Housing and
Leisure**

Wards affected: All

1. Purpose of Report

The report provides an update to the Housing Sub-committee on the implementation of the Council's updated Lettings Policy.

2. Recommendations

The Sub-committee is recommended to note the report.

3. Details

- 3.1 Local Authorities are required to carry out a review of their Lettings Policies at reasonable intervals.
- 3.2 North Tyneside Council's current Lettings Policy was approved by Cabinet in July 2016 and implemented on 25 July 2017.
- 3.3 One of the reasons for the recent change in the Lettings Policy was due to Elected Members expressing a desire to prioritise 'local housing for local people.' The new Policy strengthens the local connection criteria to ensure it best serves the interests of North Tyneside residents and/or those who have a connection to the Borough.
- 3.4 Other reasons for the changes were learning from previous policies on what has worked well and not so well.
- 3.5 There was a delay from policy approval to implementation due to the development of the ICT. Following the initial specification, Civica the software provider found the required works to be more complicated than first thought, which impacted on the actual build and testing of the new system. In addition to this, there was a change of Project Manager within the Civica Team, which caused further delays.

3.6 Including the 'local connection' changes mentioned above, there were six main changes to the Lettings Policy and are as follows:-

a. Local Connection

The revised policy keeps the majority of the local connection criteria the same, other than an applicant now has to reside within the Borough continuously, for at least the last 2 years. This also applies for family associations living in the Borough.

Due to the 'local connection' changes, the Policy now prioritises applicants with a local connection, over those with no local connection, when being short-listed for a home. At the same time ensuring the Authority meets its obligations in providing overall 'reasonable preference,' to those applicants falling within the statutory categories (see appendix 1).

To achieve this, the number of Bands were increased from four to six; these Bands reflect an applicant's local connection status and the level of housing need an applicant has and are as follows:-

Band 1 - those with a local connection and an 'urgent and high' housing need

Band 2 - those with a local connection and a 'high' housing need

Band 3 - those with a local connection and a 'medium' housing need

Band 4 - those with no local connection but where 'reasonable preference' applies

Band 5 - those with a local connection and a 'general' housing need

Band 6 - those with no local connection and a 'general' housing need

b. introduction of Tenancy Sustainment (Affordability) Checks

Welfare Reform changes have introduced new restrictions on who is eligible for housing benefit / housing related support and the level they are entitled to. This means that social rents may now be unaffordable for some. It is the Authority's responsibility as a landlord to ensure when offering a home that an applicant will be able to pay their rent i.e. to ensure the financial viability of a tenancy for a prospective tenant.

Allowing people to move into a home where they cannot afford to live is not in their or the Authority's long term best interest.

It was on this basis that the new Policy allows for an affordability assessment to be carried out before an offer of accommodation is made. Where it is thought that there is a significant risk that an applicant will be unable to pay their rent and where there is no possibility of reducing this risk, no offer of accommodation will be made. Alternative housing options will be discussed with the applicant.

c. Restricted choice for homeless applicants

Sometimes an applicant is given a priority homeless status, where otherwise they would have been excluded from joining the Housing Register, e.g. due to serious anti-social behaviour. This is because the Authority has a legal responsibility to provide a suitable offer of accommodation to people who have been assessed as having priority homeless status.

Prior to the implementation of the new Lettings Policy, such applicants were allowed a choice in the homes they applied for, now they are restricted from bidding and made a direct offer of accommodation. The Authority will still try and accommodate in an applicant's chosen area, e.g. if they need to receive family support.

d. Recognising medium housing need for North Tyneside Council Tenants who have a local connection to the Borough and have children under 5 living in the household and who live in flats above ground level

The Authority recognised that some households with young children have difficulty and/or concerns about safety in accessing flats above ground level. This was therefore recognised as a 'medium' housing need, in line with the above criteria, in the new Lettings Policy.

e. Home owners

Applicants who own their home will be considered to have the financial means to meet their own housing need and will not be accepted onto the Housing Register, unless:-

- They are at risk of homelessness or in financial hardship
- They are moving into older person's accommodation and their equity is less than the average price of similar accommodation within the Borough. (This is currently £100,000 and will be reviewed annually)
- There are other exceptional circumstances

If someone has sold or transferred ownership of their home within the last 3 years (previously 5 years), they will not be accepted onto the Housing Register if the equity from their sale or transfer is greater than the average house price for similar accommodation within the Borough.

f. Restricting the number of refusals

Over 50% of offers made were being refused; this was after an applicant had bid for the actual home. This was resource intensive and costly. The new Policy allows restrictions to the number of refusals allowed in a 12 month period. The aim is to encourage applicants to carefully consider what homes they apply for.

Where an applicant has refused 3 or more offers over a 12 month period, their application will be suspended for 3 months. It will be the applicant's responsibility to request for their application to be reinstated.

With the exception of the introduction of Affordability Checks, which has not yet been fully rolled out, there has been limited impact from the implementation of the new Letting's Policy; details of which will be provided at the Housing Sub-committee meeting on 27 November 2017.

