



South Derbyshire District Council

DRAFT

Private Sector Housing Renewal Strategy

APRIL 2006

Contents

1.0 INTRODUCTION

PART 1: SETTING THE SCENE

2.0 STRATEGIC CONTEXT: Links to Other Strategies

3.0 INFORMATION BASELINE

- 3.1 Demographic profile of the District
- 3.2 Profile of the Private Sector Housing Stock
- 3.3 Housing Market & Needs

4.0 LEGISLATIVE FRAMEWORK

- 4.1 The Regulatory Reform (Housing Assistance)(Eng & Wales) Order 2002
- 4.2 The Housing Act 2004
- 4.3 The Decent Homes Standard

5.0 FUNDING

- 5.1 Capital Programme 2006- 2009
- 5.2 Regional Housing Board Supplementary Allocation

PART 2: IDENTIFYING PRIORITIES & TARGETING ASSISTANCE

6.0 GUIDING PRINCIPLES & MAIN OBJECTIVES

7.0 KEY THEMES & PRIORITIES

- 7.1 Older, Disabled & Vulnerable
- 7.2 Private Rented Sector
- 7.3 Rural Homes
- 7.4 Empty Property
- 7.5 Home Energy Efficiency
- 7.6 Crime/Home Safety
- 7.7 Other Assistance

PART 3: IMPLEMENTATION & DELIVERY

8.0 DELIVERING ASSISTANCE

- 8.1 Home Repair Assistance Grant
- 8.2 Healthy & Warm Scheme
- 8.3 Empty Home Grant
- 8.4 First Time Buyer Assistance
- 8.5 Landlord Grant
- 8.6 Emergency Renovation Grant
- 8.7 Decent Home Scheme
- 8.8 Disabled Facilities Grant
- 8.9 Houseproud Capital Release Loan
- 8.10 Enforcement

9.0 SUMMARY OF GRANT ASSISTANCE

10.0 IMPLEMENTATION PLAN

PART 4: MEASURING PERFORMANCE

11.0 KEY STANDARDS

11.1 Best Value Performance Indicators

11.2 Local Performance Indicators

11.3 Service Standards

11.4 Customer Feedback

12.0 CONSULTATION, REVIEW & APPEAL

ANNEX 1: EMERGENCY RENOVATION GRANT PRIORITY SYSTEM

ANNEX 2: HEALTHY & WARM SCHEME- Eligibility Proforma

ANNEX 3: CUSTOMER FEEDBACK QUESTIONNAIRE

1.0

Introduction

This document details the Council's strategic approach to housing renewal in the private sector and supersedes and consolidates two previous documents; the Private Sector Housing Renewal Policy (2003) and Private Sector Housing Renewal Strategy (2004).

This revision seeks to address local needs and priorities, as identified by the House Condition & Energy Efficiency Survey 2004 whilst acknowledging government priorities such as the Decent Homes Standard and provisions of the new Housing Act 2004

