

Torbay Private Sector Housing Renewal Strategy

2005-2009

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1.0 INTRODUCTION

The Purpose of the Private Sector Housing Strategy

- 1.1 Ensuring that private sector homes provide decent living accommodation is a major role for local councils. They can offer financial assistance to encourage property owners to carry out repair and improve work. Councils also have statutory powers and duties to make the owners of sub standard homes meet statutory standards.
- 1.2 Providing decent homes is a main Government priority and is a key objective for Torbay Council. This Private Sector Renewal Strategy explains how the Council intends to help achieve good quality housing across the private sector – it is the Council's vision that *all* residents should have the opportunity of living in a decent home. The strategy is especially important to owner occupiers, private tenants and private landlords.
- 1.3 This strategy looks at the challenges facing Torbay in the private housing sector and explains what the Council will do to achieve the best standards possible. In particular, the strategy sets out how the Council will consider giving grants or loans to help where properties need repair or improvement.
- 1.4 It also explains how the Council will use legal powers to bring about improvements where private sector properties fall below minimum standards. The new Housing Act 2004 gives extra powers to help ensure that people live in decent homes.

The Council's Work with Private Sector Housing

The Regulatory Reform Order 2002

- 1.5 The Regulatory Reform Order 2002 (RRO) which came into force on 18 July 2003 has lead to major change in the way local authorities can give financial assistance for people to repair or improve private sector homes. Before the Order, the Government set very clear rules which controlled the way financial help could be given.
- 1.6 The Order set aside most of these rules. It introduced new powers which allowed councils to adopt a flexible approach to giving financial assistance – a framework to reflect local circumstances, needs and resources. The changes did not apply to grant aid for most types of adaptation work to properties where there is a person with disabilities (mandatory Disabled Facility Grants)
- 1.7 To use the greater freedom there are several important conditions which a council such as Torbay must meet:-
 - the framework for giving financial assistance must be consistent with policies at national, regional and local level,
 - the local priorities the framework is looking to target must be identified from local evidence (for example from a condition survey of local private sector housing), and

- the framework should link properly with other services being delivered in the local community
- 1.8 Like many councils, Torbay responded to the RRO with a limited interim policy which largely followed the previous arrangements. The Council has now looked at private sector housing issues in Torbay in much more detail and wants to make greater use of the flexibility offered by the RRO. It is considered a valuable tool for reducing health inequalities and maintaining the condition of and contributing towards an increase in the housing stock.

Private Sector Priorities

- 1.9 To ensure that new policies best suits the needs of Torbay, this strategy will take into account:-
- local private sector housing needs
 - the effectiveness of previous policies
 - opportunities within the new framework & the Housing Act 2004
 - best practice adopted by other councils
- 1.10 An important factor in identifying local housing needs is information on the condition of the private sector housing stock and the circumstances of the people who live in them. This strategy takes into account the results of a 2001 House Condition and Energy Survey carried out by the Housing Consultancy Ltd which drew on a random sample of 1,500 properties across Torbay. The survey looked at both the physical condition of the homes that were surveyed and also the circumstances of the households. The survey grouped the District into 3 sub areas – A (North), B (Central) and C (South).
- 1.11 At the time of the House Condition and Energy Survey, national comparisons were drawn with the 1996 English House Condition Survey. Results from the 2001 EHCS are now available and for this strategy the results of the Torbay survey are compared with the 2001 national results.
- 1.12 In some respects, the Torbay survey showed private sector housing conditions in Torbay compare favourably with those across England. The overall proportion of homes that were not fit for human habitation was 2.7%, less than the national average of 4.2% and the average costs to make homes fit were less than the national averages. (“Fit for human habitation” is currently the lowest acceptable standard for housing and there is more information on the standard at Appendix E. Other technical terms, such as the decent homes standard, are explained where appropriate in this document.)
- 1.13 However, the Torbay survey also highlighted problems with disrepair and poor standards of thermal comfort especially in the privately rented sector. Tenants in privately rented homes were five times more likely to live in an unfit home than owner occupiers. The survey also illustrated the substantial potential demand for adaptations for people with disabilities.
- 1.14 The Council acknowledges the importance of up to date information and will be carrying out house condition surveys on a regular basis in the future.

- 1.15 In recent years the Council has concentrated on the work to transfer its own housing stock to the new Riviera Housing Trust. The Council will now focus attention on the private housing sector to secure minimum legal requirements and drive standards up, both by helping residents and landlords to improve their homes and by using legal powers where necessary.
- 1.16 This strategy does mean a change of emphasis for the Council and it will take some time to achieve in full. There will be significant changes in the way that financial assistance is given and also a more robust, structured approach to enforcement. However, the Council is committed to achieving positive change in the private sector.
- 1.17 The new strategy anticipates the changes in the Housing Act 2004 (these are not in force yet). These include a new way of assessing whether a house is fit for human habitation (the proposed Housing Health and Safety and Rating System) together with a requirement for certain “higher risk” houses in multiple occupation to be licensed.

Financial Assistance

- 1.18 Like most other councils, in the past Torbay has given financial assistance to help repair or improve homes mainly through grants. However, the Government is now stressing that the prime responsibility for maintaining and improving houses rests with the people who own them and wishes to see a greater proportion of the funding for repairs and improvements come from the private sector.
- 1.19 The Government accepts that there are many vulnerable home owners (in groups such as the elderly, those with disabilities and those on low incomes) who cannot afford the work to repair or improve their homes and who may not be able to obtain loans from commercial lenders. However, they may have substantial equity in their property (the difference between the market value of the home and any outstanding mortgage). This equity can often be used to secure a loan to fund building work.
- 1.20 Financial mechanisms to allow equity release to meet the needs of low income households can be complex and in the past some types of equity release loan have caused significant problems. However, several specialist, non profit making agencies are now starting to make available low cost loans tailored to the needs of vulnerable households. In addition, the Financial Services Authority is now exercising wider control over equity release loans.
- 1.21 Torbay recognises the advantages of properly arranged equity release schemes. This strategy sets out how the Council will now move towards a system which gives financial assistance based on a combination of grants and loans (the “hierarchy of assistance”). The basis of the new system is described in more detail in Part 6.
- 1.22 The Government has also emphasised the valuable role home improvement agencies can play. Since April 2001, Torbay Staying Put (operated by the Anchor Trust) has run a home improvement agency dealing mainly with Disabled Facility Grants for older residents under contract with the Council. The present contract expires in March 2005. The implementation of this

strategy will involve staffing changes in the Council structure and as part of this it is intended to bring the home improvement agency back in-house.

- 1.23 The move towards the new system of financial assistance will involve substantial change and will take some time to implement. In meantime, the existing grant system will be modified to take account of the priorities identified by the recent condition surveys.

The Links Between Housing and Health – The Importance of Good Housing

- 1.24 Research studies show there are clear links between sub-standard houses and poor health. In particular, homes suffering from dampness are associated with ill health especially allergic disease such as asthma and also to contribute towards poor mental health. Cold homes have also been clearly linked with poor health, with those at particular risk being low income households where more of the household budget is spent on fuel.
- 1.25 Every year, the mortality rate amongst older people in the UK rises during the winter months by between 20,000 and 50,000 extra deaths, from illnesses caused or exacerbated by exposure to cold. This as a larger 'winter excess' than in most other European countries, including Scandinavia. Cold and damp have adverse effects on circulatory diseases, which can lead to strokes and heart attacks, as well as aggravating respiratory illnesses such as bronchitis or pneumonia.
- 1.26 A recent study by the Joseph Rowntree Trust showed a 23 per cent excess of deaths from heart attacks and strokes during the winter months compared with non-winter months. This seasonal increase in mortality was greatest among older people, but some rise was found for all ages. The winter excess was especially marked among people living in homes that appeared to be poorly heated and with low energy-efficiency ratings.
- 1.27 Studies have now shown that the impact of poor housing is not confined just to physical effects. Sub standard housing conditions may lead to anxiety, depression and impaired child development.
- 1.28 The condition of a home can also present a serious hazard to its occupants – falls, burns, scalds, exposure to carcinogens such as asbestos and radon, etc. This is the reason for the Government proposing to replace the fitness standard with the new Housing Health and Safety Rating System (described in more detail in Part 5).
- 1.29 It has been estimated that poor housing may now cost the NHS £2 billion each year. The 1998 Acheson Report considered health inequalities and stressed the effect that inadequate living and working conditions can have on health. This is one of the major reasons for the Government drive towards decent homes. The Department of Health Programme for Action – Tackling Health Inequalities (July 2003) emphasised the impact of poor housing on health and confirmed the Government's determination to improve housing standards and to eradicate fuel poverty.
- 1.30 Torbay Council has set tackling health inequalities as one of its main priorities. The Council wants to play *its* part in improving private sector housing not least because of the health benefits this will bring for many Torbay residents.

Part 1 - Summary

- The Private Sector Renewal Strategy sets out the ways the Council will deal with both offering financial assistance and statutory enforcement in the private housing sector
- It introduces a radical new approach to offering financial assistance and also sets the scene for a more rigorous approach to enforcing housing standards
- The Regulatory Reform Order 2002 was a major agent for change but to use the flexibility local authorities have to produce a detailed, evidence based Private Sector Renewal Strategy
- This strategy takes into account related strategies at national, regional and local level including new powers and duties in the Housing Act 2004.
- It also looks closely at detailed evidence on local circumstances and housing needs
- Promoting access to decent homes for all is a major priority – there are strong links between substandard housing and poor health

2.0 THE STRATEGIC FRAMEWORK

National Policies

- 2.1 A review of national housing policy lead to the 2000 Government Green Paper “Quality and Choice: a decent home for all”. This was followed by the Housing Policy Statement “The Way Forward for Housing”, which proposed the decent homes standard, a new fitness standard based on hazards in the home, and the licensing of higher risk houses in multiple occupation referred to earlier.
- 2.2 Along with moves to improve housing, the Government brought out its 2003 statement “Sustainable Communities: Building for the Future”. This introduced policies and funding aimed at building cohesive communities with a proper balance between housing supply and demand. In particular, the Government emphasised the importance of regional policy co-ordination by Regional Housing Boards and also the importance of the strategic role of local Councils.
- 2.3 The decent homes standard is a cornerstone of Government policy and will provide a major benchmark as housing strategies evolve. It contains four main elements – that a dwelling should:-
- be above the legal minimum standard for housing, and
 - be in a reasonable state of repair, and
 - have reasonably modern facilities (such as kitchens and bathrooms) and services, and
 - provide a reasonable degree of thermal comfort (effective insulation and efficient heating).

(Further information on the decent homes standard is set out in Appendix D.)

- 2.4 The first Government target on decent homes dealt with social housing (housing let at affordable rent by local councils and housing associations). The target was that all social housing should be meet the decent homes standard by 2010.
- 2.5 The Government targets for the private sector are that the proportion of vulnerable households (in receipt of income related or disability benefit) living in decent homes should be:
- 65% by October 2007
 - 70% by October 2011
 - 75% by October 2021
 - There should be a year on year increase in the proportion

- 2.6 Because the 2001 survey did not gather information about the decent homes standard, there is no direct information as to whether the proportion of vulnerable households is currently above or below the first target set for October 2007. However, the ODPM issue a “ready reckoner” which can be used to give an estimate of the “likely magnitude” in any District by entering the stock profile and information drawn from the Indices of Multiple Deprivation.
- 2.7 Using the ODPM ready reckoner gives an estimated figure of 43.6% of vulnerable households in non decent homes (ie 56.4% in decent homes). This would suggest that Torbay has some work to do to meet the 2007 target, although ODPM stress that the ready reckoner gives an indication only and is no substitute for hard evidence drawn from local survey data. The next local house condition survey will gather data on vulnerable households and the decent homes standard. The longer term of the Council will be to drive the proportion as close as possible to 100%.
- 2.8 The Housing Act 2004 has just received Royal Assent. This makes a number of important changes to the statutory framework for private sector housing:-
- The replacement of the existing fitness standard and enforcement systems by the new Housing Health and Safety and Rating System (HHSRS)
 - The compulsory licensing of higher risk houses in multiple occupation (3 storeys and/or 5 or more tenants).
 - Various new discretionary powers including the option for selective licensing of private landlords, empty dwelling management orders and tenancy deposit protection.
 - Improved rights for park home residents
 - Extension of Disabled Facility Grants to caravans used as only or main residence
- 2.9 The Regulatory Reform Order itself is clearly a major agent for change. Government guidance emphasises the importance home owners accepting the financial responsibility for repairs and improvements. The Government sees the equity in many private sector homes as a potential source of finance. Scarce capital resources can be used more widely if more renovation work is funded through equity release.
- 2.10 Equity release schemes have caused problems in past. However, Government backed specialist providers such as the Home Improvement Trust are now emerging and developing. A range of low cost schemes tailored to the needs of vulnerable households are being offered. A key feature is the absence of the risk of repossession.

- 2.11 The Joseph Rowntree Foundation recently undertook a survey for ODPM on how the Regulatory Reform Order has changed local authority practices in the private sector. This showed that 55% of the authorities who responded were adopting a mixture of loans and grants and that 22% of authorities were working with a specialist agency on loan packages for vulnerable households
- 2.12 The Government also emphasises that home improvement agencies can play an important role – whether by simply giving advice or guidance, or by practical help, or by helping to arrange finance or supervising work. Anchor Staying Put have had a contract since April 2001 to supply the services of a home improvement agency. The contract is due to expire in March 2005 and the future delivery of home improvement agency services is set out in Parts 4 & 6.
- 2.13 There is also a wider Government health agenda. Part 1 mentioned the Department of Health Programme for Action – Tackling Health Inequalities (July 2003) which recognises the link between sub-standard housing and health. There are also several National Service Frameworks covering health. The NSF for older people focuses on promoting older people's health and independence, in particular through integrated intermediate care services with NHS and local councils combining to maximise independent living.

