

Private Sector Housing Strategy 2021 - 2023







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INTRODUCTION

The Private Sector Housing Strategy for Northumberland 2021 - 2023 builds on the aims and objectives of the previous Private Sector Housing Strategy (2015-2020). Whilst much has been done to deliver the aims and objective of the 2015 strategy, recent changes in Government policy have necessitated the production of a new strategy.

The quality of a person's home has a substantial impact on their quality of life; a warm, dry and secure home is associated with better health and better wellbeing. In addition to basic housing requirements, other factors that help to improve wellbeing include the security of tenure. This is supported by two of the Council's priorities in the Corporate Plan (2018-2021) which states 'We want you to feel safe, healthy & cared for [Living]' and 'We want you to love where you live [Enjoying]'.

Housing is a key determinant of health; poor housing conditions continue to cause preventable deaths and contribute to health inequalities. Inadequate housing conditions such as overcrowding and affordability will all have an adverse effect on public health and exacerbate health inequalities. Deficiencies found in a home can lead to health problems, which in turn can influence community stability, crime, environmental issues and increase costs for health care providers.

Most residents in Northumberland (83%) live in properties that are privately owned or privately rented. The council can support homeowners, private landlords and private tenants to understand and achieve the benefits of a warm and safe healthy home by providing advice and assistance to those most in need. Repairing or improving a property will have an overall positive impact on personal health and wellbeing.





Background

Improving our housing stock is an essential part of protecting the health and wellbeing of our population making warmth more affordable and reducing energy demand which helps reduce the economic disadvantage of high energy bills. The supply of good quality, affordable, privately rented accommodation is essential to meeting local housing need and this is acknowledged in the Council's Housing Strategy for Northumberland 2019 - 2022.

Since the last Private Sector Housing strategy was published in 2015 a number of new pieces of legislation have been introduced relating to private sector housing, including:

Protection from Retaliatory Eviction 2015

This was brought in to protect tenants who make complaints about disrepair in their homes

Minimum Energy Efficiency Standards in the Private Rented Sector 2018

The regulations set a minimum energy efficiency level for domestic private rented properties, the regulations were extended in 2020 to also cover existing tenancies

Homes (Fitness for Human Habitation) Act 2018

The Act came into force on 20 March 2019. The aim of the Act is to help drive up standards in rented homes in both the social and private sectors and provide an alternative means for tenants to seek redress from their landlord if their rented property presents a risk of harm to the health and safety of the occupiers

Tenant Fees Ban 2019

In June 2019, the Tenant Fees Act came into force, prohibiting landlords and agents from charging any fees to tenants, other than those 'permitted' by the Act.

The Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020

June 2020 The regulations will apply to all properties across the private rented sector, including houses in multiple occupation (HMOs) (excluding lodger arrangements)

Further information on duties and powers in the private housing sector can be found at <u>Appendix 1</u>



LOCAL CONTEXT AND KEY CHALLENGES

Northumberland does not generally suffer from the same problems associated with low demand or abandonment compared to other parts of the North East¹ as the majority of private sector dwellings satisfy the Government's Decent Home Standard.²

However, the proportion of empty dwellings in Northumberland is high when compared to the England average of 2.6%. The 2011 Census recorded 9,509 empty dwellings in Northumberland of which 2,200 were classed as long term empty homes, (vacant for six months or more) representing a 6.4% vacancy rate.

In parts of the south east of the county, such as Blyth and Ashington, there are pockets of low demand and long term empty dwellings which, as well as being an eyesore in the neighbourhood, can attract crime and anti-social behaviour, and could reduce the value of surrounding properties.

Failure to improve housing conditions can keep property values and rental yields low, discouraging owners from investing in their property and wider neighbourhood, and encourage the spread of low quality private rented housing.³

Poor standards of energy efficiency means that many low income households in Northumberland face high costs to maintain a warm home. As a result, many households do not heat their home to an adequate level. The Fuel Poverty (Low Income High Costs) Indicator identifies 11.1% (15,883) of all households in Northumberland are fuel poor, with the worst areas being in very rural areas in the North and West, but also in pockets of Ashington.



