

These minutes are draft until confirmed at the next meeting of the sub-committee

Housing Sub-Committee

27 November 2017

Present: Councillor S Cox (Chair)
Councillors L Darke, John Hunter, N Huscroft,
M Madden, P Mason, A Newman, J O'Shea, P
Oliver, M Thirlaway and J Walker

HO20/11/17 Apologies

Apologies for absence were received from Councillors K Bolger and A Arkle

HO21/11/17 Substitute Members

Pursuant to the Council's constitution the following substitute was appointed:

Councillor J O'Shea for Councillor K Bolger

HO22/011/17 Declarations of Interest

No declarations of interest or dispensations were reported.

HO23/09/17 Lettings Policy Update

The sub-committee received a report and presentation which provided an update on the implementation of the changes made to the Lettings Policy in July 2016. By way of background, Members were informed that Local Authorities were required to carry out a review of their Lettings Policies at reasonable intervals. The Council's current Lettings Policy was approved by Cabinet in July 2016 and implemented on 25 July 2017. There had been a delay in the implementation of the policy due to issues with the development of ICT systems needed to implement the changes.

The sub-committee was reminded of the 5 main changes that were made to the Lettings Policy – Local Connection, Affordability Checks, Restricted Choice for Homeless Applicants, Home Owners and Restricting the Number of Refusals – and the impact of the implementation of these. It was noted that since implementation, there had been minimal impact and reaction from applicants.

In relation to Local Connection, it was noted that Elected Members had expressed a desire to prioritise 'local housing for local people'. The change to the policy had strengthened the local connection criteria to ensure it best served the interests of North Tyneside residents and/or those with a connection to the borough. The policy set out that an applicant (or family associations in the borough) had to reside in the borough continuously for at least the last 2 years to have a local connection. The policy prioritised applicants with a local connection over those with no local connection, when being short-listed for a home. It was highlighted that this had to be managed in conjunction with the authority meeting its obligations in providing overall 'reasonable preference' to applicants falling within statutory categories. An explanation of what reasonable preference groups were was appended to the report.

To facilitate the change to local connection, the number of bands was increased from 4 to 6; these bands reflected an applicant's local connection status and level of housing need. This change applied to new applicant onto the housing register after the implementation date in July 2017. As not to disadvantage those already on the register, 350 applicants were given an automatic local connection. The changes to local connection impacted on the bands of over 2,200 applicants, all of whom were written to with an explanation of the changes. Officers informed that they only had a small number of queries after communicating the changes and that once explained in more detail, those individuals were satisfied with the change to their banding.

The sub-committee was informed that welfare reform had introduced new restrictions on who would be eligible for housing related support and the level of entitlement. This meant that social rents were now unaffordable for some. It was the authority's responsibility as a landlord to ensure when offering a home that an applicant would be able to pay their rent. Allowing people to move into a home where they could not afford to live would not be in their or the authority's long term best interest. On this basis, the review of the lettings policy introduced an affordability assessment to be carried out before the offer of accommodation was made. Where it was thought that there was a significant risk that an applicant would be unable to pay their rent, no offer of accommodation would be made. Officers informed members that due to staffing issues within the relevant teams, the full affordability assessments had not been undertaken as initially envisaged. However, initial triage assessments had taken place to identify whether applicants would be more likely to need additional support to help them with their tenancy.

In relation to restricting choice for homeless applicants, it was highlighted that sometimes applicants were given a priority homeless status, where otherwise they would have been excluded from joining the housing register, i.e. due to serious anti-social behaviour. Prior to the implementation of the new Lettings Policy, such applicants were allowed a choice in the homes they applied for. However, the review changed this and restricted such applicants from bidding, with a direct offer of accommodation made instead. The Authority would try to find accommodation in an applicant's chosen area, e.g. if they need to receive family support. Since the implementation of the changes in July 2017, 9 applicants had their bidding restricted. Of these 9, 1 applicant requested a review of the decision, which was over-turned as the applicant had cleared outstanding arrears, which had been the reason why they were restricted from bidding.

Another key change to the policy had been in relation to home owners. The previous policy allowed some home owners to be allowed onto the Housing Register. Changes were made to make the Lettings Policy fairer and more transparent. The new policy set out that applicants who owned their home would be considered to have the financial means to meet their own housing need and would not be accepted onto the register unless they were 1) at risk of homelessness or in financial hardship, 2) moving into older person's accommodation and their equity was less than an average price of similar accommodation within the Borough (set at £100,000 and would be reviewed annually) or 3) there were other exceptional circumstances. If someone had sold or transferred ownership of their home within the last 3 years (was 5 years prior to the policy changes), they would not be accepted onto the housing register if the equity was greater than the average house price.