Regional Strategies

- 2.14 Regional housing strategy across the South West is now co-ordinated by the South West Housing Body. Torbay is one of 10 Unitary Authorities within the South West Region. There are also 6 County Councils, with 35 District Councils within the counties. The Region stretches from Gloucestershire in the north to Cornwall in the south west of the peninsula. Before becoming a Unitary Authority, Torbay was a second tier authority to Devon County Council.
- 2.15 In co-ordinating housing strategy, the South West Housing Body sets the priorities against which resources are allocated. There is now a "single housing pot" covering both local authority housing investment plans and approved developments by housing associations ("registered social landlords" or RSLs).
- 2.16 The Regional Housing Strategy 2002 – 2005 recognises the challenges facing the South West, in particular the rapidly growing population (especially in the older age ranges), shortages of affordable housing, increasing homelessness and failure of many dwellings to meet the decent homes standard. The Strategy has five broad strands:
- Meeting housing demand (affordable housing)
 - Housing delivery
 - Sustaining rural communities
 - Regeneration and renewal

- Supported housing/Supporting People

- 2.17 The Regional Strategy stresses the importance of private sector renewal strategies – both to ensure that private sector housing meets the decent homes standard and to meet the needs of vulnerable groups in the sector by dealing with problems of poor quality and management. The importance attached to the private sector is shown in the July 2003 statement of Strategic Housing Priorities by the South West Housing Body. This puts private sector renewal as a main priority, second only to securing more affordable homes, and above the third priority of decent homes for tenants in the social sector.
- 2.18 Regional planning policy has a major bearing on housing delivery in the South West. Of particular relevance to private sector housing, the 2001 Regional Planning Guidance (RPG 10) stresses the importance of a decent home being available to everyone. Bringing empty homes back into use and promoting the conversion of existing buildings to provide new homes is a key objective.
- 2.19 Torbay is also working with the other nine authorities across Devon in a joint approach to affordable warmth. The Devon Affordable Warmth Strategy, produced in January 2004, aims at producing a range of measures to reduce the numbers of people in fuel poverty, including both delivery of energy efficiency works and advice to people on benefits and cost effective tariffs.

Local Strategies

- 2.20 This strategy has to link effectively with strategies at local level - the Council's own corporate strategies and the strategies developed with local partners. Key amongst these are:
- Transforming Torbay (Strategic Plan 2004 – 2008)
 - Torbay Community Plan 2004 - 2008
 - Torbay Adopted Local Plan (1995 – 2011)
 - Torbay Housing Strategy 2003 - 2006
 - Torbay Supporting People Shadow Strategy
 - Torbay Corporate Capital Strategy 2004
- 2.21 Transforming Torbay, the Council's Strategic Plan, identifies five main priorities, of which one is improving access to affordable housing. As described in Part 3, Torbay has one of the worst problems with affordability of housing in the country. The Plan recognises the need to improve housing conditions and to give support to vulnerable groups, especially those suffering from health inequalities.
- 2.22 The 2004 Torbay Community Plan was developed by a Strategic Partnership made up of agencies across Torbay including the Police, Primary Care Trust,

Development Agency and the Voluntary Service. The plan also has improving access to good quality affordable housing as one of its seven target priorities. Within that, again the Plan focuses on improving housing conditions for those identified by the Government as suffering from health inequalities. It also identifies promoting energy efficiency, adapting homes for those with disabilities and reducing accidents in the home.

2.23 The Torbay Local Plan (1995 – 2011) has recently been adopted formally. The Plan has to balance the clear need for economic regeneration and for more affordable housing without damage to the local environment and in a way that promotes social inclusion – the Government objective of sustainable development.

2.24 The Plan sets seven broad aims, of which Aim 2 is “Meeting The Areas Housing Needs”. Of particular relevance to this Renewal Strategy are the following broad objectives:-

- To offer everyone the opportunity of a decent home
- To maximise the re-use of previously developed land and buildings and encourage the retention of older housing stock,
- To ensure the provision of affordable housing including starter homes, social housing and other specialised accommodation,

2.25 In terms of making best use of the existing housing stock, the Local Plan specifically notes the value of an Empty Homes Strategy and the conversion of underused space in existing buildings especially in town centres. It also emphasises the need for an effective policy to deal with houses in multiple occupation. The Plan recognises that HMOs can “provide much needed affordable housing” but also can present serious environmental health and planning problems.

2.26 This Private Sector Housing Strategy will now form one component of the main Housing Strategy 2003 – 2006. The mission of the Housing Strategy is to “deliver improved access to good quality affordable housing by way of a balanced, community based, inclusive partnership”. The proposal set out in Part 6 of this Renewal Strategy make a significant contribution to that overall mission and indeed to three of the specific themes:-

- Enabling regeneration and affordable housing (through measures to tackle empty homes and encourage conversion of space in unused space in buildings to homes)
- Promoting healthy housing (through increased use of enforcement powers to deal with sub-standard housing, a new approach to giving financial assistance and measures to tackle fuel poverty)

- Assisting independent living (through financial assistance to adapt properties for people with disabilities and to carry out repairs to allow older people to “stay put”, and through a growing home improvement agency role)

2.27 The Shadow Supporting People Strategy was drawn up by a partnership including Torbay Social Services and Housing, the Health Service and the Probation Service. This strategy will be superseded by the Supporting People 5 Year Strategy in April 2005. The strategy will set out how Torbay will contribute to the objectives of enabling and promoting independent living through the development of a service level agreement with the Home Improvement Agency and contractual arrangements with providers of housing related support services in Torbay.

Part 2 - Summary

Government Priorities

- Targets for the numbers of vulnerable households in decent homes, licensing of higher risk HMOs, new Housing Health and Safety and Rating System, tackling empty homes,
- Restructuring mechanisms for giving financial assistance, bringing in private finance through equity release and promoting the role of home improvement agencies

Regional Housing Strategy

- Affordable housing, regeneration and renewal (including developing effective private sector renewal strategies), Supporting People

Regional Planning Guidance (RPG10)

- Affordable housing, promoting the conversion of redundant buildings, bringing empty homes back into use

Devon Affordable Warmth Strategy

- Improving energy efficiency to increase affordable warmth, increasing advice and assistance to households

Transforming Torbay

- Increasing affordable housing, tackling health inequalities, improving housing conditions and supporting vulnerable groups

Torbay Community Plan

- Improving access to affordable housing, improving housing for those suffering from health inequalities

Torbay Local Plan

- Allowing everyone the opportunity of a decent home, promoting affordable housing, reusing existing land and buildings & promoting retention of existing housing, conversion of redundant space

Torbay Housing Strategy

- Enabling regeneration and affordable homes, promoting healthy housing and assisting independent living

Torbay Supporting People

- Promoting mobility for those with disabilities, increasing independence for people with poor mental health and improving the quality of life for older people and enabling them to remain in their homes

3.0 TORBAY - THE LOCAL CONTEXT

Location and Population

3.1 Torbay is one of ten local councils in Devon. A famous and very popular holiday resort ("The English Riviera"), it lies on the south coast of Devon in a sheltered bay. The three main settlements, Torquay, Paignton and Brixham lie along 22 miles of coastline noted for their beaches, coves and other attractions.

3.2 Torbay covers 252 square miles (632 square kilometres) and the 2001 Census put the resident population at 129,706, an increase of 7,800 (6.4%) from 1991. In addition, there are over 1.5 million visitors each year and the population is estimated to peak at 210,000 during the summer.

3.3 Although much of Devon is rural in character, Torbay is essentially urban and is recognised by Regional Planning Guidance as one of the eleven main urban areas in the South West (the fifth largest). Torbay has a rural fringe adjoining its boundary with the neighbouring Districts of South Hams and Teignbridge. Along with the coastline, much of this rural land is classified as of great landscape value.



Local Economy

3.4 Torbay shares many of the characteristics of the South West region – attractive natural features and climate and apparent affluence but a declining economy, peripheral location with some distance from main road and rail networks and pressures from in-migration (increasing problems with the affordability of housing).

3.5 The local economy is dominated by tourism, with over 51,000 bed spaces in hotels, guest houses, camp sites, holiday centres, etc. Tourism means that the Council has to provide during the season many more services than an authority with the same sized resident population. It has obviously has a distorting effect on the labour market, with many seasonal jobs and to a degree on the local housing market. The tourist industry has had to compete with the pressures of

cheap holidays overseas, which have had a particular impact on long stay tourism. This has led to some contraction.

- 3.6 The economy also depends on other services, especially those associated with care provision. Fishing remains very important, with Brixham still a leading fishing port, although EU changes have led to the fleet reducing. There is a concentration of high technology manufacturing, mainly around the edge of Paignton, although there have been setbacks in recent years with over 5,000 redundancies by one major employer.
- 3.7 The South West region as a whole has lower levels of productivity per person than the national average and these are reflected in lower wage levels. Torbay, along with the rest of Devon, Cornwall and Dorset, had output levels less than 75% of the national average and worse than the worst performing English region, the North West.
- 3.8 The following points show the sharp contrast between the apparent affluence in the area and the reality of an economy in Torbay that depends heavily on service jobs (many seasonal and part-time) and where other sources of employment (especially fishing) are facing decline:-

- The Gross Domestic Product per person in Torbay is the second lowest in the South West and the 11th lowest nationally.
- Torbay has the lowest earnings of the urban areas in the South West. In 2003, 43% of employees were earning below £250 per week (gross) and 13% were claiming in work benefits.
- The 2002 Housing Needs Assessment put the average annual household income then at an estimated £18,000, compared with the then national average of £23,000 and a regional average of £21,000
- Unemployment in Torbay has consistently been higher than both national and regional averages – in January 2004 it stood at 3.0%, compared with the national figure of 2.6% and the regional (and county) figure of 1.7%

As referred to later, the affordability of housing in Torbay is a very serious issue and low prevailing pay rates are a major factor in this.

- The reality of the economic position is further shown by Government figures on deprivation. The Office of the Deputy Prime Minister prepares annual Indices of Deprivation. These draw on a whole range of statistics including barriers to housing, health, education & skills, crime & disorder, etc as well as income to give a picture of the quality of life on a localised basis.
- 3.9 Out of 354 local authorities, Torbay is ranked as the 94th most deprived local authority in England in terms of average score and 89th in terms of average ranking. Within Devon, only Plymouth at 76th in the average rankings has higher levels of deprivation.

3.10 Obviously deprivation is not distributed evenly across Torbay. However, the following statistics from the 2004 figures do illustrate the extent of deprivation:-

- Nearly 6,000 people (4.6% of the Torbay population) live in an area that is within the top 10% most deprived in England for 'The Index of Multiple Deprivation', this includes just over 3,100 households.
- 14% of the Torbay population live in an area that is within the top 20% most deprived in England for 'The Index of Multiple Deprivation' (over 8,500 households).
- 60% of people live in the six wards which qualify for Objective 2 European Structural Fund (part of the "Plymouth Devon arc").
- Three wards in the centre of Torquay qualify for Single Regeneration Budget funding

Population

3.11 The South West has the fastest growing population of any English region (between 1981-1991 the region grew three times faster than anyone other English region. Much of this is due to in-migration, especially from the South East. The Regional Housing Strategy notes that many of the people coming to the area are of working age, with the proportion of those coming to the region to retire fairly constant at 9%.

3.12 The South West trends are mirrored in Torbay. The table below shows the recorded population growth from the 1960s along with recent projected figures through to 2011 from Devon County Council (in italics).

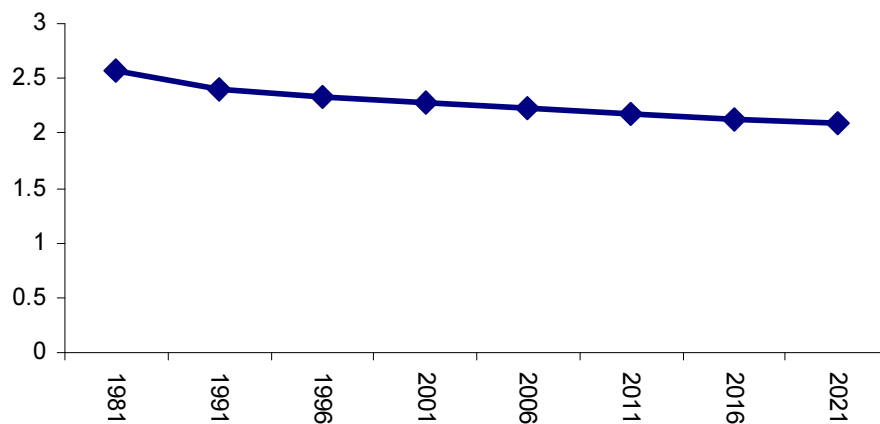
Year	Population	Change over 10 year period	% increase per annum
1961	91,200	(+5,900)	(+.69)
1971	105,900	+14,700	+1.61
1981	113,000	+7,100	+0.67
1991	119,700*	+6,700	+0.59
1997**	122,900		
2001	129,700	(+10,000)	(+0.83)
2006	<i>132,537</i>		
2011	<i>134,957</i>	+5,300	+0.41
2016	<i>137,457</i>		
2021	<i>139,811</i>	+4,900	+0.40

* Includes for the first time imputed wholly absent households.

** Office for National Statistics mid-year estimates.

- 3.13 Whilst the current and projected rates do not match the very rapid growth of the 1960s, the continuing upward trend is clear. (The figures show permanent residents – as stated, during the season the population peaks at over 210,000.)
- 3.14 This rise is also accompanied by a continuing trend towards larger numbers of smaller households. (This trend is common across the country and reflects changing social patterns). The graph below shows how household size has fallen and the projected trend to 2021. The 2001 Census showed there to be 57,400 households with an average household size of 2.2 people compared to the national average of 2.36.

Average Household Size in Torbay 1981 - 2021



- 3.15 Both the growth in population and households have implications for housing policy overall and also for this Renewal Strategy as they increase demand and pressure on limited resources. Another factor is the age profile of the population. The table below shows how the nature of the Torbay population has become increasingly “top heavy” since 1971 (“retirement age” refers to 65 for males and 60 for females”).

Age group	1971	1981	1991	2001
0-4	6,000	5,075	6,410	6,276
5-15	13,725	14,887	13,896	15,470
16-retired	55,020	59,700	66,037	74,611
Retired	31,325	33,239	33,331	33,349

- 3.16 The table on the next page illustrates how the population of Torbay compares to regional and national averages. The figures are taken from the 2001 Census. It shows even more clearly how the proportions of older people (especially those over 75 years) are significantly higher than the national average and also higher than the averages for the South West and the county of Devon. The proportion of those 75s years and over is particularly striking.

Age group	Torbay	Devon	South West	England & Wales
0 - 14	16.8%	16.9%	17.8%	18.9%
15 - 44	34.3%	35.6%	38.3%	41.3%
45 - 64	26.3%	26.6%	25.2%	23.8%
65 - 74	10.6%	10.4%	9.4%	8.4%
75+	12.0%	10.5%	9.3%	7.6%

- 3.17 Whilst the proportion of older people has fallen slightly in very recent years, projections do show that the proportions will start to raise again, especially with those 75 years and over as life expectancy continues to increase.
- 3.18 The information in the table below on household types contrasted with national figures (again from the 2001 Census) helps to illustrate the Torbay housing context. Obviously this again reflects the age profile.