¹ Source Northumberland Local Plan (Draft)

² The Decent Homes Standard is linked to the Housing Health and Safety Rating System. To meet the Standard a property must meet: the statutory minimum fitness standard for housing repair; be in a reasonable state of repair; have modern facilities and services (kitchens/bathrooms); and provide a reasonable degree of thermal comfort

³ The Hidden Costs of Poor Quality Housing in North (Northern Housing Consortium, 2019)

THE PURPOSE OF OUR STRATEGY

This strategy sets out how we plan to work with partners, stakeholders and local communities to deliver services and support good quality housing and management standards within private sector homes in Northumberland. By this we mean homes which are owner occupied and have either been bought outright or with a mortgage, and those that are rented from a private landlord. Homes rented from the Council and other Private Registered Providers of social housing are not included in this strategy.

The Strategy will be accompanied by an Action Plan which will set out what the Council hopes to achieve and by when. The Action Plan will be agreed with partners and stakeholders and will be used to monitor progress over the period of the strategy.



AIMS AND OBJECTIVES

The Northumberland Corporate Plan 2018-2021 states:

Having a decent roof over your head is fundamental to this health and well being. None of you should be forced to live on the streets, or in a "home" that is a health hazard or physically impedes independence...

The principles set out in the Draft Northumberland Local Plan states: **Having a** decent home is fundamental to the health and wellbeing of everyone living in Northumberland...

The priorities of the Housing Strategy for Northumberland 2019-2022 are **Growing our Communities**; **Supporting our Residents and Improving Homes and Communities**. This Strategy will enable the Council to achieve these priorities.

In addition this strategy will also contribute to the delivery of the Homelessness and Rough Sleeper Strategy 2019 –2021 objectives.

To deliver these aims the Northumberland Private Sector Housing Strategy defines our objectives and identifies how the Council will:

- Bring empty properties back into use
- Improve the condition, safety and energy efficiency in the private housing sector
- Ensure advice and support is available to landlords and tenants regarding rights and obligations
- Ensure clients have access to support in the private rented sector

We can meet these challenges with four priority areas defining our focus over the period of this strategy. These priorities are;

- Increase access to affordable homes in the private sector through bringing empty homes back into use
- 2. Ensuring a healthy private rented sector through improving the condition, safety and energy efficiency of private sector housing
- 3. Provide advice and support and take action where necessary for homeowners, landlords and tenants in the private sector
- 4. Provide services to assist access to sustainable tenancies in the private rented sector

To successfully achieve our aim and objectives we will work in partnership with a wide range of people and organisations, for example agencies, charities, community groups, local landlords and neighbouring authorities. Strategic partnerships with our Public Health colleagues, Housing Operations, Planning and other services across the Council are fundamental to ensuring committed resources when developing interventions to improve health and wellbeing through improving housing.



Increase access to affordable homes in the private sector by bringing empty homes back into use

We need to make the best use of Northumberland's existing housing and ensure that it is contributing effectively to meeting our communities' housing needs. This involves empty homes becoming re-occupied to provide additional affordable housing of all types and tenures and increasing the choice of housing available particularly in the private rented sector.

Some degree of turnover in any housing market is normal but long-term empty homes can attract problems such as fly tipping, vandalism and arson. These properties can be a blight on our community as well as a wasted housing resource.

Our approach will be to work alongside owners of empty homes with a solution based approach, tailored to individual circumstances and property location, to support and encourage voluntary action. However, we are also committed to using appropriate enforcement action where owners fail to take responsibility for their properties, reasonable negotiations fail or there is little prospect of the property being bought back into use voluntarily.

In April 2020 the Council made significant changes to Council Tax rules which could make an impact on the number of empty properties in Northumberland. Where a property remains unoccupied and substantially unfurnished for more than two years an additional premium of 100% will be charged, meaning that the Council Tax bill will be 200%, this will rise to 300% after five years. From April 2021 any property that has been empty for more than ten years will be liable to pay 400% Council Tax.