4. Appendices

Appendix 1 - Reasonable Preference Groups

Reasonable Preference Groups

Local Authorities whilst devising their Lettings Policy, have a responsibility to ensure that 'reasonable preference' is given to the following categories of people, as set out in s167(2) of the 1996 Housing Act:

- a) People who are homeless (within the meaning of Part 7 of the 1996 Act); this includes people who are intentionally homeless and those who are not in priority need;
- b) People who are owed a duty by any housing authority under section 190(2), 193(2) or 195(2) of the 1996 Act (or under section 65(2) or 68(2), of the Housing Act 1985) or who are occupying accommodation secured by any housing authority under section 192(3);
- c) People occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions;
- d) People who need to move on medical or welfare grounds, including grounds relating to a disability; and
- e) People who need to move to a particular locality in the district of the housing authority; where failure to meet that need would cause hardship (to themselves or to others).

A banding scheme must be framed so as to ensure that; overall reasonable preference is given to applicants who fall within the reasonable preference categories over those who do not.

Meeting: Housing Sub-Committee

Date: 27th November 2017

Title: Empty Properties Overview

Author: Robert Peach

Tel: 0191 643 6211

Service: Housing Strategy

Wards affected: All Wards

1. Purpose of Report

To outline for committee members the Councils approach to dealing with the issue of empty homes in the borough, specifically outlining:

1. How many long term empty properties there are in the borough
2. How the council approaches this issue through the empty homes service
3. The powers available to the Council to address the issue of problematic properties

2. Recommendations

That the members of the Housing Sub-Committee note the contents of this briefing note and advise if further work should be undertaken.

3. Details

How many long term empty properties are there in the borough?

There are currently 1244 long term empty homes in the borough (long term is defined as those properties that have been empty for 6 months or longer). This information is collated using council tax records. The table below shows North Tyneside in the context of the neighbouring Tyne and Wear authorities and Northumberland.

Local Authority	No of empty homes vacant over 6 months	Number of domestic properties in total	% of housing stock that has been empty over 6 months
Newcastle	1,604	131,787	1.22%
Northumberland	1,903	152,069	1.25%
North Tyneside	1,244	97,123	1.28%
Gateshead	1,232	93,675	1.32%

South Tyneside	972	71,603	1.35%
Sunderland	1,800	125,587	1.43%

The Council have been working proactively with owners of long term empty properties since 2008 and this work has revealed homes remain empty for a wide variety of reasons. Some of the reasons given by owners as to why homes may be left empty for longer than six months are listed below:

- Lack of funds for refurbishment
- Slow refurbishment
- Awaiting planning decisions
- Reluctance to let out or sell
- Owner in long term care / hospitalised
- Probate, estate or legal ownership issues
- Poor housing market
- Perception that the property is an investment
- Undecided on how to deal with the empty property
- Lack of awareness of available options
- Owner prefers the property empty
- Lack of business acumen to see the potential of the empty home

This array of reasons means that there is seldom a “one size fits all” solution. Although the Council has a responsibility in relation to the management of empty homes in the borough the nature and scope of the appropriate solution is determined by the exact legal and personal position of each owner, balanced with the needs of the wider community and the council’s available resources.

How the council approaches this issue through the empty homes service

The Council’s primary approach to tackling the issue of empty properties is to work with owners to encourage them to bring the property back into use on a voluntary basis. This will be done in a variety of ways:

Advice and Assistance

Some owners of empty homes do not know what to do with them and we can provide advice and assistance to help them. The initial approach is to offer them advice and address the issues and concerns about the nuisance that can be associated with empty homes. The Council can:

- offer a Trusted Trader Scheme which provides contact details of reputable trades people available to owners
- provide advice and support to gain reduced VAT rate on building materials
- make owners aware of their legal obligations and the legal options available to the Council if homes are not returned to use
- offer discounted rates at local auction houses for owners who wish to sell their property
- provide practical management advice on security and maintenance

In addition the team directly provide and signpost owners to schemes to help return properties to occupation.

Repair and Management

The Council may enter into a voluntary repair and manage arrangement which have previously proved successful. In this scenario the Council will effect repairs to the property, let the property and manage the tenancy on behalf of the owner. The Council recovers a management fee and any repair costs through the rental gained. A total of 21 units of problematic empty properties have been refurbished and let as affordable housing through this scheme (nine managed by the Council and thirteen by Karbon Homes).

This scheme currently attracts grant funding from the Homes and Communities Agency and the Council has accessed over £50k to facilitate the reoccupation of 5 long term empty homes as affordable housing units. Three more units will be refurbished this year including the final grant funded property. The HCA have requested that the council make further bids for grant under their next funding programme.

Purchase and Repair

Currently the team relies on working with partners to deliver this re-use option. Nine properties have been purchased by our partner Changing Lives utilising HCA grant funding. This funding was successfully obtained after support from the council to address targeted areas of the borough. Officers are working to explore mechanisms to allow the Council to negotiate with owners to purchase empty property directly for use as affordable housing either within the council's social housing stock or by North Tyneside Trading Company.