Household	Torbay	England & Wales
One person households	33.7	30.0
Pensioners living alone	18.5	14.4
All other pensioner households	12.7	9.4
Households with dependent children	25.2	29.5
Lone parent households with dependent children	6.6	6.5

- 3.19 One area where the demographic profile is significantly different from the national position is the low proportion of residents from a minority ethnic background. The 2001 Census gave a Torbay figure of 0.7% (0.3% Asian or Asian British, 2.1% Black or Black British and 0.9% Chinese compared the national figure of 7.8%. The 2001 House Condition Survey did not gather information on the ethnic background of households. However, it is the experience of Council Officers that, in contrast there are not concentrations of people from an minority ethnic background in areas of poor quality housing.

- 3.20 Although the proportion of people from a non white background is very low, the Council does take the issue of inclusion very seriously and has a formal Equality and Inclusion Strategy. From a practical point of view, the availability of a translation and interpretation service is advertised in all reception points and staff will be proactive. They are aware of the service and will help facilitate access.

Housing Market

The Torbay Housing Context

- 3.21 The Council transferred its own housing stock to the newly formed Riviera Housing Trust in February 2001. The House Condition Survey, carried out shortly afterwards by the Housing Consultancy Ltd, showed that the tenure mix in Torbay was estimated as set out in the table on the next page, which also gives national comparisons from the English House Condition Survey 2001.
- 3.22 The information on tenures from the 2001 Census varied from the condition survey information to an extent. The Census put the proportion of owner occupied homes at 74% and the proportion of privately rented homes (or living rent free) at 17.8%. Just over half the owner occupied homes were occupied with no mortgage. The publicly rented sector was put at 8.2%. It is possible that a significant number of the “unknown” category in the House Condition Survey will have been privately rented.

Housing Tenures in Torbay – House Condition Survey 2001		
Sector	Torbay	England & Wales
Owner Occupied	77.2%	70%
Privately Rented	12.0%	10%
Local Authority	-	13%
RSL	7.2%	7%
Unknown	3.4%	-

- 3.23 A very striking feature is the low proportion of social housing in Torbay – just over 7% compared with the national figure of 20%. The proportions of both owner occupied and privately rented homes are appreciably higher than the national equivalents. The low proportion of publicly rented housing has very clear implications for affordable housing as it clearly limits the ability of the Council and its RSL partners to meet housing needs directly. **It also means that the privately rented sector is playing a major role meeting the housing needs of those who cannot afford to buy a home.**
- 3.24 Torbay’s status as holiday resort obviously has a bearing on the amount of housing accommodation available. Many buildings in Torbay were either built for or converted to holiday use. As the cornerstone of the local economy, the

Local Plan contains a number of policies aimed at promoting a dynamic holiday market.

- 3.25 The Local Plan also recognises that there has been a contraction in the number of bed spaces in recent years and has policies aimed at managing the reduction whilst preserving the essential character of the resort. The broad aim is to focus on high quality holiday accommodation in Principal Holiday Accommodation Areas (PPHAs). Outside these areas, a more flexible approach is now being taken towards conversion of former holiday accommodation to other uses such as housing.
- 3.26 This strategy document looks in detail at the findings of the 2001 Torbay House Condition Survey in Part 5. However, an initial indication of housing conditions is given by some findings in the 2001 Census. That showed that 14.7% of Torbay homes did not have central heating compared with 8.5% of homes nationally, and that 0.8% of households did not have sole use of bath, shower or WC compared with 0.5% nationally.
- 3.27 Following the stock transfer, the Council continues to maintain a Statutory Housing Register. It also carries out the homelessness and housing advice function. At the end of November 2004, there were approximately 2,000 applicants on the Statutory Register.
- 3.28 The pressure on the limited supply of publicly rented housing is shown by the increases on the waiting list. Between 1998 and 2002, the total has fluctuated between 722 and 981. In 2003, it stood at 1,314. There has also been a sustained rise in homeless applications (88% between 1999 and 2003) and a corresponding rise in cases where the Council has accepted its duty to provide housing.
- 3.29 In March 2004, there were 570 applications and 352 acceptances compared with 327 applications and 139 acceptances in Mar 2001. The rise may be due in part to the widening of responsibilities in the Homelessness Act 2002, but it also illustrates the extent of housing pressures in Torbay.

House Prices, Rentals and Affordability

- 3.30 A major responsibility for all councils is assessing the need for housing in their area and developing strategies aimed at meeting that need. A key factor is the local housing market. Local house prices and rents (which in turn depend upon availability and supply), coupled with prevailing household incomes, determine the extent to which people can make their own housing choices or rely instead on access to publicly rented housing.
- 3.31 The Local Plan (which is important in regulating the supply of housing units) and the overall Housing Strategy are key components in the way councils influence the affordability of housing in their area. However, in area such as Torbay, where the proportion of social housing is unusually low and the proportion of privately rented housing unusually high, the Council's Private Sector Renewal Strategy also has an important part to play. **For many people, access to housing will in reality be limited to the privately rented sector. Torbay's Local Plan acknowledges the role houses in multiple occupation can play in providing much needed affordable housing units.**

- 3.32 A shortage of affordable housing is a major problem in the South West (providing more affordable homes is the first priority of the Regional Housing Body) and an acute problem in Torbay. All the strategies referred to at 2.20 acknowledge affordable housing as a key issue. The main factor is the generally low level of household incomes, although there has been high house price inflation since 1997. A study in July 2003 for the Joseph Rowntree Trust established that the “affordability ratio” (the link between average working household income and starter home prices) was 5.2, the highest in Devon and the 3rd highest in the South West. The figure for London is 4.79.
- 3.33 “Affordable housing” has several meanings but in general terms includes low cost market and shared ownership housing as well as social housing for rent (ie housing delivered with a subsidy below market rates). That is the definition adopted in Torbay for planning guidance.
- 3.34 In 2003, Torbay commissioned a Housing Needs Assessment by Fordham Research. This examined the local housing market, waiting list and also 1,900 responses to a survey questionnaire sent to a randomly drawn sample of households across Torbay. (The sample was weighted to ensure it correlated with the 2001 Census.)
- 3.35 The house price and rental information in the table below is taken from the Housing Needs Assessment report. The data was obtained by Fordham through a series of interviews with local estate and letting agents and the purpose was gauge “entry level” prices. In addition, information on the rentals of publicly rented housing is included in the third column.

Minimum Property Prices / Rents in Torbay (May 2003)			
Property Size	Minimum Price	Minimum Rent	Public Sector Rent
1 Bedroom	£60,500	£82	£55
2 Bedroom	£69,500	£98	£63
3 Bedroom	£95,000	£121	£71
4 Bedroom	£134,000	£156	£80

- 3.36 During consultation with local landlords whilst preparing this strategy, it was suggested that the rental figures above were above current market rates by approximately £10 - £15 per week. However, information from the Exeter Rent Service suggests that the housing allowances in the District are above the figures quoted – for example £88 per week for two rooms (bedroom a living room) and £134 per week for four rooms.
- 3.37 September Land Registry figures showed the average house price in Torbay to be £168,062. The change in the last quarter was 2.9% and in the last year was 16.6%, so the position in terms of affordability will have worsened since the assessment was carried out.

- 3.38 One feature that stands out in the assessment figures is the difference between rents in private and public sectors. Without any contribution from benefit, it may be almost as difficult to access privately rented accommodation as buying a property.
- 3.39 The survey estimated the average earned household income then at £18,060, below the regional average figure of £21,000 and the national figure of £23,000. The survey also highlighted striking differences between the tenure groups - £26.6k for owner occupiers with a mortgage, £15.4k for owner occupiers with no mortgage, £10.8k for tenants in the privately rented sector and £6.2K for tenants in the publicly rented sector. The 2001 House Condition and Energy Survey had also highlighted low incomes – it found that that 50.7% of heads of household received less than £7,500 per year.
- 3.40 The survey looked at the numbers of potential households (then living as part of another household) and assessed their ability to enter private sector housing. It used standard formulae to work out the ability to pay both mortgages and rent as part of a process to establish the need for more affordable housing – it found an estimated 1,276 households in unsuitable private sector accommodation and unable to afford market housing. This is one of the elements of “backlog need” used in the formula described in outline below to establish the need for affordable housing. The other element of backlog need is the number of potential and actual homeless households.
- 3.41 To work out what supply of affordable housing is needed in the area, the assessment uses a standard model which adds together “backlog need” ie need which already exists, and “newly arising need” – forecasts of newly forming households, of existing households falling into need, in-migrants etc. These figures are contrasted with the supply of affordable units worked out from figures on completions of new RSL homes and the voids arising.
- 3.42 The results of the Housing Needs Assessment highlighted how serious the issue of affordability is in Torbay. The Assessment calculated the gross need for affordable homes to be 2,092 homes per year, with a supply of new homes to be 276 units per year. This means a shortfall of 1,816 units per year – of which three quarters should be public housing for rent.
- 3.43 There no simple solutions to deal with a problem of this scale. The Council has responded in two important ways. After the stock transfer, it invested £2.85 m in providing 116 new affordable homes though RSL partners, and it continues to pursue new funding opportunities.
- 3.44 It has also made effective use of planning policy – in particular seeking developers in many cases to provide a proportion of affordable housing units on sites above a specified size. However, whilst the Local Plan acknowledges the urgent need for affordable housing identified in the Housing Needs Assessment, it also recognises that to deliver over 1,800 affordable units per year would involve house building on a scale over four times greater than the usual total rate of all house building in Torbay and is just not possible given the available land and other constraints in the area.
- 3.45 In order to meet Structure Plan targets for new homes (6,200 in the period 1995 – 2011), allowing for houses built and existing planning permissions, windfall

developments, etc the Local Plan projects that an average of 324 new homes will be built each year. Of these, the Local Plan projects that 135 units per year will be affordable homes (100 publicly rented and 35 low cost market housing). To achieve this, the Council seeks developers to enter into agreements under Section 106 of the Town and Country Planning Act 1990 where sites include 15 units or more, or are 0.5 hectares or more in area. In such cases the Council looks for a developer to provide at least 30% of affordable units.

- 3.46 Clearly 135 affordable units per year falls far short of the of the 1,816 annual total indicated as necessary in the Housing Needs Assessment. Indeed the total projected provision through to 2011 is less than the HNA annual figure. This means the Council has to look at all possible ways of making use of both existing housing stock and underused buildings.
- 3.47 This Private Sector Renewal Strategy will help to achieve that through the new policies to ensure proper standards in houses in multiple occupation, to secure the use of empty properties and to facilitate the conversion where possible of underused buildings. There is currently no direct information on the amount of space that could be potentially be converted but the Council is now commissioning an Urban Capacity Study to take place in Spring 2005.

Summary of Housing Market

- 3.48 The Torbay housing market has very distinctive characteristics. As a major holiday resort, many building are inevitably given over to a seasonal use which is at the heart of the local economy. With changes in the holiday industry, however, a limited number of holiday buildings are now being converted to other uses including housing. The seasonal nature has another impact in housing terms with some holiday accommodation being used for short term lettings over the winter.
- 3.49 Major characteristics are the unusually low proportion of publicly rented housing and a high proportion of privately rented housing. There are very serious concerns over the availability of affordable housing, with both purchase prices and private sector rental values relatively high in an area where local earnings are very low. Land and other constraints make it very difficult for the Local Plan to have an significant impact on the supply of affordable housing.
- 3.50 Market characteristics can have particular impacts on the private housing sector. Where there is an overall shortage of accommodation, as in Torbay, both prospective owner occupiers and private tenants may be more prepared to accept poor conditions through necessity. **Given present and foreseeable shortages of publicly rented housing, the privately rented sector in Torbay has, and will continue to play a major role in providing affordable housing accommodation.**
- 3.51 This Strategy will seek to ensure that the standard of existing accommodation is brought up to and maintained at as high a level as possible and that, wherever possible, empty homes are brought back into use and the provision of new units encouraged.

Part 3 - Summary

Local Context

- Torbay mirrors the South West Region - apparent affluence but with a declining economy and pressures from in-migration

Economy

- The local economy is heavily dependent on tourism and other service industries with much seasonal and part time employment. Other industries such as fishing face decline
- Both productivity and household incomes are low
- There are high levels of deprivation in parts of Torbay – within Devon only Plymouth ranks more highly in Government indices of deprivation
- Substantial parts of Torbay are eligible for assistance under European funding

Population

- The population has grown significantly over past decades and projections show it continuing to grow.
- Households are becoming smaller and the numbers of households are growing
- With population of Torbay is “top heavy”, with proportions of older people greater than England and Wales, the South West region and Devon

Housing Context

- Torbay transferred its housing stock to Riviera Housing Trust in 2001
- Torbay has a very low proportion of publicly rented housing and a high proportion of privately rented housing
- The privately rented sector has a very important part to play in housing provision

House Prices, Rentals and Affordability

- There is a serious shortage of affordable housing in Torbay caused to a degree by high property prices but particularly by low household incomes
- Torbay has the highest “affordability ratio” and the 3rd highest in the South West Region
- The Housing Needs Assessment showed a need for over 1,800 affordable dwellings per year.
- The Council has worked with RSL partners to provide 166 affordable homes since stock transfer
- The Council has a robust policy seeking inclusion of affordable housing in new housing developments, but the Local Plan provides for only 135 affordability units per year
- The Private Sector Renewal Strategy has an important role to play with affordable housing – ensuring high standards in rented homes especially HMOs, tackling empty homes and encouraging conversion of unused space

4.0 CURRENT POLICIES AND WORKING ARRANGMENTS

4.1 The Private Sector Renewal Strategy aims to

- Look at current Council policies and services
- Look at the priorities from national, regional and local policies
- Look at the priorities highlighted in the 2001 House Condition Survey
- Look at the opportunities presented by the Regulatory Reform Order 2002
- Match future action to the priorities within resources available
- Set an action plan

4.2 The types of action available fall into three main categories. This document looks first at what is done generally and practices adopted by other local authorities, and then at what happens in Torbay:-

- Informing, advice and specialist support
- Financial assistance
- Enforcement.

Informing, Advice & Specialist Support

The Housing Standards Team

- 4.3 In Torbay, the main responsibility for private sector housing functions rests with the Housing Standards Team, now part of Housing Services. Their work covers the giving of financial assistance and enforcing standards described in the next sections. The Team also gives advice and assistance, especially on repairs and energy efficiency in cases where households do not qualify for financial assistance. The Team also publishes a range of advice leaflets.