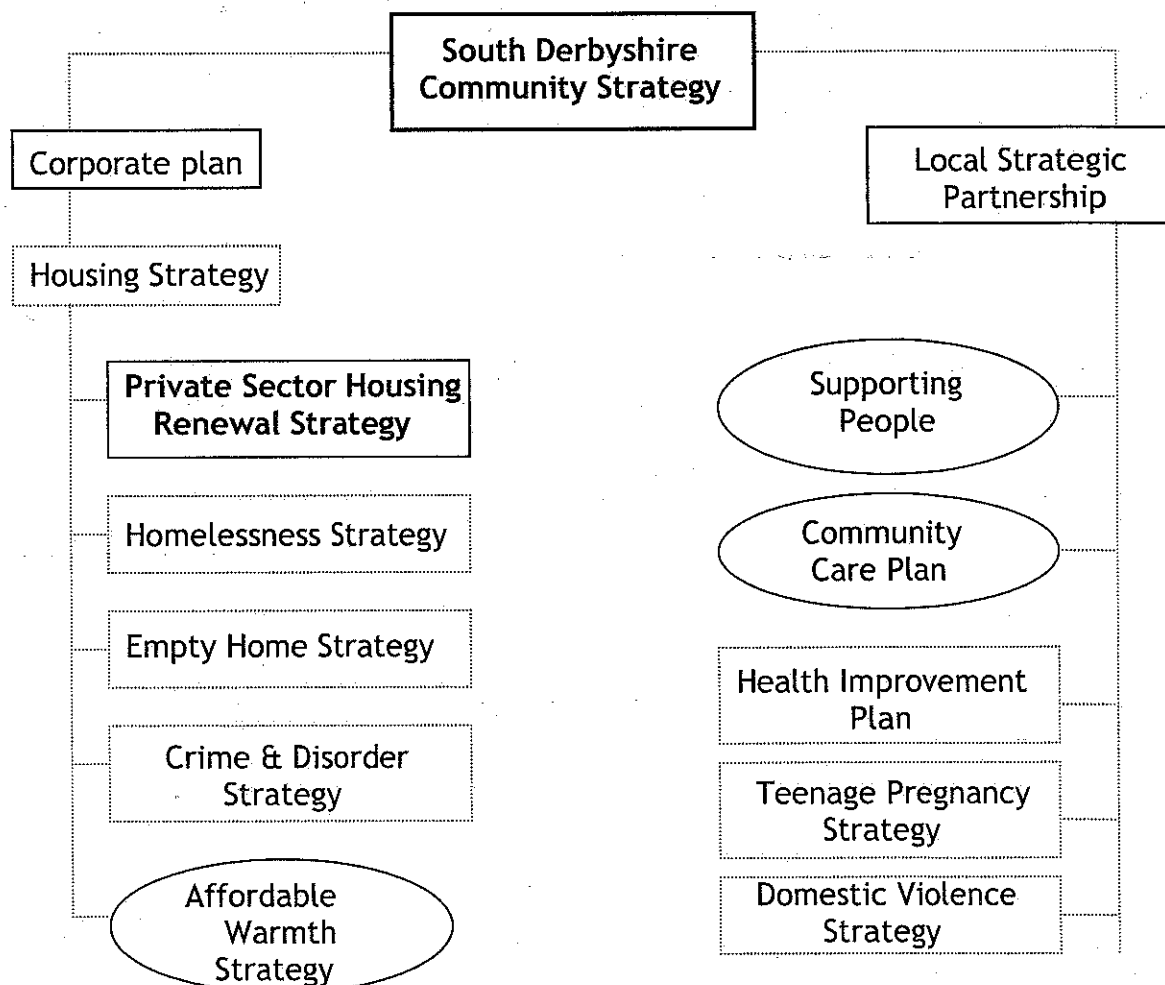
PART 1

SETTING THE SCENE

2.0

Strategic Context: Links to Other Strategies

The Private Sector Renewal Strategy sits within a framework of plans and strategies produced by the Council and it's partners, reflecting regional and local housing priorities.



The Private Sector Housing Renewal Strategy provides an operational framework within which to deliver our corporate aims, and broader Housing Strategy objectives;

South Derbyshire Community Strategy 2005/10: Theme 3: Healthy Communities

Key Priorities:

- Better access and opportunities for everyone to improve their health and well being.
- Better support to vulnerable people and families to improve their health and well being.