Key issues and challenges:

- There are an estimated 1927 long term empty dwellings across Northumberland and these are mainly in the private sector
- Owners of properties may not wish to make best use of their assets on a voluntary basis
- Owners of properties may wish to bring their properties back into use but may not have the means to do so
- The former coalfield areas have pockets of empty homes is such poor condition that the owners may question the viability of returning them back in to use

To increase access to affordable homes in the private sector the Council will Increase activity to bring long term empty homes back into use;

- Stay in regular contact with owners of empty homes to offer them advice, information and assistance on bringing their property back into use.
- In the worst cases, where encouragement is not successful, a multi-agency/ departmental approach will be adopted to ensure a coordinated use of available council wide enforcement powers with the aim of bringing problematic long term empty homes back into use.

- Continue to use procedures and protocols to enable us to undertake Empty Dwelling Management Orders (EDMO's) for homes that have been empty for over 2 years.
 These orders give us the opportunity to take over the management of the property from the owner/landlord in certain circumstances to enable the re-occupation.
- Work with the Capital Programme team to increase the number of empty properties brought back into use through the Homes England Purchase and Repair scheme
- Continue to seek funding from Homes England to assist with costs towards enforcement tools (such as EDMO's)
- Identify and unlock barriers to returning empty properties back in to use
- Develop a tool kit of measures available to the team to ensure a consistent approach is taken with all empty properties
- Work proactively with the Council's Regeneration Team to assist in the delivery of specific Market Town strategies for example the 'Energising Blyth' Future High Streets Fund programme

Encourage a healthy Private Rented Sector - Improve the condition, safety and energy efficiency of private sector housing

All private housing should at least meet the minimum standards that comply with the legislative standards ensuring that the property does not cause a physical hazard or nuisance to residents and the local neighbourhood.



We currently operate a Private Rented Sector Property Accreditation Scheme to help support landlords in managing their properties and tenancies correctly. It has been recognised that this scheme is in need of updating in order to continue to support our landlords effectively. This is particularly important, considering new legislation that has been introduced into the private rented sector, such as the Fitness for Human Habitation Act, Minimum Energy Performance Certificate Ratings and Mandatory Electrical Testing – all of which are likely to have an impact on a tenants experience within their property.

As part of the Property Accreditation Scheme we carry out inspections on properties where the landlord has expressed interest in becoming part of the scheme. One of the main functions of the scheme is to work with private landlords to raise standards (property and management) in the private rented sector by ensuring that their properties comply with safety standards set out in the scheme and with the legislation that requires every



private rented property the have the relevant certificates such as the Landlord Gas Safe Certificate and Energy Performance Certificate (EPC). All of which may contribute to the reduction of households in fuel poverty.

Fuel poverty is driven by three key factors; the energy efficiency of the property, the cost of the fuel bills and the household income. Improving energy and fuel efficiency are the mechanisms to reduce fuel poverty and improve health, with these efficiencies also being beneficial to the climate change agenda.

The Energy Act 2011 set up an obligation on energy companies (ECO) to help certain groups of consumers to save energy in their home, and developed regulations that require landlords to meet minimum energy efficiency standards in their properties.

Northumberland County Council understands that addressing climate change needs to be acted on urgently and have set a target date of 2030 for net zero emissions and have declared that there is a climate emergency.⁴

Housing condition, heating type, and tenure will all influence a home's energy efficiency and the occupant's ability to afford adequate heating. For example, improving energy efficiency in the home will help to prevent excess winter deaths⁵ each year by helping to ensure homes are adequately heated, through reduced heat loss and improved heating systems.