Home Improvement Agencies

- 4.4 In many local authorities advice is often given by a separate home improvement agency (whose main role will be to manage grant aided schemes on behalf of vulnerable applicants). Some home improvement agencies even operate handyperson schemes to offer direct assistance carrying out minor, low cost jobs for vulnerable households.
- 4.5 Since 2001 home improvement agency services have been provided under contract by Torbay Staying Put, part of Anchor Trust. Agency staff also give advice to applicants where financial assistance is not available. The main role of Torbay Staying Put, however, is managing Disabled Facility Grants on behalf of

older residents – advising on selection of builders, obtaining quotations, supervising building work, certifying payments, etc). For this, a fee of 10% of the contract price is charged. All children's adaptations are carried out by the Housing Standards team

- 4.6 The agency contract expires on the 31 March 2005. Prior to the start of the agency agreement in 2001, the Council had run the home improvement agency as a semi independent technical agency direct with its own staff (which is permitted by the Local Government and Housing Act 1989). The Council now feels that there are advantages in bringing the service back in-house, making possible both cost savings and more flexible use of staff to improve service delivery. Funding will be secured for those services from a range of sources.
- 4.7 The Government sees home improvement agencies playing an important and expanding role in housing renewal, especially as the numbers of vulnerable groups such as older households continue to grow. The next section and Part 6 will look at the ways to bring in private finance through loan and equity release schemes. Home improvement agencies are set to play a major part in this. By bringing the service back in-house, the Council feels that it will be able to control the way the agency works as a key part of new arrangements to deliver financial assistance to a wider range of people.

Working With Landlords

- 4.8 The last section of this Part will look at the enforcement role – housing standards are set by law and the Council does have the power and in some cases the duty to take legal action against the owners of sub-standard property. Where councils do take action, it is almost always against landlords. However, whilst there are some occasions where using legal powers is appropriate, Torbay Council believes strongly in working constructively with landlords. Many people in Torbay rely on the privately rented sector to find housing, and private landlords play a very important role in Torbay.
- 4.9 Many local authorities operate Landlords Forums. These give an opportunity for landlords and Council Officers to meet and exchange information on legal standards and on best practice. In Torbay, the South Devon Residential Landlords Forum is very active and meets regularly, with specialist speakers invited to give presentations. Council Officers do attend a number of the meetings. Matters discussed include consultation on this Strategy.
- 4.10 Some authorities run accreditation schemes where advice and assistance is given to both landlords and tenants and where properties are inspected by agreement to ensure they meet appropriate standards. Torbay does not have an accreditation process at the moment but acknowledges that such schemes can work very well, especially where there is a well established group to represent landlords.
- 4.11 People seeking to become private tenants often find that the deposits required by landlords are a major obstacle. Many councils now operate a form of guarantee scheme to help prospective tenants enter the market. A limited start has been

made with Torbay's Deposit Guarantee Scheme. Where the Council has accepted a duty to assist homeless applicants, they can be helped to secure an Assured Shorthold Tenancy in the private sector by the Council undertaking to the landlord to meet any claim relating to damage or rent arrears.

- 4.12 The Deposit Guarantee Scheme has helped to find accommodation for homeless applicants. At present, it is not linked with accreditation of the property. The Council will look at ways of extending the scheme and also linking it with accreditation of privately rented homes.
- 4.13 Torbay Private Sector Leasing is one area where the Council has worked very constructively in a partnership with local landlords and Westcountry Housing Association. The scheme is aimed at securing good quality leased property in the private sector for the temporary housing of homeless people. The scheme involves a lease between the landlord and the Council, with the property managed by Westcountry HA. The properties are let to homeless people on non-secure tenancies until they are able to find permanent accommodation.
- 4.14 The rental is less than full market value but landlords have the security of guaranteed income and effective management. Strict minimum standards are applied before properties are accepted for the scheme. It is proving very successful and the target of providing 50 units of accommodation in 2003 – 2004 has been exceeded.

Energy Efficiency

- 4.15 Torbay is part of a cross Devon approach to promoting energy efficiency and also subscribes to the Devon Affordable Warmth Strategy. The next section deals with grants and other measures to improve thermal comfort but in terms of advice, the Council directs people to the Devon Energy Efficiency Advice Centre.
- 4.16 The Advice Centre guides people to sources of grant aid such as Warm Front or schemes where they can benefit from subsidised process for insulation and/or boiler works. In partnership with Teignbridge District Council, Torbay has recently appointed an Affordable Warmth Project Officer to promote thermal comfort and energy saving in homes.

Financial Assistance

- 4.17 Financial assistance can mean offering a grant and/or a loan, or just the offering of financial advice whether directly or through a third party.

Grants

- 4.18 Prior to the Regulatory Reform Order, when the national grant framework was still in place, the Council offered Renovation Grants, Home Repair Assistance and House in Multiple Occupation Grants as well as mandatory Disabled Facility Grants. Under the transitional policy effective from July 2003, the Council makes grant aid available in the following categories and on the terms set out below. In practice, whilst the new grant framework mirrored the statutory framework in broad terms, the conditions and grant conditions were significantly more restrictive. Most notable, properties in a very poor condition but not yet unfit can not receive a grant under the interim policy. This makes it difficult to tackle effectively a decline in the condition of an individual property.

Grants to make unfit dwellings fit for habitation

- Property must be unfit for human habitation
- Maximum grant £10,000
- Means tested using the previous statutory test of financial resources
- Owner occupiers only eligible to apply (provided resident in the property for the previous 3 years)
- Certificate of owner occupation to be given requiring owner occupation of the dwelling for 5 years post completion

Grants for emergency repairs to dwellings where health & safety is at risk

- There must be an urgent defect to the dwelling which puts at risk the health and safety of occupants
- Maximum grant £3,000
- Applicants must be in receipt of any income related benefit
- Owner-occupiers, tenants (where landlord responsibility not established) and tenant occupiers of mobile homes.
- Certificate of owner occupation to be given requiring owner occupation of the dwelling for 5 years post completion

Grants for conversion of properties to provide dwellings where “gap funding” is necessary for commercial viability

- Maximum grant of £5,000 per dwelling
- Applicant must demonstrate that gap funding is necessary
- Certificate of availability of letting for 5 years post completion
- Landlords only eligible to apply

Grants for special initiatives

- Security measures for the homes of vulnerable people
- Home energy conservation measures
- Both schemes are administered by independent agencies on behalf of the Council

Disabled Facility Grants

- Majority of adaptation works are still statutory and the Council has no discretion over the way grant aid is given.
- Maximum eligible expense £25,000 (test of resources applies)
- Eligibility and the works to be done are based on recommendations from Occupational Therapists

4.19 The spend pattern over the past 4 years has been as follows:-

Grant Type	2000/01 £K	2001/02 £K	2002/03 £K	2003/04 £K
Renovation (Grants to make fit/special initiatives etc)	446	525	373	382
Home Repair Assistance	Inc abv	Inc abv	Inc abv	Inc abv
HMO Grants				
Insulation Scheme	20	10	10	-
Safe & Secure Communities			8	5
Mandatory Disabled Facility Grants	264	378	507	477
Total				

4.20 The great majority of Disabled Facility Grants for adults are presently managed by Torbay Staying Put. All other grants (including Disabled Facility Grants for young people) are dealt with by the Council staff in the Housing Standards Team. Bringing the home improvement agency back in-house will require changes and these are set out in Part 6.

4.21 The amount spent on grants other than Disabled Facility Grants has declined substantially since the introduction of the new grant framework. The spend level this financial year is likely to be significantly lower than in previous years. The Council now feels that the changes introduced by the new grant policy after the Regulatory Reform Order were too restrictive. Many potential applicants do not proceed further after an initial enquiry. At the present time, there are only 9 cases on the list awaiting inspection. Part 6 sets out how the Council intends to reform the way it offers financial assistance, both in the longer term by introducing systems for loans/equity release and in the short term by revising the grant framework.

4.22 The amount spent on Disabled Facility Grants has varied significantly each year. The demand has remained consistently high; the fluctuations have reflected shortages first with Occupational Therapists and then backlogs in processing applicants. In practice, Disabled Facility Grants have taken up a substantial proportion of the annual capital allocation for private sector housing assistance. In 2002 – 2003 spending was £507k (56% of actual spending) and in 2003 – 2004 it was £477k (55%).

4.23 The Council uses a points scheme to assess the priority of applications for Disabled Facility Grants (decisions made by an independent panel). A points scheme is also used to assess applications for non DFG grants. The scheme works well in practice and will be used (modified as necessary) in the new framework.

Loans & Equity Release

4.24 Parts 1 & 2 referred to the Government policy which is now clearly aimed at local authorities considering ways to offer financial assistance other than just by

- grants. The Government feels that the owner of property should have prime responsibility for maintaining it, and also sees private finance as way of spreading scarce capital resources more widely. A household may have a low income but can often have substantial equity in its property.
- 4.25 In the past some local authorities have given direct loans and they are free to do so after the Regulatory Reform Order. Some local authorities have again gone down this route. Loans count against the capital allocation in the same way as grants. However, the loan is eventually “recycled” back into the capital programme on when paid back.
- 4.26 Financial products which release equity in a property have existed for many years. These have been criticised in the past because of concerns over their suitability for low income households and possible repossessions. Set up and administration costs have also been a problem.
- 4.27 There have been a number of recent developments, in particular with the appearance of not for profit specialist lenders who have Government approval. The Home Improvement Trust with its “Houseproud” scheme is one example and the Aston Regeneration Trust (ART Homes) with several financial packages is the other main agency. Other specialist providers are now starting to evolve. The services of specialist providers are now being progressively adopted across the country – a recent study for the ODPM by the Joseph Rowntree Trust showed that 55% of responding authorities had adopted combined grants/loans packages with 22% working in partnership with specialist providers.
- 4.28 The Financial Services Authority has also now introducing new rules to regulate equity release products which will help to deal with concerns.
- 4.29 Many authorities are now adopting a new flexible approach to combine advice, and the offer of specialist loans and grants – the “hierarchy of assistance”. This can range from simply giving advice, to guiding an applicant to a high street provider, through to offering a mixture of specialist loan and grant. In some cases where the household is unable to make any contribution a straight grant is offered.
- 4.30 Torbay has not offered any form of loan assistance towards home repairs/improvement in recent years. However, it recognises that the potential benefits of the “hierarchy of assistance” approach in making best use of scarce resources and Part 6 of this strategy sets out active steps to introduce this approach.

Enforcement

- 4.31 Local councils have both legal powers and duties to deal with unsatisfactory housing conditions in the private sector, whether dwellings are in single or multiple occupation. Statutory notices can be served on both owner occupiers and landlords. In practice, the great majority are served on landlords to require repairs or improvements to be carried out for the benefit of tenants.
- 4.32 Subject to certain mandatory requirements (for example dealing with unfit houses) local authorities do have wide discretion in the way they use these powers. It is common to adopt an informal approach with landlords before statutory notices are served, with contact through telephone and letters. The

service of a formal “works” notice will normally be preceded by a “minded to” notice which gives a further opportunity for the discussion of the work needed.

- 4.33 In recent years, limited staff resources have meant that Torbay has used mainly an informal approach, although “minded to” and statutory notices are served where necessary.
- 4.34 With enforcement, a reactive approach used to be common (ie simply responding to complaints made). It is now recognised that a more proactive approach (where areas of known privately rented housing are inspected on a planned, regular basis to check compliance with legal standards) is more efficient, effective and likely to secure higher standards. Other than the use of the HMO registration scheme, Torbay’s enforcement work is entirely reactive.

Single Household Dwellings

- 4.35 Powers may be used in respect of individual properties or to deal with an area of unsatisfactory houses. When a property is in disrepair or unfit, the local authority may require it to be repaired, closed or even demolished.
- 4.36 The new Housing Act 2004 will replace the existing housing fitness standard with the Housing Health and Safety Rating System (HHSRS) which assesses hazards in a dwelling. This will have a significant impact on the way standards are enforced and obviously have implications for the Housing Standards Team. There is a mandatory duty to act in respect of unfit dwellings under the current law and action is also mandatory where dwellings fail the HHSRS and there are serious hazards. The new HHSRS is expected to apply from Autumn 2005.
- 4.37 Part 5 examines the results of the 2001 House Condition Survey, which highlighted significantly higher levels of unfitness and disrepair in the privately rented sector than in the other tenures. The Council does provide a reactive service to housing complaints and in practice resolves most by non statutory action. This strategy will lead to more structured enforcement.

Houses In Multiple Occupation

- 4.38 Houses in multiple occupation can pose far greater risks to their occupants than single household dwellings (especially with fire). It is widely accepted that local authorities need to intervene more with HMOs to ensure satisfactory conditions – one of the reasons the Government has introduced mandatory licensing of higher risk HMOs.
- 4.39 There are a number of powers specifically to deal with houses in multiple occupation have
- adequate means of escape in the event of fire, and
 - sufficient amenities and
 - that the properties are adequately managed.
- 4.40 In 1998, Torbay opted to introduce a discretionary registration scheme for houses in multiple occupation, adopting a model scheme which was approved by the Government. This required the owners of certain types of HMO with more than one floor above entry level to register with the Council. The definition did include self contained flats unless they met the 1985 Building Regulations standards and also had at least one third of the flats occupied by long

leaseholders. It excluded small HMOs (maximum 2 households or 4 people or 3 people and responsible person and his/her household). The registration scheme has worked well with over 150 properties now registered.

- 4.41 The Housing Act 2004 will introduce next year mandatory licensing of larger, higher risk HMOs (likely to be HMOs of three or more storeys and five or more persons from at least two households). It also introduces a new definition of "house in multiple occupation". This now clearly includes self contained flats in converted buildings which do not comply with the 1991 Building Regulations and where more than one third are rented. Torbay will be well placed to deal with mandatory licensing because of the registration scheme, but the wider definition of HMOs will add to the challenge presented by the large numbers of HMOs outside the scheme – there are likely to be many converted buildings coming within the new definition.
- 4.42 With HMOs outside the registration scheme, because of staffing constraints the Council inspects these properties only when responding to complaints. Council Officers had estimated that there were over 2,000 HMOs outside the scheme, and this number will increase when the new definition of "house in multiple occupation" comes into effect. Basement floors are a significant problem in Torbay. These can have serious problems with dampness, lighting and ventilation, and are often found in buildings which are multi occupied. HMOs generally will be a major priority in the new approach.

Other Housing Duties

- 4.43 Torbay does not have the staffing resources of larger urban councils and the work of the Housing Standards Team goes well beyond the usual private sector financial assistance and enforcement roles, reflecting in part the rural area within Torbay. The Team deals with 23 caravan sites as well as leading action on complaints about anti social behaviour, harassment of tenants and empty homes. It has taken a lead role on a recent project looking at the risk of radon (an issue in parts of Torbay as in other parts of the South West). The majority of staff time is now reactive including responding to complaints.

Enforcement Policy

- 4.44 The Council recognises a change in the approach to enforcement is now necessary – both to raising standards in private sector housing across Torbay and to respond to the challenges of the Housing Act 2004. Part 6 sets out how the Council will move back to a more structured, formal enforcement policy.