Action Area:

- Reducing the number of vulnerable people and families living in non decent homes

South Derbyshire District Council Corporate Plan 2005/08

Key Aims:

- Enhance the quality of life of all South Derbyshire residents
- Safeguard the environment now and for the benefit of future generations
- Put residents at the centre of Council decision making
- Secure continuous improvement in the quality and efficiency of our services
- Support local businesses and create a climate for good inward investment

South Derbyshire District Council Housing Strategy 2004/09

Key Objectives:

“Identify and define the housing needs and aspirations of South Derbyshire residents including vulnerable people”

“Work with stakeholders to maintain and improve the district’s housing stock”

“To ensure that there is an adequate supply of homes to meet anticipated need, taking into account the demands of new industry coming into the area”

“Ensure that vulnerable people have access to appropriate and stable housing”

“Provide high quality, customer focused housing services”

3.0

Information Baseline:

3.1 DEMOGRAPHIC PROFILE

The Area

South Derbyshire covers an area of approximately 340 square kilometres and has a population of 85 400 (ONS Mid 2003 estimate). The District is bordered by the City of Derby to the north, East Staffordshire to the west and North West Leicestershire to the east.

For the past two decades, South Derbyshire has been the fastest growing district in Derbyshire. Much of this growth can be attributed to new development in Swadlincote, Hilton and the on the fringes of Derby.

Swadlincote is the main administrative and commercial centre for the district with a population of around 32 500. The town is located on the South Derbyshire Coalfield although the working of coal and clay has almost disappeared.

Outside of the Swadlincote urban core the district is predominantly rural in character, featuring open countryside, the valleys of the Rivers Trent and Dove and a patchwork of villages and small settlements.

Approximately 25% of the recently established 'National Forest' lies within South Derbyshire.

Population & Housing

The population structure is broadly similar to the national average but with a higher proportion of younger people of school and working ages. The average household size is 2.43, slightly higher than nationally.

Nearly 3% of the population classified themselves as 'non white' and outside of the City of Derby is the highest percentage in Derbyshire, although below the national average of 9%. South Derbyshire is ranked 216 out of 354 Local Authorities on the Government's indices of deprivation (a rank of 1 indicates the most deprived).

At January 2004, the area had an unemployment rate of 1.9% (compared with 3.5% nationally). However, areas in and around Swadlincote (former coalfield area) have rates much closer to the national average.

The district has a housing stock of 36 640. The majority of homes (88%) are owner occupied or privately rented. A further 10% are rented by the council and the remainder owned by Registered Social Landlords. Some 52% of homes are rated in Council Tax bands A and B (valued up to £54K at April 1991)

3.2 PROFILE OF THE PRIVATE SECTOR HOUSING STOCK

The South Derbyshire House Condition & Energy Efficiency Survey was undertaken in 2004 and reported the incidence of unfit housing, disrepair and the energy rating of the district's private sector housing stock.

Main Findings

The survey was conducted in line with DETR guidance and is the most accurate source of data to inform the strategy.

There are **32,726** private sector dwellings in South Derbyshire, **98 %** of which are occupied and **2%** are vacant.

Age Profile:

The age profile of the stock in South Derbyshire is more modern than is the case nationally with 55.5% built after 1964. Approximately 23% of dwellings were constructed before 1919 but the most numerous dwelling type is the post 1980 detached house, accounting for 20% of the stock

Tenure:

Owner occupied dwellings account for **90.6%** of the housing stock. The private rented sector accounts for **7.5%** of the total private stock and **1.9%** is rented from Registered Social Landlords (ie Housing Associations). NB Council Housing Stock was not included in the survey.

Fitness:

An estimated **3.5%** (**1 148**) dwellings are unfit, this compares to an unfitness rate of **4.2%** nationally and **4%** in the East Midlands region.

The most common reason unfitness is **disrepair** (570 dwellings or 49.7%) and **lack of adequate bath/shower & washbasin provision** (348 dwellings or 30.3%).

- **Private Rented dwellings** were most likely to be unfit (6.8% compared with 3.3% owner occupied dwellings)
- **Older dwellings** were particularly likely to be unfit (10.5% of pre 1919 dwellings were unfit)
- 20.6% of **vacant dwellings** were unfit
- A further 1925 dwellings were defective, but not unfit. Defective dwellings represent **5.9%** of the total private sector stock.