We will work with landlords to encourage them to bring their properties up to minimum energy efficiency levels as per the 2018 legalisation⁶ which requires landlords to ensure their properties reach a standard of at least an E Energy Performance Certificate. It is estimated that there are 15,883 fuel poor households in Northumberland, this equates to 11.1 % of all households.⁷ In 2015 Northumberland was in the top 10 local authorities in England with the lowest proportion of EPC coverage.⁸

⁴ Northumberland County Council Climate Commitment Action Plan 2020-21 (Draft)

⁵ Excess winter deaths are the number of people whose deaths were registered between December and March, compared with the numbers for the previous three months and the following three months (ONS, 2015).

⁶ The Energy Efficiency (Private Rented Property)(England and Wales) Regulations 2015 which came into force on 1st April 2018.

⁷ Department Business, Energy and Industrial Strategy Sub Regional Fuel Poverty England 2019 (2017 data)

⁸ Mapping Energy Performance data by parliamentary constituency Centre for Sustainable Energy 2015

Key issues and challenges

- Training is required to enable identification and appropriate action to be taken in response to the Homes (Fitness for Human Habitation) Act and the Housing Health & Safety Rating System (HHSRS) when carrying out property inspections for the Property Accreditation Scheme
- There is no comprehensive data on the condition of private sector housing stock in Northumberland making it difficult to fully understand the issues
- Fuel poverty in Northumberland is higher that the national average
- Under reporting of poor conditions in the private rented sector
- Homeowners have limited knowledge of grants and other incentives
- Limited resources in relation to financial incentives

To improve the condition, safety and energy efficiency of existing homes the Council will:

- Explore viability of carrying out a countywide stock condition survey to ensure the focus of services and resources are targeted to where they are most needed
- Increase the energy efficiency of homes and contribute to achieving the county's carbon reduction ambition
- Increase the suitability of properties through repairs and adaptations
- Help people to live independently in their home thereby reducing the reliance on health and social care services
- Ensure that private rented accommodation is effectively managed.
- Ensure that homeowners and landlords are made aware of funding available to improve their properties
- To improve energy efficiency in the home and reduce the risk of fuel poverty and associated health problems by; raising public awareness, providing specific and appropriate advice to householders and landlords, making referrals into grant and discount schemes
- Provide training on the implementation of the HHSRS and the Homes (Fitness for Human Habitation) Act
- Take action against landlords in cases where there is a failure to maintain their property under the Homes (Fitness for Human Habitation) Act 2018 or offer more practical assistance to tenants seeking redress under the Act, especially vulnerable tenants
- Develop a promotional campaign to inform tenants of the circumstances under which they can take action against their landlord



Provide advice and support and take action where necessary for homeowners, landlords and tenants in the private sector

Awareness of rights and obligations is relatively poor across the private rented sector. This is partly due to a section of small-scale landlords taking a passive approach to their role and remaining in relative ignorance of the legal framework they are operating in. Letting a property through a letting or managing agent is not always a guarantee that the property will be managed any better. Many households in private rented properties are not aware of their rights and obligations as tenants which can lead to people living in substandard housing, for example, if they are not willing to make a complaint on property conditions to their landlord for fear of facing retaliatory eviction. This combination can lead to poorer property conditions, unchallenged inadequate management standards and illegal eviction.

The Council always tries to work informally with landlords, tenants and homeowners in the first instance, however current legislation provides the Council with enforcement tools to help ensure essential improvements are made to properties. The main legislation utilised in private sector housing is the Housing Act 2004, as it can require both homeowners and landlords to carry out works.

Departments within the Council, such as Environmental Health, Social Services, Education Services and Revenues & Benefits may come into contact with tenants who have been illegally evicted, or who are experiencing harassment from their landlord. We need procedures in place to ensure these cases are directed to the appropriate services for timely assistance.