The final significant change that had been made to the Lettings Policy had been in relation to restricting the number of refusals. It was highlighted that 50% of offers made on properties were refused; this was after applicants had bid on specific properties. This was very resource intensive and costly. The changes to the policy introduced a rule whereby if an applicant refused 3 or more offers over a 12 month period, their application would be suspended for 3 months and they would not be able to apply for a property. It was the applicants responsibility to request for their application to be reinstated after the 3 months. This change was made to make applicants carefully consider which properties they applied

for. The change had seen some improvement to the refusal rate, down from 51% to 47%, and 25 applicants had been restricted from bidding for 3 months. Whilst this had demonstrated some improvement, officers suggested that it might not have been enough of a deterrent and a longer restriction may need to be in place to see a greater improvement.

It was **agreed** to note the contents of the report and presentation.

HO24/09/17 Empty Homes

The sub-committee received a report and presentation which outlined the Council's approach to dealing with the issue of empty homes in the borough. The report specifically addressed how many long term empty properties there were in the borough, how the council approached this issue through the empty homes service and the powers available to the Council to address the issue of problematic properties.

Members were informed that there were 1244 long term empty homes in the borough; a property was defined as a long term empty property when it had been empty for 6 months or longer. The Council had been working proactively with owners of long term empty properties since 2008. Some reasons provided by owners as to why homes were left empty for longer than 6 months were: lacks of funds for refurbishment; awaiting planning decisions; probate, estate or legal ownership issues and lack of awareness of available options. The variety of reasons means that there was not a generic solution. Whilst the Council had a responsibility in relation to the management of empty homes in the borough, the nature and scope of the appropriate solution was determined by the exact legal and personal position of each owner. This needed to be balanced with the needs of the wider community and the council's available resources.

The Council's primary approach to tackling empty properties was to work with owners to encourage them to bring the property back into use on a voluntary basis. This was done in a variety of ways. One method used was advice and assistance, as some owners of empty homes did not know what to do with the property. The Council could offer a Trusted Trader Scheme; advice and support to gain reduced VAT rate on building materials; guidance on the owners' legal obligations and legal options available to the Council if homes are not returned to use and practical management advice on security and maintenance.

A further way in which the Council could work with home owners to bring properties back into use was through a repair and management arrangement. As part of this arrangement, the Council would undertake repairs to the property, let the property and manage the tenancy on behalf of the owner. The Council recovers a management fee and repair costs through the rental gained. A total of 21 problematic properties had been refurbished and let as affordable housing through this scheme (9 managed by the Council and 13 by Karbon Homes). The scheme attracted grant funding from the Homes and Communities Agency and the Council accessed over £50k to facilitate reoccupation of 5 long term empty homes as affordable housing units.

The sub-committee was also informed that the Council could use discretionary powers and apply for an Empty Dwelling Management Order (EDMO) for a long term empty property. This allowed the property to be let out by the Council without the consent of the owner. In order to apply for this the property must have been empty for 2 years and assessed as causing a nuisance in the area. The EDMO was the only legislation aimed at securing the sustainable re-occupation of an empty property. Whilst it was always used as a last resort, proceedings had begun in 12 cases since the introduction of the legislation. Of these 12, 10 of the properties had been returned to use voluntarily and 1 EDMO had been successfully applied for and was currently managed by the Council.

The report informed Members of the enforcement options for properties that were in disrepair and/or unsafe. The Council had a number of legislative remedies available to ensure the safe management of empty properties before they were reoccupied. This required relevant notices to be served on a property and a timeframe for the remedial works. It was highlighted that many of the legal options available were likely to come at a cost to the authority, which could result in lengthy legal action to recover. Where the council decided to complete works in default in pursuance of the legislation, any expenditure should be protected by way of a charge against the property.

Members asked whether the Council used its powers to compulsorily purchase problematic empty homes. It was explained that this power was usually used in areas designated as a 'renewal' area and in conjunction with the planning process. It would normally also apply to groups of properties together as opposed to single properties. Using the compulsory purchase power was also a lengthy and expensive process. Members noted that the number of long term properties in the borough included flats above pubs and betting shops. It was queried whether these vacant properties were still charged council tax. Members were informed that council tax did apply to these properties and that this was usually seen as part of the cost of running a business. Members also enquired as to the current level of council tax applied to other vacant properties and whether any discounts were in place during renovation periods. The officer undertook to obtain this information and circulate it to the sub-committee after the meeting.

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

Signed.....
Cllr S Cox, Chair of Housing Sub-committee