Decent Homes Standard:

27.2% of dwellings failed to meet the decent home standard (this compares with a national estimate of 33.1% of total stock, including Council owned stock)

The main reason for failure was lack of **thermal comfort**, with **76.6%** of non decent homes failing under this heading.

Non decent property was most likely to be **privately rented, pre 1919** and occupied by **lone parent or vulnerable** households.

Housing Health & Safety Rating System:

The survey made an assessment of the stock using the HHSRS (due to replace the fitness standard as a measure of acceptable house condition when the Housing Act 2004 comes into force in 2006).

Approximately **4.7%** of dwellings require a mandatory response due to deficiencies identified using the HHSRS.

The main hazards identified were **excessive cold** and **falls on stairs**.

The most hazardous dwellings were **pre 1919** and **private rented**.

Household Characteristics:

3404 dwellings (10.6%) were occupied by **single pensioners**.

4062 households (12.6%) have special needs or a **disability**.

Approximately **6350** (19.8%) households are classed as **vulnerable**.

Energy Efficiency:

The mean SAP rating (standard assessment procedure for energy efficiency) for houses in South Derbyshire is **47**. This is influenced by the age of the stock. There is an above average proportion of the stock in the post 1980 age band. The **pre 1919** age band has the lowest mean SAP rating (**36**) and consequently, the worst standards of energy efficiency across the District

Privately rented dwellings also have a low mean SAP rating of **39**, whilst **RSL** and **owner occupied** with mortgage, having a much higher mean SAP rating of **50**. The highest mean SAP is found in the post 1980 property (**57**).

It is estimated that **73.9%** of dwellings have **cavity walls**, but of these a total of **50%** have no cavity wall insulation in them. Approximately **90.4%** of properties have **double glazing** although only **50.9%** of dwellings built before **1919** have full double glazing and only **40.6%** in the **private rented sector**.

The main type of fuel used is **gas** (**84.1%** of dwellings) followed by **off peak electricity** and **solid fuel**. These three fuel types account for **94.2%** of all fuel used.

Dwellings with **central heating** generally have a higher mean SAP rating than other dwellings at **49**, this figure compares with an average SAP of **27** for dwellings whose main heat source is one or more **room heaters**.

Overall households living in the least energy efficient homes (ie Sap rating below **30**) tend to be; **living alone**, have **special needs**, are **elderly** and have **low incomes**.

It is estimated that **3 345** households (**10.2%**) are living in '**fuel poverty**' and spend more than 10% of their income on fuel. Households in the **RSL** accommodation are most likely to be considered fuel poor, with **32.8%** of tenants considered to be in fuel poverty. Converted **flats** show the highest levels of fuel poverty followed by **detached** houses. More than a third of **single pensioner** households are fuel poor and **lone parent** and **special needs** households are more likely than average to suffer fuel poverty.

Summary

- Results show that the majority of dwellings require action on an **individual basis** rather than through block improvement or renewal areas.
- In determining a suitable localised strategy to implement an appropriate package of measures, targeting dwellings by **tenure, age and vulnerable household groups** may prove beneficial.
- More specifically, account could be taken of those categories where the highest incidence of unfitness and disrepair as well as low energy efficiency was identified:
 - **PRIVATE RENTED**
 - **VACANT**
 - **PRE 1919 STOCK**
 - **VULNERABLE HOUSEHOLDS**
 - **SINGLE PENSIONERS**
 - **LINTON SUBAREA**

3.3 HOUSING MARKET & NEEDS SURVEY

The 'South Derbyshire Housing Market and Needs Survey' was commissioned in 2002, to look at the current state and likely future development of the housing market and local housing needs. (NB The House Condition Survey was carried out in 2004 and Housing Needs Survey in 2002, each had a different sample size and inherent level of error. Thus some figures reported appear contradictory.)