Empty Dwelling Management Order

The Council may use this discretionary power and apply an Empty Dwelling Management Order (EDMO) to a long term empty property. This will allow the property to be let out by the Council without the consent of the owner. In order to do this the property must be empty for 2 years and be assessed as causing a nuisance in the area. An interim EDMO may be applied for in the first instance but both the interim and final EDMO must be referred to the Property Tribunal for consent. The EDMO is currently the only legislation which is aimed at securing the sustainable re-occupation of an empty property. The EDMO power is utilised as a last resort but proceedings have begun in 12 cases since the introduction of the legislation 10 of the properties have been returned to use voluntarily and one EDMO has been successfully applied for and is currently managed by the Council.

Powers available to the council to address the issue of problematic properties

Enforcement options for properties that are in disrepair and/or unsafe

The Council has a number of legislative remedies available to it to ensure the safe management of empty properties before they are reoccupied. This will require the relevant notices to be served on the property and a timeframe for the necessary remedial works to be carried out. The Council may wish to step in and carry out the works and recover the costs should the owner default. The legislation generally refers to remedial works for the exterior of the property and may not be of assistance should the property merely be empty but in a good state of repair.

The following legislation are the most relevant in this situation:

Buildings Act 1984

- Section 77 - To serve notice with respect to executing works to potentially dangerous buildings/structures (Delegated Powers).
- Section 78 – The Local Authority may take emergency action to make the property safe. This includes fencing off the property where it is unsecure and poses a risk that it may be entered or suffer vandalism, arson or similar. Similar powers are also granted by the Local Government (Miscellaneous Provisions) Act 1982, which can be exercised via Delegated Powers.

Housing Act 2004 Part I

- Local Authorities can evaluate the potential risks to Health and Safety arising from deficiencies within properties and take enforcement action, and consider the carrying out of works in default; execute such works in default and recover expenses incurred and interest accrued in executing such works.

Town and Country Planning Act 1990

- A notice can be served on the owner or occupier of any private land or building which is in an unreasonably untidy condition and which the Council consider has an adverse effect on the amenity of the area. This would set a date for the requirements of the notice to be remedied, and if not carried out the landowner can be fined.

The Council also has the following powers under the Delegated Powers Scheme which may prove useful in certain circumstances:

- To execute and enforce the powers of the Authority under section 72 of the Building Act 1984 in relation to buildings with inadequate means of escape in case of fire.
- To execute and enforce breaches of the current Building Regulations in accordance with section 35 and 36 of the Building Act 1984.
- To carry out inspections and submit reports in connection with the provisions of the Housing Acts so far as they relate to houses in accordance with the provisions relating to repair, the closing and demolition of houses unfit for human habitation and the abatement of overcrowding.
- To serve all necessary Notices under the Housing Act 2004 to ensure that houses in multiple occupation are provided with adequate means of escape from fire and adequate other fire precautions and in consultation with the Head of Law and Governance to exercise discretion to take action to ensure that such Notices are complied with either by the institution of any court proceedings or the

acceptance of undertakings on behalf of the Authority under the Housing Act 2004.

- To serve appropriate notices under the provisions of section 32 of the Building Acts 1984 for the withdrawal of approval from plans deposited with the Authority (in accordance with Building Regulations) where the work involved has not commenced within a period of three years from the deposit of the plans where the plans have either:
 - been passed; or
 - a notice of rejection has not been issued within the prescribed period.
- To exercise the Authority's private Act powers, for the time being in force, in relation to:
 - The charging of the costs of weatherproofing adjacent buildings to the owners of demolished properties under section 4 of the Tyne & Wear Act 1980 where such weatherproofing is necessary as a result of the exercise of one of the Authority's statutory powers to demolish a building.
 - The securing of derelict unoccupied buildings against unauthorised entry, including the serving of notices under section 6 of the Tyne and Wear Act 1980 and to consider the carrying out of said works in default, subsequent recovery of expenses incurred and interest incurred in executing the works.
 - The rejection of plans submitted under the Building Regulations which do not show adequate means of access for the fire service under section 24 of the Tyne & Wear Act 1980 and the notification of applicants for planning permission of the requirements.

Many of these options are likely to come at a cost to the authority, which may result in lengthy legal action to recover. Where the council decides to complete works in default in pursuance of the legislation any expenditure should be protected by way of a charge against the property.

Alternative Options

Compulsory Purchase

The Council may wish to carry out a compulsory purchase of the property. This however is a lengthy process which would take over a year to complete with significant costs. A Compulsory Purchase Order (CPO) would require an approved scheme to be in place, and would usually be used in conjunction with a planning process in relation to a large project, for instance highways improvements or a town centre regeneration scheme – not usually for a single property.

Enforced Sale: S103 of Law of Property Act 1925

Enforced Sale enables the sale of an empty property to be forced by the Council via auction or to a preferred purchaser to enable the recovery of costs incurred in dealing with an empty property.

4. Background Information

The following documents have been used in the compilation of this report and may be inspected at the offices of the author.