Key issues and challenges

- Some Landlords and tenants may have a limited awareness of their rights and obligations, which can lead to illegal evictions
- Less security in the private rented sector
- Poor property and management standards can lead to high turnover of tenants which can contribute to unstable communities, as tenants leave before reporting conditions to the relevant authority

To provide advice and support to the private rented sector we will:

- Provide training for staff to ensure confidence in dealing with allegations of illegal evictions
- Develop a 'Call Before You Serve' scheme for private landlords that will act as an early intervention tool to prevent homelessness assisting landlords to consider alternative remedies before proceeding with the eviction process
- Develop procedures to enable closer working with the Homelessness and Housing Options team to help prevent homelessness

- Offer advice and guidance and where necessary take enforcement action to ensure property and management standards improve
- Provide advice and guidance to new landlords about property and managment standards to help them get it 'right first time'
- Develop a guide and checklist across the Council to enable services to recognise when their client's housing rights are being infringed and direct them to the correct service
- Develop a streamlined approach to identifying and tackling Rogue Landlord activity within Northumberland
- Raise awareness of the rights of tenants, particularly those who are vulnerable, to report poor housing conditions or management practices in order for the Council to consider exercising its enforcement powers
- Review and develop an updated Financial Assistance Policy to assist homeowners in improving their homes

Provide services to assist access to sustainable tenancies in the private rented sector

Some people want to rent privately to live in their preferred area and others may not have any other choice due to exclusion from social housing. However, for those on the lowest levels of household incomes (and those on benefits) the main issue is gaining access to the PRS. Landlords may have concerns about their ability to sustain the rent payments and often require additional security, such as a guarantor or bond, or significant upfront rent (usually at least one month in advance) before they will accept a tenant, and this is particularly difficult for those who cannot afford it and those who are trying to recover from homelessness.



In response to these issues the Council operates a Rent Deposit Guarantee Scheme (RDGS) which combines with the property accreditation schemes to inspect properties ensuring they are safe and suitable to be let to tenants.

The RDGS has assisted 186 clients to access a private rented property over the past six years; this number could be higher if more landlords were prepared to work with the team and be willing to accept the cashless bond offered by the scheme.



It has also been recognised that the failure of tenancies in the private sector can be quite high with loss of tenancy in the private rented sector accounting for 21% of all households where the main reason for being homeless or threatened with homelessness. It is believed that this is partly due to the lack of support for vulnerable tenants when they initially take on the tenancy.

Key issues and challenges

- Support is required to help vulnerable tenants sustain their tenancies, reducing the risk of homelessness or repeat homelessness
- Limited awareness of the benefits of using the RDGS
- Some landlords unwilling to engage with the accreditation service

To assist access to sustainable tenancies in the private rented sector we will:

- Refocus the RDGS to include a support element to ensure more tenancies are sustained
- Focus on groups vulnerable to poor housing conditions, such as a low income, physical and mental health issues and those who were previously homeless
- Utilise the knowledge within the Northumberland Communities Together Hub that the voluntary and community based organisations have on vulnerable people who are affected by poor housing, and making sure that these organisations are aware of the services available so that they can refer private occupants to us for housing support
- Promote our services more widely to our customers online, through our website and social media making it easier for customers to access information on home energy efficiency, accessing loans and grants to repair or adapt their home and finding suitable affordable accommodation
- Provide more information for tenants, such as average market rents across property sizes. This will help tenants to make an informed choice
- Build upon the relationship we have with Public Protection to ensure clients and landlords are supported with alleged disrepair claims
- Provide advice and information for landlords and tenants in relation to disrepair and what this looks like, how to deal with it efficiently

MONITORING AND REPORTING OUR PROGRESS

An Action/Delivery Plan will be developed that will ensure that the Council's objectives as set out in this strategy are delivered and reported on to elected Members and to the residents of Northumberland.

The Strategic Housing team has responsibility for this Housing Strategy and will use it to plan and direct its workload. The management team will check progress against this strategy on a quarterly basis, and produce regular reports to let staff and elected Members know how we are doing.

Progress against our priorities will be reported annually to elected Members and we will produce an annual report setting out our progress against this strategy. If changes happen that significantly affect our ability to deliver our housing priorities (such as new legislation) then the strategy will be reviewed in addition to the annual review of the plan and targets, involving any partners.