Part 4 - Summary

Informing, Advice & Specialist Support

- Information and advice is given to members of the public by both Council Officers in the Housing Standards Team and Officers of Torbay Staying Put (who provide a home improvement agency service on contract)
- The Council intends to bring the home improvement agency service back in-house
- There is a constructive working relationship with the South Devon Residential Landlords Association and the Council wishes to develop this
- The scope of the Deposit Guarantee Scheme may be extended

- The introduction of an accreditation scheme for rented property is a longer term objective
- An Affordable Warmth Project Officer has been appointed to continue promoting energy efficiency work

Financial Assistance

- Torbay introduced an interim policy after the Regulatory Reform Order 2002 which provided for a limited number of discretionary grants – unfit dwellings, emergency works, “gap funding” for conversions and special projects
- In practice, the policy has proved unduly restrictive – an underspend is projected for this financial year
- Disabled Facility Grants have occupied a substantial part of the capital allocation for renovation work and the demand is continuing
- The points scheme for Disabled Facility Grants involving a panel is working well and will continue
- Many councils across the country are now moving towards arrangements for offering financial assistance which involve equity release/loans from specialist not for profit agencies
- Many councils are starting to offer a mixture of advice, grants and loans – the “hierarchy of assistance”

Enforcement

- The Housing Standards Team is responsible for statutory housing functions & also for a range of other housing related duties including caravan sites, anti social behaviour, harassment, special initiatives (such as the radon project)
- Because of limited resources, most work is now reactive (responding to complaints) rather than planned.
- A local scheme requiring registration of certain higher risk houses in multiple occupation was introduced in 1998 and has proved successful with 150 properties registered (this will lay the groundwork for the mandatory licensing to be introduced by the Housing Act 2004)
- There is a very substantial number of HMOs outside the registration scheme and a number area particular problems because of basement lettings
- In addition to mandatory licensing , the Housing Act 2004 introduces other changes including the Housing Health and Safety and Rating System to replace the fitness standard and the power to make Empty Dwelling Management Orders
- The Council will reviews the resources of the Housing Standards Team in particular to allow a move towards a more structured, planned approach to enforcement

5.0 THE PRIORITIES FOR THE NEW STRATEGY

National, Regional and Other Local Priorities

- 5.1 Part 2 described the overall framework of which this strategy forms part. As well as issues from information on local housing issues, this strategy has to take into account prompts from policies at national, regional and local level.
- 5.2 Government priorities revolve around securing decent homes and creating sustainable communities. The Government targets for the proportions of vulnerable households in decent homes were set out at 2.7. Torbay did not collect information on the decent homes standard in the 2001 house condition survey so there is no *direct* information on whether Torbay is close to the October 2007 target of 65% of vulnerable households living in decent homes
- 5.3 However, Part 2 referred to the “ready reckoner” provided by ODPM. This gives an estimated figure of 56.4% of vulnerable households in decent homes. This would suggest that Torbay has some work to do to meet the 2007 target, although ODPM stress that the ready reckoner gives an indication only and is no substitute for hard evidence drawn from local survey data.
- 5.4 The new Housing Health and Safety Rating System and compulsory licensing of HMOs in the Housing Act 2004 both mean that the Council will need to prepare quickly to be ready when both of these come into effect (probably Autumn 2005).
- 5.5 The strategy also needs to reflect the emphasis that the Government now places on the responsibility that the owners of dwellings have for their repair and improvement, the importance of releasing private sector capital and an expanded role for home improvement agencies.
- 5.6 Several consistent themes emerge from the regional and local strategies:-
 - Meeting housing needs especially providing more affordable housing
 - Promoting housing renewal – allowing people across the private sector access to a decent homes & tackling health inequalities
 - Making best use of existing homes and buildings – bringing empty properties back into use and encouraging conversion of unused space
 - Making homes accessible for those with disabilities and helping people to remain in their own home, especially taking into account the increasing proportion of older residents
 - Promoting energy efficiency and affordable warmth

The 2001 House Condition Survey

- 5.7 Part 3 described the Torbay local context, economy and housing market. Striking features are the small proportion of publicly rented housing and high proportion of privately rented housing. The lack of affordable housing is a major problem. This section looks at the findings of the House Condition and Energy Survey 2001 carried out by the Housing Consultancy Ltd - the most recent direct evidence of the condition of Torbay’s private housing stock.

Survey Method

5.8 Stock condition surveys are carried out in order to have an accurate picture of housing conditions in a district. The surveys use a representative sample of properties chosen at random. Individual surveys record both the condition of dwellings and the circumstances of the residents. The overall results are analysed to give a database illustrating housing issues:-

- Unfit and defective dwellings
- Projected repair costs
- Energy efficiency
- Empty properties
- Disability and mobility issues

5.9 The Government does this on a national level every year now with the English House Condition Survey (EHCS). The results are used to measure progress against Government housing targets such as the decent homes standard. Local authorities now carry out such surveys regularly to establish what problems exist and where they should target resources.

5.10 The Torbay survey drew on a randomly drawn sample of 1,200 properties. Full internal and external surveys were carried out on 800 properties, with external surveys only on a further 320 properties. The overall District was split into three sub areas based around the main population centres, adjusted to make the three sub areas roughly equal in size.

Sub Area	Sub Area Name	Dwellings
A (North)	St Marychurch, Tormahoun, Ellacombe, Torwood	20,546
B (Central)	Shiphay, Cockington and Chelston, Preston, Coverdale	19,934
C (South)	Blatchcombe, St Michael's with Goodrington, Furzeham with Churston, St Peters and St Mary's	19,738
Torbay		60,218

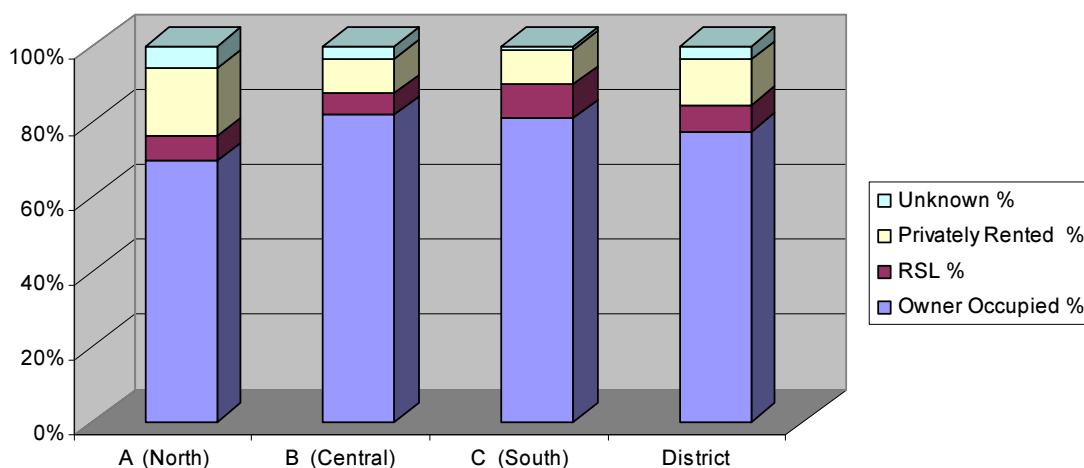
5.11 The overall results were analysed to give a database illustrating the housing issues:-

- Unfit and defective dwellings
- Projected repair costs
- Energy efficiency
- Empty properties
- Environmental quality

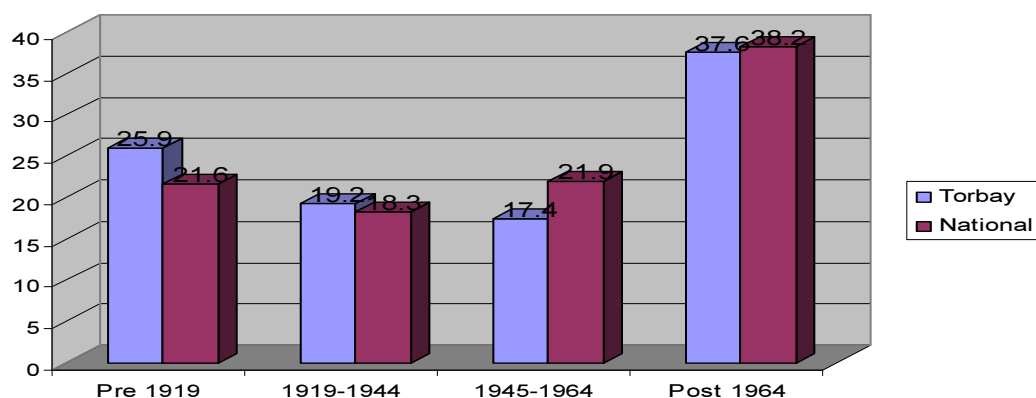
The report also considered these issues in the context of social and economic information gathered from interviews with the householders, including information on disabilities.

Profile of the Housing Stock

- 5.12 The condition survey took place after the transfer of Council homes to the newly formed Riviera Housing Trust. The survey did therefore include former Council dwellings. The overall makeup of the stock by tenure found by the condition survey was set out in 3.20 - contrasted with the findings of the 2001 Census.
- 5.13 The proportion of privately rented housing found by the condition survey was high at 12% but the Census figure was even higher at 17.8%, both well above the national figure of 10%. The chart below also shows the tenure makeup by sub area – there is a significantly higher proportion of privately rented accommodation (18%) in Area A. This is just over half of the privately rented stock in Torbay.



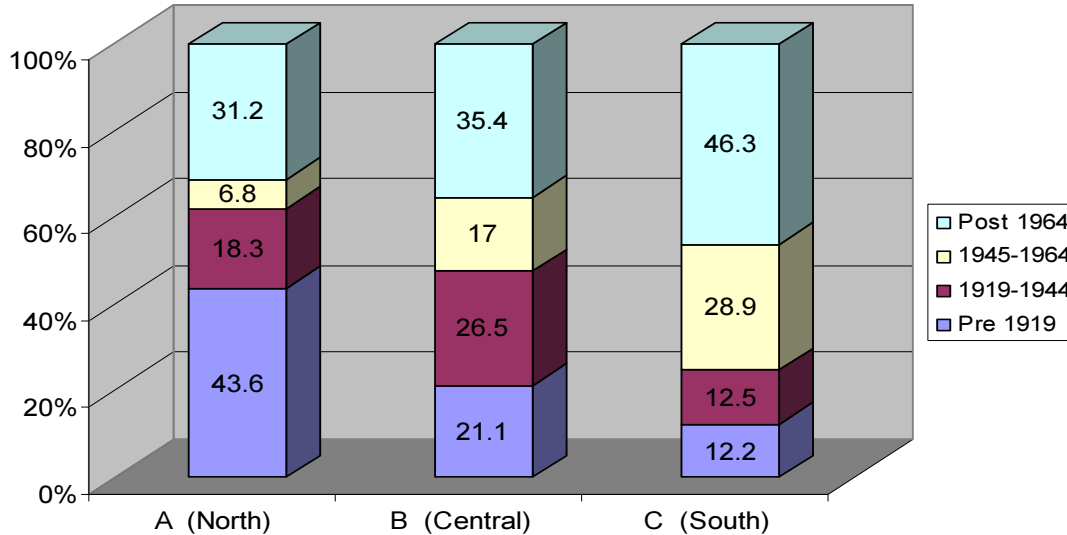
- 5.14 The chart below shows the overall age profile of the stock contrasted with national figures:-



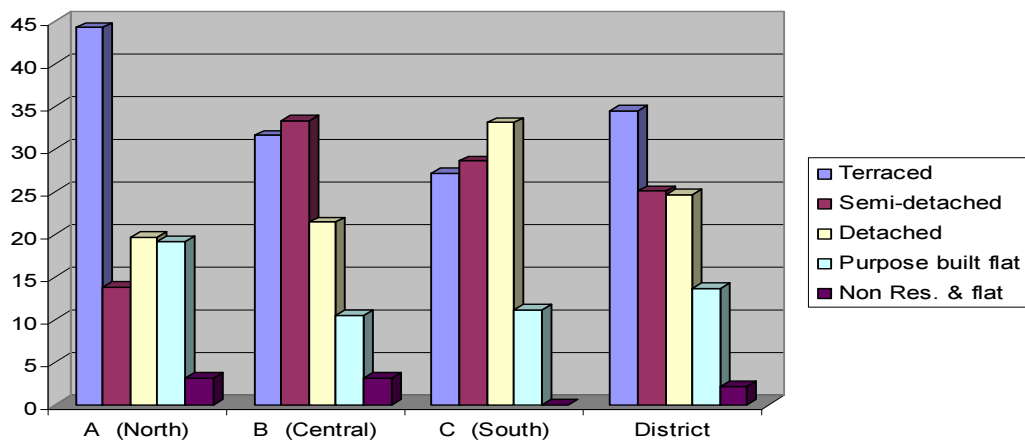
This shows that, whilst more than half (55%) of house building in Torbay has taken place post WWII, the age profile is somewhat older than the national stock. Pre-1919 homes account for 26% of the stock (national figure 22%) and 1919 – 1944 homes 19% (national figure 18%).

- 5.15 The chart overleaf shows the age profiles in each of the three sub areas. There are significant differences. Sub-area A (North) has over 61% of its stock built before WWII, and with almost 47% built pre-1919. This contrasts sharply with the sub-area C (South) where over 75% of the stock was built post WWII and

with over 46% built post 1964. The profile of Sub-area B (Central) lies between the two with roughly half of the stock built either side of WWII.



- 5.16 With regard to building type, Torbay's housing stock has higher than average proportion of traditional housing at 84% compared with the national average of 80%. The balance is made up of 14% purpose built flats and 2% other types of flat.
- 5.17 Terraced homes are the most common type of built form at 36% of the stock followed by semi-detached and detached properties each roughly 25%. In England, 28% of properties are terraced. The chart below shows the proportions across the District and per sub-area.



- 5.18 Again there are distinct differences between the sub areas. Sub-area A (North) has substantially the highest proportion of terraced properties at over 44% and flats at over 22% and only 14% semi-detached properties and 20% detached.
- 5.19 The sub-area A (North) also has distinctive characteristics when looking at the use of dwellings. The survey considered 5 main categories of usage:-
- Single family use

- Converted flat
- Purpose built flat
- Commercial use and flat
- “Bedsit” accommodation (the survey considered only “bedsits” with shared facilities to come within the definition of house in multiple occupation)

5.20 The table below shows the findings of the survey with regard to building use:-

Area	Single House	Converted Flat	PB Flat	Commercial & Flat	"Bedsits"
A (North)	60.8	14.1	19.2	3.1	2.9
B (Central)	76.5	9.2	10.5	3.1	0.7
C (South)	86.8	1.7	11.2	0	0.3
District	74.5	8.4	13.7	2.1	1.3

5.21 The sub-area C (South) has by far the greatest percentage of single family use at 87%, with very low (or nil) proportions of converted, commercial and flat and HMOs. The numbers of purpose built flats is fairly high across the District. Again sub-area A (North) is distinctive, having the lowest proportion of single family use by a significant margin at 61%. The proportions of converted flats, commercial use and flat and HMOs in sub-area A (North) when totalled comes to 20%.