Main Findings:

- House prices vary by type, size and location, with the lowest prices in the urban core and highest prices in the villages.
- The average household income is approximately **£22 000** per annum, but within this most households are in the range of **£10 - £15,000** per annum.
- Most property lettings are in the urban areas. Council stock accounts for **450** lettings per year.
- There are nine Housing Associations having an interest or operational activity in the district.
- The private rented sector comprises approximately **2650** properties located mainly in the urban areas. An estimated **350** lettings are supported by Housing Benefit.
- Approximately **25 - 30 %** of new supply housing must be 'affordable' to meet housing need.
- Affordable housing is required, particularly in the Derby fringe sub urban area and in the villages. Shared and low cost ownership and Housing Association property would be the most appropriate source.

- In the central urban areas Housing Association rented flats and houses for single people, childless couples and people with special needs would best meet needs.

Further up to date housing need information is currently being sought. A programme of rural parish surveys is underway and a request for funding to commission a district level housing needs survey in 2007 has been submitted.

4.0

LEGISLATIVE FRAMEWORK:

4.1 The Regulatory Reform (Housing Assistance) (England & Wales) Order 2002

The order repeals previous prescriptive legislation concerning housing renewal grants and provides local authorities with a greater degree of flexibility to deal with poor condition housing, both in terms of the interventions available to them and their ability to work in partnership with others.

Authorities are permitted to offer grants to homeowners within a framework of locally determined criteria and have the power to provide assistance through loans and equity release products or a combination of both.

Assistance may be provided for;

- Repair, improvement and adaptation of a dwelling
- Demolition of a dwelling and help with rebuilding costs
- Alternative accommodation which supports an improvement in living conditions, particularly where the authority intends to compulsorily purchase the existing accommodation or alternative accommodation is a better option than repairing or adapting the existing property.

The authority can offer assistance to any persons (ie owner/occupier, landlord or tenant) directly or through a third party such as a Home Improvement Agency.

The Order requires local authorities to publish a 'policy' setting out how they intend to use their new freedoms to provide assistance for housing renewal.

South Derbyshire District Council formally adopted their Private Sector Renewal Policy in July 2003. This document represents a subsequent amendment, which is necessary to reflect updated house condition information and further legislative changes (**i.e. Housing Act 2004**).

4.2 The Housing Act 2004

The new Housing Act 2004 is a significant piece of legislation which takes forward the provisions contained in the Housing Green Paper (2000). The main provisions of the Act are summarised below:

- **Housing Health & Safety Rating System**
Part 1 of the Act replaces the existing 'Fitness Standard' contained in the Housing Act 1985 with the Housing Health and Safety Rating System. The new system is intended to help authorities prioritise their intervention based on the severity of health and safety hazards in the home. It also adapts and extends the powers of enforcement currently available to authorities to tackle poor housing conditions.
- **Licensing of Houses in Multiple Occupation**
Part 2 of the Act introduces a mandatory scheme to licence high risk Houses in Multiple Occupation (HMO's of 3 or more storeys, occupied by 5 or more people). There are also powers to extend licensing to other categories of HMO, subject to consultation and approval of the appropriate national authority.
- **Selective Licensing of other residential accommodation**
Part 3 permits local authorities to introduce selective licensing to deal with problem housing such as areas of low demand or areas suffering from anti social behaviour.
- **Enforcement and Additional Control Provisions**
Part 4 contains provisions for enforcement action in respect of licensable property, overcrowding in non licensable HMO's and introduces the power for local authorities to take over the management of long term empty properties.
- **Home Information Packs**
There is a new requirement under part 5 of the Act for sellers or estate agents to produce a home information pack before marketing any residential property for sale.
- **Other housing provisions**
Part 6 establishes Tenancy Deposit Schemes to safeguard deposits paid in connection with assured shorthold tenancies and strengthens the rights of park home owners including eligibility for disabled facilities grant to all those occupying caravans as their only or main residence.