EQUALITY AND DIVERSITY STATEMENT

The Private Sector Housing Strategy for Northumberland 2021–2023 outlines Northumberland County Council's approach to our statutory duty to identify and meet housing need.

The strategy outlines the interventions that support some protected groups who may be disadvantaged when accessing housing.

The strategy does not discriminate, directly or indirectly, on any of the nine protected characteristics in the Equalities Act 2010:

- Age
- <u>Disability</u>
- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation

Housing Services also have a direct impact on the different protected characteristics of equalities legislation. Some protected groups are disproportionately characterised by economic disadvantage and therefore also at a disadvantage when accessing the housing market on which most people rely. Any action to complement and to improve the affordability of housing construction, distribution and maintenance will therefore directly address inequality for all the "strands"

Further information regarding Equality and Diversity can be found on the Northumberland County Council website www.northumberland.gov.uk

Associated documents

Housing Strategy for Northumberland 2019-2022

Northumberland County Council Corporate Plan 2018-2021

Northumberland Local Plan Publication Draft Plan (Regulation 19) (January 2019)

Northumberland Extra Care and Supported Housing Strategy 2018

Northumberland Homelessness and Rough Sleeper Strategy 2019-2021

APPENDIX 1

There are a significant number of powers and duties on local authorities relating to the private rented sector, the main ones listed below. Over the past couple of years there has been a significant increase in legislation and regulation covering the private rental sector with more to follow. The local authority is increasingly being given the role of regulator and enforcer.

| Measure | Comments | |
|------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|--|
| (Power) Protection from Eviction Act 1977 | The investigation and prosecution of criminal offences relating to illegal eviction and the harassment of private tenants | |
| (Duty) Notices under the Housing Act 2004 | Enforcement of the Housing Health and Safety Rating system providing reasonably safe homes free from hazards | |
| (Duty) Protection from retaliatory eviction 2015 | To protect tenants who make complaints about disrepair in their homes | |
| (Power) Smoke and Carbon Monoxide Alarm regulations 2015 | To ensure alarms are fitted in all private rented homes | |
| (Power) Redress Schemes for Letting Agency Work and property management regulations 2015 | Enforcing the criminal offence of not being part of a redress scheme | |
| (Power) Banning orders 2018 | Introduced from April 2018 | |
| (Power) Rent Repayment Orders 2017 | Linked to banning orders | |
| (Power) Civil Penalty Notices 2017 | Introduces powers to fine non-compliant landlords up to £30,000. Fines could make a contribution towards the cost of running the service | |
| (Duty) Recording rogue landlords 2018 | Came Into force April 2018 | |
| (Duty) Minimum energy efficiency standards 2018 and 2020 | Introduced April 2018 for new tenants, April 2020 for existing tenants | |
| (Duty) Homelessness Prevention Act 2018 | Introduced April 2018, requires stronger support for all those threatened with homelessness | |
| (Duty) Extension of mandatory HMO licensing 2018 | Introduced October 2018, covers one and two storey properties. Opportunity for additional fees to pay for additional staffing. | |



| Measure | Comments |
|----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (Power) Tenant Fees Ban 2019 | The Tenant Fees Act came into force in June 2019, prohibiting landlords and agents from charging any fees to tenants, other than those 'permitted' by the Act |
| Consumer redress 2019 | There is likely to be a single ombudsman service across housing including the PRS, still being considered by government |
| Homes (Fitness for Human Habitation) Act 2018 | The Act came into force on 20 March 2019. The aim of the Act is to help drive up standards in rented homes in both the social and private sectors and provide an alternative means for tenants to seek redress from their landlord if their rented property presents a risk of harm to the health and safety of the occupiers |
| A new deal for renting consultation (Resetting the balance of right and responsibilities between landlords and tenants) | The 2019 consultation sought views on how to implement the Government's decision to abolish section 21 of the Housing Act 1988 and improve the implementation of section 8 |
| The Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020 | June 2020 The regulations will apply to all properties across the private rented sector, including houses in multiple occupation (HMOs) (excluding lodger arrangements) |

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