5.22 Several matters need to be considered with the issue of houses in multiple occupation. The survey report referred to the incidence of “bedsits” at 1.3 across the District as low. However, it is more than three times the national figure of 0.4%. The survey report itself acknowledged that had the survey been specifically targeted at HMOs the incidence could well have been higher. It also noted that some external only inspections classified properties only as “flats” – internal inspection could have shown them to be HMOs.

5.23 An incidence of 1.3% would put the total number of HMOs in Torbay at around 780. As indicated in part 4, Council Officers have estimated that there were over 2,000 HMOs outside the scheme, and this number will increase when the new definition of “house in multiple occupation” comes into effect. There are 160 HMOs registered under the Council scheme; Council Officers report from experience that many of those not registered do present significant problems because of factors such as basement lettings. (Under the current registration definition, a basement would not normally count as an extra floor because it is not above the entry floor.)

The survey also looked empty homes, a matter regarded as of national concern because of the wasted resource. It found overall that the proportion of empty homes was 3.6% (an estimated 2,170 properties across Torbay). The national

figure for the private sector is 3% and 4% in the publicly rented sector.

- 5.24 It is inevitable that any one time a proportion of homes will be empty, awaiting sale or a new tenant, or undergoing repair or renovation. A property becomes a concern when it becomes a long term vacant – particularly for longer than 6 months (180 days). The table below shows the position across the District and the sub areas:-

Area	Occupied	For Sale	Work in Progress	<30 days	30-180 days	> 180 days
A (North)	94.7%	0.3%	1.4%	1.7%	1.7%	0.2%
B (Central)	96.9%	1.0%	1.0%	0.3%	0.7%	0.0%
C (South)	97.6%	0.0%	0.7%	1.0%	0.3%	0.3%
Torbay	96.4%	0.5%	1.0%	1.0%	0.9%	0.2%

- 5.25 The table below, which shows the distribution of empty homes as a proportion of empty homes only shows that the proportion of long term empty dwellings in sub-area C (South) is substantially higher than in the other two sub areas. These figures would also suggest that the housing market at the time was most vigorous in sub-area B (Central). Overall, the proportions of long term vacants do not point to a serious problem, although the Council does intend to maintain a robust strategy to keep the numbers of empty properties to a minimum.

Area	For Sale	Work in Progress	<30 days	30-180 days	> 180 days
A (North)	6.5%	25.8%	32.3%	32.3%	3.2%
B (Central)	33.3%	33.3%	11.1%	22.3%	0.0%
C (South)	0.0%	28.6%	42.7%	14.3%	14.3%
District	12.6%	28.5%	28.7%	25.5%	4.8%

- 5.26 The survey also looked at the numbers of empty properties by age and type of dwelling. The rates were highest in pre-1919 and 1919-1944 age bands (7%) compared with the 2% of post WWII stock. The rate in terraced houses and converted flats was 6% much higher than 2% in other property types.
- 5.27 Overall, the proportions of long term vacants do not point to a serious problem, although the Council does intend to maintain a robust strategy to keep the numbers of empty properties to a minimum. The Council welcomes the new powers to make Empty Dwelling Management Orders in the Housing Act 2004
- 5.28 In brief, Torbay has a housing stock with a greater proportion of older homes, with more traditional homes rather than flats and with more terraced homes than the national average. It also has more houses in multiple occupation and slightly more empty homes. The proportion of privately rented homes is significantly higher than the national figure.

5.29 There are significant differences between the sub areas – sub-area A (North) has notably higher levels of older homes, terraces, non purpose built flats and houses in multiple occupation, along with a much greater proportion of privately rented accommodation than the other two sub areas. Sub-area C (South) has the greatest proportion of long term vacants. *Stock Condition*

5.30 The table below shows a brief summary of the main findings on stock condition.

Characteristic	Owner occupied	Privately rented	RSL	Unknown	All Stock
Unfit	791	621	139	105	1656
Rate	1.7%	8.5%	3.2%	4.2%	2.7%
<i>National Rate (England)</i>	6.0%	16.9%	7.3%	5.2%	4.2%
Substantial Disrepair	2460	1140	470	266	4366
Rate	5.3%	15.6%	10.9%	12.5%	7.2%
<i>No directly equivalent national rate</i>					
Mean SAP	48	33	45	45	46
<i>National Rate (England)</i>	50	45	60		51

Unfitness and Disrepair

5.31 The house condition survey assessed the housing stock in terms of being unfit for human habitation, or in substantial disrepair (defective dwellings). The fitness standard is defined in Section 604 of the Housing Act 1985 and until the new Housing Health and Safety and Rating System takes effect (probably in Autumn 2005) is the lowest acceptable standard for housing in England and Wales.

5.32 In order to be reasonably suitable for occupation (and therefore fit), a house has to meet eight specified requirements relating to repair, stability, freedom from damp, lighting, heating, ventilation, amenities and drainage (please see Appendix E). For the survey, “defective dwellings” were taken to be properties where one or more of the eight requirements in the fitness standard was failed, but the failure was not sufficient to make the premises not reasonably suitable for occupation.

5.33 Overall, the rate of unfitness across Torbay was found to be 2.7% and the rate of defective dwellings 7.8%. The national rate for fitness in the English House Condition Survey 2001 is 4.2%. There is no directly comparable national figure for disrepair.

5.34 The broad finding would suggest that Torbay housing compares well with housing across the country. However, it is important to look further at the extent of unfitness and disrepair having regard to the age, tenure and building type and also by sub-area.

- 5.35 Looking first at unfitness by tenure (please see the table on the next page), it is clear that there is a significant difference between the privately rented sector and the other tenures. The rate of unfitness in the privately rented sector is much closer to the national average than the overall figure for the District

Dwelling Tenure	% Unfit Torbay	% Unfit National
Owner-occupied	1.7	2.9
Privately Rented	8.5	10.0
RSL Owned	3.2	3.0

- 5.36 Looking at the overall numbers of unfit dwellings, 48% are owner occupied and 38% are privately rented. However, there are over six times more owner occupied homes than privately rented homes. In simple terms, a private tenant is five times more likely to live in an unfit house than an owner occupier, and over twice as likely as the tenant of an RSL.
- 5.37 The information in the table below on unfitness by age of property also gives more insight. Nationally higher rates of unsatisfactory conditions are found in older properties, and that is clearly the case in Torbay.

Age Band	% Of Stock Distribution	% Unfit Distribution	% Unfit Of Age Band	
			%	Number
Pre 1919	25.9	47.8	6.4	1002
1919-1944	19.2	37.5	3.0	343
1945-1964	17.4	8.4	0.6	68
Post 1964	37.4	6.3	1.1	243
All dwellings	100.0	100.0	2.7	1656

- 5.38 The table below shows unfitness by building type. The highest rate of unfitness is in terraced properties and almost half the unfitness properties in Torbay are terraced. There are also high rates of unfitness in purpose built flats and in flats associated with non residential uses.

Building Type	Overall % Of Stock	% Unfit Distribution	% Unfit in Building Type
Terraced	34.5	48.0	3.8
Semi Detached	25.1	16.6	1.8
Detached	24.7	14.6	1.6
Purpose built flats	13.7	18.7	3.7
Non Residential + flat	2.1	2.1	2.8
All dwellings	100.0	100.0	

- 5.39 The table below looks at unfitness, defective dwellings and these two figures combined by sub-area and gives interesting results. As might be expected from the findings on sub-area profiles and the higher rate of unfitness in older properties, terraced properties etc, sub-area A (North) has the highest rate of unfitness closely followed by sub-area C (South). Sub-area A (North) is higher than sub-area B (Central) but only by a fairly low margin. However, the rate of defective dwellings in sub-area C (South) is the highest of the three by a significant margin. When combined with the figure for unfitness, the rate of unsatisfactory properties in sub-area C (South) is over 50% higher than in sub-area A (North).

Sub Area	Estimated Dwellings	% Unfit	% Not Unfit But Defective	% Unfit & Defective Combined
A (North)	20,546	3.4	6.3	9.7
B (Central)	19,934	1.7	5.4	7.1
C (South)	19,738	3.1	11.8	14.9
District	60,218	2.7	7.8	10.5

- 5.40 This finding is amplified by looking at the reasons for failures of the eight fitness criteria again broken into sub areas (the table shows the figures as a % of the stock):-

Nature	District	Area A (North)	Area B (Central)	Area C (South)
	%	%	%	%
Disrepair	1.7	1.5	1.1	2.4
Stability	0.2	0.3	0.0	0.4
Dampness	0.8	1.0	0.3	1.0
Ventilation	0.2	0.0	0.7	0.0
Heating	0.1	0.3	0.0	0.0
Lighting	0.2	0.2	0.3	0.0
Water Supply	0.2	0.2	0.3	0.0
Food Preparation	0.6	1.0	0.7	0.0
Bath amenity	0.2	0.2	0.3	0.0
WC	0.3	0.5	0.3	0.0
Drainage	0.0	0.0	0.0	0.0

- 5.41 These results are quite striking. Across Torbay, disrepair is the main reason for failure, occurring at more than twice the rate of the next reason for failure, dampness. Failures in Sub-area C (South) are only for three of the eight reasons – disrepair, dampness and instability, whereas in the other sub areas there is a spread of reasons. The rate of failure for disrepair in sub-area C (South) is 40% higher than in the next highest, sub-area A (North).

- 5.42 The findings in respect of dampness are particularly relevant to a renewal strategy, especially given the corporate focus on tackling health inequalities.
- 5.43 The fitness and disrepair findings do seem to suggest that, whilst the age and character of the housing stock in sub-area A (North) would suggest it should have the highest rate of unfitness and that the findings confirm this, there is a significant problem with disrepair in sub-area C (South).
- 5.44 The survey report also considered the opportunities for co-ordinated block or area action. This found that the block repair would be appropriate in around 5,800 properties (over 10% of the stock). However, the report did make it clear that further research and information would be required to identify suitable blocks in priority order.
- 5.45 The survey report did link its findings on the social and economic circumstances of residents with unfitness. There were findings on both benefit take up and household income, both of which confirmed general information on the high levels of deprivation and low prevailing income levels. Unfortunately the report only linked the findings on unfitness and disrepair with benefit levels, not household income.
- 5.46 As would be expected, there is a strong between link between benefit take up and substandard housing. Looking simply at housing benefit, 11.3% of those receiving housing benefit live in unfit housing and 16.9% live in defective accommodation.
- 5.47 The survey information on income bands, even though three years old, does show clearly the low wage economy in Torbay. The table below shows income bands by individual respondents and household income. Over 71% of households had income below £20k. This does have implications for policies on financial assistance.

Income Band	% of Respondent (Head of Household)	% of Respondent Partners	% of Joint Income
Under £3,500	6.3	9.8	4.9
£3,500-£4,499	13.8	20.4	11.6
£4,500-£5,999	18.1	21.3	13.8
£6,000-£7,499	12.5	12.9	10.7
£7,500-£9,999	12.1	8.4	8.9
£10,000-£12,499	11.0	13.8	11.0
£12,500-£19,999	13.7	9.8	11.0
£20,000-£50,000	11.3	2.2	9.9
Over £50,000	1.3	1.3	18.3
Total	100.0	100.0	100.0

- 5.48 The survey report did link household size with unfitness and disrepair. There was a clear association between small households and both unfitness and

disrepair. 64% of unfit dwellings and 45.9% of defective dwellings are occupied by one adult only.

Energy Efficiency

- 5.49 The energy survey report used information from the 857 dwellings where external and internal inspections were carried. The survey assessed both the National Home Energy Rating (NHER) system and the Government based Standard Assessment Procedure (SAP rating). As the English House Condition Survey 2001 report refers to SAP only, this strategy will look at the SAP rating information to allow comparison with national figures.
- 5.50 The SAP rating is a single figure between 1 – 120; the higher the figure the better the thermal comfort. The assessment procedure uses a complex formula which combines the energy efficiency of building elements (roof, walls, windows etc) with the efficiency and cost effectiveness of the heating system to indicate annual energy.
- 5.51 The first comparison is between tenures. Torbay is below the overall national figure and is also below in each of the individual categories. The overall figure reflects the greater proportions of older properties with solid walls. The very low figure for privately rented accommodation is of particular concern.

Area	Average SAP Rating	
	Torbay	National
All	46	51
Owner Occupied	48	50
Housing Association	45	60
Privately Rented	33	45
Other / not specified	45	-

- 5.52 With sub areas, the variation was not great. Sub-area A (North) and C (South) both had an average SAP rating of 45 with sub-area B (Central) a figure of 47.
- 5.53 With the age of stock, as would be expected the SAP rating improved with age. The figure for properties built before 1900 is 37, for properties built between 1900 and 1976 there is surprisingly little variation with figures ranging between 43 and 45. Post 1982 the figures are 55 and above (63 for post 1995).
- 5.54 Fuel poverty occurs where a household spends more than 10% of its income on fuel. It is obviously concentrated in households where the thermal performance of the dwelling is poor and the household income is low. Eradicating fuel poverty in vulnerable households by 2010 is a major objective of Government policy. Fuel poverty can be defined conversely as “affordable warmth” – the ability to achieve an acceptable level of warmth for a fuel cost not exceeding 10% of household income.

- 5.55 The survey report looked in particular at those households where low income bands suggested that they would be at risk of fuel poverty and the table on the next page shows the proportions likely to be at risk of fuel poverty:-

Gross Income Band (Head of Household +Partner)	Percentage of respondents	% Where Fuel Costs Exceed 10% Income
1: One income only under £3,500	4.5%	96.4%
2: One income £3,500 - £4,499	10.2%	90.5%
3: One income £4,500 – £5,999	13.1%	51.9%
4: One income £6,000 - £7,499	7.5%	30.4%
5: Combined income under £7,000 ¹	29.4%	71.8%
6: Combined income £7,000-£9,000	11.2%	30.4%
All income bands		26.0% (15,627 homes)

- 5.56 The overall figure of 26% of households in fuel poverty is acknowledged by the report to be an approximation because of the numbers in the survey who did not provide income information. It is, nonetheless, high. The survey also noted the association between benefit take up and energy efficiency. With the exception of those receiving Disability Working Allowance, where the average SAP rating was 43, in all other cases the SAP rating was between 34 and 39.
- 5.57 The report also found a clear link between older heads of household and poor energy efficiency. The findings suggested that there are over 6,500 older households in the District in dwellings where the SAP is less than 40, of which over 2,000 have a SAP of less than 30. With average fuel costs then of almost £18 per week those elderly householders in homes where the SAP is less than 30 are likely to be at risk of fuel poverty unless they have incomes of over £180 per week. Tackling health inequalities is a major Council priority and is clear that this is an issue for this renewal strategy.
- 5.58 The Warm Front and Warm Front Plus Schemes are Government funded schemes which grant aids insulation upgrades and installation of efficient heating. However, only households in receipt of means tested benefit are eligible. Realistically many of the households in fuel poverty will also be in receipt of benefit, and the Council will continue to promote the take up of these schemes. However, the Council will also seek to promote energy efficiency measures to assist those not eligible for assistance under Warm Front.