4.3 DECENT HOME STANDARD

The Government believes that everyone should have the opportunity of a decent home. Poor quality housing can have an impact on the health of the occupants and on the quality of life in an area.

It is primarily the responsibility of the private sector home owner to maintain their own property but it is recognised that some owners, particularly the elderly and most vulnerable, do not have the necessary resources. Local Authorities therefore have an important role to play in providing assistance in these cases.

This role has been reinforced by the Public Service Agreement target announced in July 2002 'to increase the percentage of decent homes in the private sector occupied by vulnerable groups'. This is an extension of the existing PSA 7 target to make all homes in the social sector decent by 2010.

The PSA7 target now includes specific targets for the proportion of vulnerable households in the private sector whose homes achieve the decency standard by 2005, 2010 and beyond.

- The baseline for 2001 is 57% and the target is to increase this to 63% by 2005, 70% by 2010 and to 75% by 2015/20.

What is a Decent Home?

A decent home meets the following four criteria:

- **It meets the current minimum standard for housing**

On 6th April 2006 the fitness standard contained in the Housing Act 1985 will be repealed and be replaced the Housing Health & Safety Rating System as set out in the Housing Act 2004. The HHSRS will become the statutory minimum standard for housing and decisions as to whether enforcement action should be taken will be based on whether the property contains category 1 or category 2 hazards.

- **It is in a reasonable state of repair**

The property will fail if;

- one or more **key** building components are old, and because of their condition need replacing or major repair or,
- two or more of the **other** building components are old and because of their condition need replacing or major repair.

Key components are defined as including external walls, roof structure and covering, windows and doors, chimneys, central heating boilers, gas fires electrical wiring installation etc.

Other building components are those having a less immediate impact on the integrity of the dwelling.

- **It has reasonably modern facilities and services**

The property will fail if it lacks 3 or more of the following:

- A reasonably modern kitchen (20yrs old or less)
- A kitchen with adequate space and layout
- A reasonably modern bathroom (30yrs old or less)
- An appropriately located bathroom and WC
- Adequate insulation against external noise
- Adequate size and layout of common areas for blocks of flats.

- **It provides a reasonable degree of thermal comfort**

In order to meet this criterion the property must have both efficient heating and effective insulation.

Efficient heating is any gas /oil/LPG or solid fuel **programmable** central heating or electric storage heaters or similarly efficient heating system.

The level of insulation specified in the decent home standard varies depending on the type of heating installed. For gas or oil programmable central heating it is considered a minimum of 50mm depth will suffice. For other types of heating 200mm depth of insulation is considered necessary.

5.0

FUNDING

5.1 CAPITAL PROGRAMME:

The 2006/07 capital programme for private sector housing renewal is set out below, together with approximate funding for 2007/08 and 2008/09:

	2006/07	2007/08	2008/09
Disabled Facilities Grant	£350,000*	£365,000	£375,000
Home Repair Assistance	£150,000	£150,000	£160,000
Energy Efficiency Initiatives	£100,000	£100,000	£100,000
Home Security/safety Schemes	£ 25,000	£10,000	£10,000
Other Renewal Grants/ Loan Administration	£150,000	£150,000	£150,000
Emergency Renovation	£25,000	£25,000	£25,000
TOTAL	£800,000	£800,000	£820,000

* (includes ringfenced DFG allocation of £261K)

All budget spend is monitored on a monthly basis.

NB: To cover the cost of delivering the Private Sector Housing Renewal Strategy a grant fee of 10% will be charged for the grant service provided by the Council.

5.2 East Midlands Regional Housing Board SUPPLEMENTARY ALLOCATION.

South Derbyshire District Council has applied for additional money from the East Midlands Regional Housing Board to deliver Decent Homes in 2006/7. A successful outcome will secure funding for a £300K Decent Home Grant Scheme in partnership with Walbrook Care & Repair and a district wide home energy efficiency survey. A further bidding round to allocate funding to deliver Decent Homes will take place in 2007/08.