Disability Adaptations

- 5.59 The survey found the proportion of households where one or more persons had a disability or long standing illness was 14.7%. It also looked at the potential demand for disability adaptations. In order to gauge the possible demand for future Disabled Facility Grants, surveyors asked households to indicate what adaptations they thought they would need.
- 5.60 The table on the next page shows results of the needs self assessment. The main type of conventional adaptation needed was grab rails (assisted as needed

in 2.8% of households), followed by stairlift at 1.9%. There was appreciable demand identified for bathroom and WC adaptations , both of which can be costly. There was a low level of provision for emergency alarms but the perceived need was high at 2.5%.

Does the dwelling have or need:	Has	Needs	Total	No Need
	%	%	%	%
Wider doorways	0.7	0.6	1.3	98.7
Stair lift or lift	0.9	1.9	2.8	97.3
Ramp	0.9	1.7	2.6	97.4
Grab rails or hand rails	4.5	2.8	7.3	92.8
Hoist	0.6	1.3	1.9	98.1
Redesign kitchen	0.4	1.0	1.4	98.6
Redesign or relocate WC	1.7	1.3	3.0	97.0
Redesign or relocate bath/shower	1.9	1.7	3.6	95.3
Door answering or opening	0.6	1.9	2.5	97.5
Emergency alarm	0.8	2.5	3.3	96.7
Other adaptations	0.2	0.7	0.9	99.1

- 5.61 The survey report did not apply costings and also self assessment by residents is not the same as assessment by qualified Occupational Therapists. However, it is clear from the level of perceived need (1% equates to 600 homes) that there will be strong continuing demand for Disabled Facility Grants.

Cost Projections

- 5.62 The survey report estimated the potential costs for both making fit and other repair works and also for energy efficiency improvements.

- 5.63 The projections for renovation are as set out below:-

				Make fit only	Urgent Costs	Non Urgent Costs	Renewal Costs	Replace Elements
				Needed Now	Within 1 Year	Within 5 Years	Within 10 Years	Within 10-30 Years
Area	Unfit %	Estimated dwellings		(£)	(£)	(£)	(£)	(£)
A (North)	3.4	20,546	Dwelling £	68	112	605	1147	15190
			Total £m	1.40	1.90	10.14	11.15	288.78
B (Central)	1.7	19,934	Dwelling £	52	247	690	1930	10572
			Total £m	1.04	3.88	8.83	24.72	172.27
C (South)	3.1	19,738	Dwelling £	85	340	8.17	3622	13234
			Total £m	1.68	5.03	9.42	55.36	189.72
Torbay	2.7	60,218	Dwelling £	68	295	774	2466	12158
		Torbay Total	Total £m	4.09	19.64	22.88	101.89	583.63
		Running Total	Total £m	4.09	23.73	46.61	148.50	732.13

- 5.64 The cost projections do mirror the findings in terms of property condition. They also show very clearly the significant sums that need to be invested in the private housing sector if any significant impact is to be made.
- 5.65 The costings relating to energy efficiency were based on a menu of work starting with just loft insulation and moving through to wholesale upgrades to heating systems. Again the costing show the magnitude of the investment needed to produce radical change.
- 5.66 Bearing in mind the fact that the Council's capital programme for private sector financial assistance has not exceeded £1m, it is clear from the cost projections for both fitness/disrepair works and energy efficiency works that there is a significant mismatch between the potential demand and the resources likely to be available.

Part 5 - Summary

Government Priorities

- Vulnerable households in decent homes, higher risk HMOs, Housing Health and Safety and Rating System

Regional & Local Policies

- Affordable housing, housing renewal, empty homes & conversion of redundant space, independent living, affordable warmth

House Condition Survey

- The proportion of older homes, traditional houses and terraced properties in Torbay is greater than the national average
- Torbay has a significantly greater proportion of privately rented properties than the national average
- At 2.7%, the average proportion of unfit dwellings is lower than the national average but there are significantly higher rates in pre-1919 properties, terraced properties and flats
- Of the three sub areas, sub-area A (North) has the highest proportions of pre-1919 properties, non-purpose built flats and HMOs, reflected in the higher unfit rate
- Sub-area C (South) has the highest rate of disrepair by a significant margin
- There are opportunities for block/area action but further investigation is needed to identify suitable areas in priority order (and funding opportunities)
- There are clear links between unfit and defective houses and residents in receipt of benefit
- 64% of unfit dwellings and 45.9% of defective dwellings are occupied by one adult only
- The average SAP ratings of Torbay properties are below the national averages, significantly so with privately rented properties
- 26% of all households in Torbay are estimated to be in fuel poverty
- Fuel poverty is a particular problem with older households
- 15% of households have one or more persons with a disability or long term illness
- There is a strong potential demand for disability adaptations
- There is significant gap between cost projections for the potential work identified and the resources likely to be available

6.0 FUTURE ACTION

Proposals for Change

- 6.1 Significant change is needed to respond to the challenge of making the opportunity of a decent private sector home in Torbay available to all. Whilst the 2001 House Condition Survey found that the proportion of unfit houses in Torbay was significantly lower overall than the national average, the survey also highlighted the need to take action to deal with unsatisfactory housing in a number of areas. The scale of the issues involved means that change must be phased, particularly taking into account the gap between potential demand and current resources.
- 6.2 Housing in Torbay has its own character, with an unusually high proportion of privately rented properties and also more older and terraced homes than the national average (across the country both tend to have higher rates of unfitness and disrepair). It also has a very low proportion of publicly rented housing and a serious shortage of affordable homes. The Council recognises that the private sector has an important role to play in providing affordable housing, and this strategy aims to promote that role.
- 6.3 Broad policy changes will be made in the following areas:-
- The arrangements to ensure that private sector homes meet statutory housing standards.
 - The arrangements for giving financial assistance:-
 - In the medium term the introduction of equity release/loan mechanisms and a system based on the “hierarchy of assistance”.
 - In the short term changes to the existing grant system to refocus priorities and to relax the restrictive approach

Statutory Private Sector Housing Standards

- 6.4 The House Condition Survey showed clearly that standards overall in the privately rented sector were significantly lower than in other sectors. This applied to all indicators - unfitness, disrepair and thermal comfort. A private sector tenant is five times more likely to live in an unfit house than an owner occupier.
- 6.5 It is clear that the Council needs to return to a more structured approach to securing satisfactory standards in the privately rented sector. The HMO registration scheme has worked well but deals only with a relatively small number

of properties. There are many HMOs which fall outside the scheme, some with basement lettings which can have significant problems. Almost inspections in recent years been in response to complaints made by tenants.

6.6 Irrespective of the messages from the condition surveys, the Housing Act 2004 will prompt change by introducing mandatory licensing of higher risk HMOs and replacing the fitness standard with the Housing Health and Safety and Rating System.

6.7 The new approach will contain the following elements:-

- More planned inspections, and enforcement where appropriate using statutory notices, coupled with a system to meet the new mandatory licensing requirements for HMOs.
- Further development of the Deposit Guarantee Scheme.
- Continued attendance at the South Devon Residential Landlords Association to share information and promote good practice.
- Exploring implementation of an accreditation scheme to cover the privately rented sector.

Inspection and Enforcement

6.8 Effective inspection and enforcement is demanding work and requires sufficient specialist staff to undertake surveys, prepare notices, inspect work and where necessary pursue through to court.

6.9 Inspection work may just be reactive - responding to complaints about conditions made by tenants. Where there are known concentrations of higher risk properties such as HMOs, and also concentrations of rented dwellings in poor condition a system which includes a proactive element is much more satisfactory. A database of properties is prepared, the properties are categorised by priority and regular inspections are planned according to these priorities - as happens now with food premises.

6.10 The Council recognises that the current staffing arrangements need to be reviewed to respond properly to the new inspection regime and a review of staffing in the Housing Standards Team is taking place. This will also take account of the demands made upon the Team dealing with a wide range of other matters including caravan sites, anti social behaviour, harassment and special initiatives such as the radon project.

6.11 The Housing Act 2004 has now become law. The two provisions which will have most impact on inspection and enforcement will be the mandatory licensing of higher risk HMOs and the replacement of the fitness standard by the Housing

Health and Safety and Rating System. In both cases there is much detail to follow which will be set out in secondary legislation. It is anticipated that neither provision will be operative before Autumn 2005.

- 6.12 The Housing Health and Safety and Rating System does involve a significantly different approach to the present fitness standard. The HHSRS will require significant change and training and the Council will ensure that enforcement staff are properly trained over the coming months. A review of current systems and investment in IT will also be carried out. The system takes a new approach to assessing house condition based on risk. Although many houses which fail the present fitness standard also will also fail the HHSRS, there is not a direct overlap and experience from trials in other parts of the country suggests that more properties may fail the new statutory standard.
- 6.13 With the new system of mandatory licensing for higher risk HMOs again the details will be unclear until further consultation is concluded and the secondary legislation is in place. However, it is highly likely that properties with three or more storeys and with five or more tenants will be classified as higher risk. The position with basement lettings will not be confirmed until the secondary legislation is in place. The Council will carry out an audit to identify HMOs and to classify them into priority categories. The HMO survey and all existing Council records will be used to give base information.
- 6.14 As stated in Part 5, the new statutory definition of house in multiple occupation is wider than the previous definition. In particular, it now includes converted buildings with only self contained flats where the conversion work does not meet the standard of 1991 Building Regulations and there more than one third of dwellings are let on short tenancies. This will in increase the number of properties subject to HMO legislation in Torbay and this will also have implications for enforcement.
- 6.15 The first priority with HMOs will be to introduce arrangements to meet the requirement for mandatory licensing of the higher risk HMOs. The existing HMO registration scheme will give a good base for this. The Council will take steps to publicise the obligation of those owning higher risk HMOs to apply for a license in advance of the introduction.
- 6.16 The Council will then seek to put in place a system for planned inspections for HMOs. Realistically this will take several years. This will first involve an outline survey of areas with known HMO concentrations to identify possible properties and priorities. As a starting point the Council will apply the following priority order for HMO inspections (three or more storey will include properties where there is a basement letting)

- 1. Three or more storey HMOs with shared facilities in sub-area A (North)

2. Three storey or above HMOs with shared facilities elsewhere.
3. Three storey or above HMOs with self contained flats firstly in sub-area A (North) and then elsewhere
4. Other shared housing firstly in sub-area A (North) area and then elsewhere.

6.17 In the longer term, the Council would like to introduce a planned inspection regime to deal with non-HMO rented accommodation but this will continue to be on a reactive basis until satisfactory progress has been made with houses in multiple occupation.

6.18 The Housing Act 2004 gives local authorities the option to extend licensing to HMOs outside the definition of higher risk and to also to non-HMO privately rented property. The Council will keep in mind the proposed option of additional licensing schemes if the new arrangements do not deal effectively with HMOs outside the higher risk categories.

Working With Landlords

6.19 Part 4 described the present arrangements for exchange of information with landlords with Council Officers attending meetings of the South Devon Residential Landlords Association. This has worked well and the Council would like to the working relationship to continue. In addition, the Council will seek to extend the Deposit Guarantee Scheme. The Council will also research and, if appropriate, seek to develop as a priority an accreditation scheme covering all forms of privately rented accommodation in partnership with local landlords and managing agents.

Financial Assistance

A New Approach – “The Hierarchy of Assistance”

6.20 In recent years the Council has provided financial assistance to the private housing sector simply through grant aid administered by its own staff and through Torbay Staying Put on behalf of the Council. Many local authorities now operate a “hierarchy of assistance”. This involves a spectrum of assistance - which at one end it may mean just offering advice, then offering a combination of specialist loan and grant through to simply offering grant aid to vulnerable households with very limited resources.

6.21 The spectrum of assistance will normally run through the range of options below dependent upon the applicant’s resources:-

- Giving advice on using the applicant's own resources such as available cash/savings or High St lenders (subject to the comments on
- Giving a loan through a non profit making specialist agency and/or
- Giving a grant (as top up to a loan in some cases or grant only where the applicant has only very limited means).

6.22 Loan products from specialist agencies can include:-

- Low cost repayment loans
- Interest only loans (capital repaid on transfer of property)
- "Rolled up interest" loans (no repayment of capital or interest until property transferred – only normally available to those over 75 years on limited proportion of the property value)
- Property appreciation loans (lender secures a proportion of the value of the property)
- Faith loans (for Muslim applications)

6.23 If a local authority makes loans itself, then the loan amount counts directly against the capital allocation. With specialist providers, as private finance is brought in the funds available to the local authority for loan can be a multiple several times greater than the amount the local authority commits to the scheme, although there may be a significant non-recoverable cost in setting up. In addition, there is the issue of giving financial advice, which is regulated by the Financial Services Authority. Specialist providers will arrange for advice to be given by an independent financial advisor.

6.24 Torbay accepts there are a number of reasons for seeking to move toward the hierarchy of assistance approach. The potential cost of renewal works in Torbay identified in the house condition survey report significantly exceeds the capital funding realistically available. Without bringing in private capital, it would not be possible to make any significant impact.

6.25 The Council does recognise that there are many households with low income only and it will be important that the change to the new hierarchy of assistance takes account of their needs. However, the new financial schemes that are becoming available through the specialist not for profit agencies are specifically designed to meet the circumstances of households who may have potential funds tied up in their homes but have only low income.

6.26 The issues are complex and will require considerable research and preparatory work. The Council will now start work both to select a specialist financial provider

and then to set the parameters for a hierarchy of assistance. With other initiatives, there has been effective working in partnership with other Devon authorities. The Council will explore the possibility of a joint approach with other Devon authorities.

- 6.27 The Government is stressing strongly the benefits of an expanded role for home improvement agencies. The contract with Torbay Staying Put is due to expire, the Council feels that bringing the service back in-house will allow both cost savings and improvements in services delivery.
- 6.28 Although part of the Council, the new agency will operate independently and will have its own trading account. Like Torbay Staying Put, the agency will deal with all adult Disabled Facility Grants to begin with. However, the agency will move on to deal with the full range of grants (its fees are treated as part of a grant). Council Officers will still process grants where an applicant chooses not to use the agency.
- 6.29 Most importantly, the Council intends that the agency should develop progressively into the wider role envisaged by the Government, including participating in the development of the new approach to equity release.
- 6.30 The Council aims to have in place:
- agreements with a specialist financial provider by 1 April 2006, and
 - revised arrangements for offering financial assistance based on the “hierarchy of assistance” principle by 1 September 2006.

General Themes With Financial Assistance

- 6.31 When looking at ways to offer financial assistance to promote housing renewal, three broad strands are normally considered:
- Client based aid (in particular vulnerable groups)
 - Area based aid (block repair, renewal areas)
 - Theme based aid (thermal comfort, access/adaptations, community safety)
- 6.32 The existing Torbay approach is mainly client based with some theme based aid (contributions to energy efficiency and home security agencies). The Council has undertaken a limited amount of area based action in the Winner Street Heritage Economic Regeneration Scheme (HERS) with grants for “gap funding” for schemes for flats above shops. The House Condition Survey stated clearly that there was scope for block/area action in around 10% of properties, but that further investigation would be necessary to identify specific blocks and priorities.

- 6.33 Council Officers are aware that there are parts of Brixham which would be particularly suitable for block treatment and possible area action. The Council accepts that more investigation will be necessary and this strategy will not make provision for a block/area programme in the short term. However, in the changed grant structure provision will still be allowed special initiatives if a project such as Winner Street arises before the ceiling/area programme has been developed.
- 6.34 One theme based issue that the Council does want to address is thermal comfort, highlighted as a significant issue in the house condition survey, especially with older households and with privately rented properties. As part of the cross Devon approach to improving energy efficiency, the Council already works in partnership with and contributes to the schemes such as Heat Devon and the Devon Energy Efficiency Advice Centre, and this will continue.
- 6.35 Because of limited resources, the Council will not make additional financial assistance available to owner occupiers or tenants – dependent upon their financial circumstances people enquiring will be directed to take up existing assistance under the Warm Front Scheme or Heat Devon. However, limited grant aid will be made available to landlords to carry out energy efficiency works subject to the property meeting in all statutory requirements.

Changes to Existing Grants

- 6.36 Revised grant arrangements to introduce the “hierarchy of assistance” principle will take some time to implement. In the meantime, the Council will make changes to the existing grant arrangements to refocus priorities, to take effect from 1 April 2005. The overall capital allocation for will remain the same this year at £963k and realistically will be a similar amount in 2005 – 2006. (Bids for increased funding will made in future HIP submissions).
- 6.37 Because of the continuing demand for disability adaptations and the potential demand identified in the House Condition Survey existing capital allocation for **Disabled Facility Grants** will be maintained. This will be reviewed if there is any significant change in the cap level for Disabled Facility Grants set by the Government. The Council does not give any discretionary grant aid for disability adaptations, but will consider an exception in wholly exceptional cases.
- 6.38 The changes below reflect the messages from national, regional and local policies, from the House Condition Survey report and from the pattern of grant take up after the 2003 changes.
- 6.39 **Major Works Assistance** will be available subject to the following:-
- Property must be unfit for human habitation or in substantial disrepair
 - Maximum eligible expense £15,000

- Subject to test of resources using the previous statutory test of financial resources
- Owner occupiers only eligible to apply (provided resident in the property for the previous 3 years)
- Certificate of owner occupation to be given requiring owner occupation of the dwelling for 10 years post completion

6.40 **Minor Works Assistance** will be available subject to the following:-

- There must be a defect which is likely to damage the fabric of the property or present a health and safety hazard to the occupants.
- Maximum eligible expense is £3,000
- Subject to test of resources using the previous statutory test of financial resources and/or in receipt of a means tested benefit.
- Owner occupiers, tenants of mobile homes and long leaseholders eligible to apply (owner occupiers and long leaseholders must have been resident for one year previously)
- No more than 2 applications in any three year period
- Certificate of owner occupation to be given requiring owner occupation of the dwelling for 5 years post completion

6.41 **Conversion Grants** for the conversion of redundant space in existing buildings to provide dwellings will be available subject to the following:-

- The dwellings resulting from the conversion must be of a type likely to be available at rent levels consistent with the market rented dwellings generally available in Torbay (the Council will not grant aid the provision of luxury dwellings or dwellings likely to be used for holiday accommodation)
- Maximum eligible expense £10,000 per unit (£30,000 per scheme or building)
- Appropriate percentage 50%
- Landlords only eligible to apply
- Certificate of availability for letting as permanent residential accommodation for 5 years post completion to be given.
- The council reserves the right to apply the condition of nomination rights to this accommodation.

6.42 **Special Initiatives Grants** will be available to continue support to approved agencies delivering energy efficiency and home security measures. They may also be given, subject to approval by the Assistance Director of Housing (including approval of grant amounts and conditions), to facilitate block/area regeneration schemes or special works such as dealing with radon. Other than

energy efficiency or home security grants, any grants given will be subject to the following condition:-

- Either certificate of owner occupation to be given by owner occupiers or long leaseholders requiring owner occupation of the dwelling for 10 years post completion or landlords to give certificate of availability for letting as permanent residential accommodation for 5 years post completion

6.43 Basement Grants will be available subject to the following:-

- The basement dwelling must be located under the main entrance floor to the building
- The basement dwelling must be unfit for human habitation or be in substantial disrepair or must have serious defects with fire precautions, natural lighting and/or ventilation or internal layout
- Owner occupiers, long leaseholders (provided resident in the property for the previous 3 years) or landlords eligible to apply
- Maximum eligible expense £10,000
- Owner occupiers and long leaseholders subject to test of resources using the previous statutory test of financial resources, landlords appropriate percentage 50%
- Either certificate of owner occupation to be given by owner occupiers or long leaseholders requiring owner occupation of the dwelling for 10 years post completion or landlords to give certificate of availability for letting as permanent residential accommodation for 5 years post completion

6.44 Empty Property Grants will be available subject to the following:-

- The property must have vacant for a minimum period of one year before the application is submitted
- Landlords or persons having inherited the property eligible to apply
- Maximum eligible expense £10,000
- Future owner occupiers and long leaseholders subject to test of resources using the previous statutory test of financial resources, landlords appropriate percentage 50%
- Either certificate of owner occupation to be given by owner occupiers or long leaseholders requiring owner occupation of the dwelling for 10 years post completion or landlords to give certificate of availability for letting as permanent residential accommodation for 5 years post completion
- The council reserves the right to apply nomination rights to this accommodation if available for renting

6.45 **Fire Safety Grants** will be available subject to the following:-

- The property must be in a building converted into flats which has been or could be the subject of a Statutory Notice served under a Housing Act provision requiring fire precaution works to be carried out
- Owner occupiers/long leaseholders (provided resident in the property for the previous 3 years) or tenants with repairing obligations eligible to apply
- Maximum eligible expense £6,000
- Owner occupiers, long leaseholders and tenants subject to test of resources using the previous statutory test of financial resources

6.46 **Insulation Grants (Rented Property)** will be available subject to the following:-

- The property must be a privately rented property (periodic tenancy or assured shorthold tenancy) which complies with statutory standards and is in good repair but lacks effective thermal insulation
- Landlords eligible to apply
- Maximum eligible expense £1,000 per dwelling in single occupation or £600 per letting in a house in multiple occupation
- Certificate of availability for letting as permanent residential accommodation for 5 years post completion

6.47 **Relocation Grants** may be available to owner occupiers in exceptional circumstances for example to allow a person with disabilities to relocate to a more suitable property if their existing property cannot be adapted at reasonable cost. Every case will be subject to specific approval by the Housing Services Manager and will be subject to the following:-

- Owner occupiers eligible to apply (provided resident in the property for the previous 3 years unless unpredicted change in circumstances has lead to application)
- Maximum eligible expense £8,000
- Owner occupiers and long leaseholders subject to test of resources using the previous statutory test of financial resources
- Certificate of owner occupation to be given by owner occupiers or long leaseholders requiring owner occupation of the dwelling for 10 years post completion

6.48 The table below summarises the changes in the allocations:-

Financial Assistance 2005 – 2006		
Grant Type	Current (£k)	Proposed (£k)
Disabled Facility Grants	487	487
Grants to Make fit	466	
Emergency Repair Grants		
Conversion Grants		40
Major Works Grants		130
Minor Works Grants		153
Basement Grants		50
Empty Property Grants		20
Fire Safety Grants		25
Insulation Grants (Rented Property)		30
Relocation Grants		8
Special Initiatives (including contributions to insulation & security schemes)	10	20
Total	963	963

Note: Because the Council will be adopting a more focussed approach to statutory enforcement, it may be necessary to carry out works in default where statutory notices have not been complied with. It is possible that the overall allocation for financial assistance may need to be reduced by upto £10k for this purpose.

Empty Homes

6.49 The House Condition Survey also looked at empty properties. Whilst the numbers found in 2001 were not significantly out of line with national figures, there are some empty properties which have a vary detrimental effect on neighbouring homes. They are also a waste of a valuable asset in a District where there is a serious shortage of affordable housing, and a lost opportunity. The importance of bringing empty homes back into use is stressed in many related strategies, including the Local Plan and the Housing Strategy.

6.50 In the early 1990s, the Council was successful in bringing a number of properties over shops back into use either by facilitating renovation (often through Registered Social Landlords) or by precipitating sale to an RSL or developer who would renovate the property.

- 6.51 Since 2001, the Council has had a formal Empty Homes Strategy. This includes a “hotline” for members of the public to use to report an individual property, and also sets the links with other agencies to for action to encourage homes back into use.
- 6.52 The Empty Homes Strategy has not been a priority. The Council now intends to review the strategy. A first step has been the allocation for funds for empty homes grants in this strategy. The next step will be to look at the strategy to strengthen the links with local agencies and also to consider the new powers in the Housing Act 2004 to make Empty Dwelling Management Orders. A “carrot and stick” approach is often successful and the new Housing Act powers may be an effective part of this along with a return to more focussed enforcement and continued partnership working with Environmental Health.

Review

- 6.53 Implementing this Strategy will mean a significant change in direction for Torbay Council. The following pages set out the action plan the Council will follow in implementing the Private Sector Renewal Strategy
- 6.54 The Council is committed to improving private sector housing standards and will review progress against the targets set out in the Action Plan on a quarterly basis. There will be a formal annual review as part of the review process of the Corporate Plan.

Contacts, Appeals and Complaints

- 6.55 Contact addresses and telephone numbers for local authority staff are set out in the formal Statement of Housing Assistance Policy in Appendix A. The policy also sets out the procedure for any person who wishes to appeal against any decision in respect of financial assistance or to complain about any issue relating to this Strategy.

Objective	Priority	Links to Other Strategies	Work to be Done	Resources Required	Target Date	Indicator(s) of Outcome Achieved/Performance Measure	Lead Officer	Risk
INSPECTION AND ENFORCEMENT								
1. A Housing Standards Team with adequate and appropriately skilled staffing	High	<u>Corporate</u> Transforming Torbay	Undertake review of staffing in Housing Standards Team in conjunction with changes associated with bring the home improvement agency service back in-house Recruitment and induction to be done Training in procedures introduced by Housing Act 2004	Provision for the cost of additional post (s). Potential cost saving from home improvement agency change	March 2005 Training in HSSRS to be on going	Satisfactory performance of private sector housing responsibilities of the Council both statutory and under this Strategy. Full establishment Up to date training		
2. A system for licensing of high risk HMOs (to conform with Part 2 of Housing Act 2004)	High	<u>National</u> Housing Act 2004, secondary legislation & guidance to follow <u>Corporate</u> Housing Strategy	Carry out an audit to establish the numbers and location of HMOs & group into priority categories. Undertake training in new requirements of legislation. Carry out advertising to alert landlords of require to apply for licence where high risk HMO. Implement systems for contacting landlords, self assessment /inspection where appropriate	Time input from Housing Standards Team (with possible engagement of external trainer)	July 2005	All higher risk HMOs are licensed and all statutory obligations met Number of HMOs regularly monitored		
3. A new systematic approach to inspection and enforcement in the private sector	High	<u>National</u> Housing Act 2004 <u>Regional</u> Regional Housing Policy <u>Corporate</u> Transforming Torbay Housing Strategy	Introduce proactive inspections in addition to reactive inspections, focusing first on high risk HMO and moving to other priority groups. Proactive approach to extend progressively to lower categories and non HMO privately rented sector	Time input from Housing Standards Team	April 2005 – April 2009	Register compiled of HMO properties with priority categories assigned. Inspection regime established and operating		
4. Extending scope of Deposit Guarantee Scheme	Medium	<u>National</u> Housing Act 2004 <u>Corporate</u> Housing Strategy	Research impact and benefits of extending scope compared with costs Consult with landlord representatives	Time input from Housing Partnership Manager & Housing Services Manager	March 2006	Scope of Deposit Guarantee Scheme extended		

Objective	Priority	Links to Other Strategies	Work to be Done	Resources Required	Target Date	Indicator(s) Outcome Achieved/Performance Measure	Lead Officer	Risk
5. An accreditation system in partnership with local landlords	Medium	<u>National</u> Way Forward for Housing, ODPM Guidance <u>Corporate</u> Housing Strategy	Discuss with representatives of local landlords and voluntary agencies agreed standards of accommodation and management. Establish procedures for self assessment/inspection. Publish advice to landlords and prospective tenants. Incorporate Deposit Guarantee Scheme	Time input from Housing Partnership Manager and Housing Standards Team. Servicing costs	Consult & develop scheme December 2005 Implement April 2007	Launch. Advice leaflets available for prospective tenants. Standards for HMO and non HMO accommodation established and agreed. Procedures in place, inspection/assessment, advising prospective tenants and links with Deposit Guarantee Scheme		
6. Review Empty Homes Strategy	High	<u>National</u> Housing Act 2004, ODPM Guidance <u>Regional</u> Regional Housing Strategy <u>Corporate</u> Corporate Plan Homelessness Strategy	Review good practice including exploring use of Empty Dwelling Management Orders and greater partnership working. Revise Empty Homes Strategy, including reference to Empty Homes Grants created by this Strategy	Time input from Housing Partnership Manager and Housing Standards Team sector leasing is developed. Continuing commitment from capital programme to Empty Homes Grants	June 2005	Revised Empty Homes Strategy published and working procedures developed Target number of properties identified for first year		
FINANCIAL ASSISTANCE								
7. Interim changes to grant system to release funding for HMO grants, without an increase to the capital allocation for 2005/2006	High	<u>National</u> Housing Act 2004 <u>Regional</u> Regional Housing Strategy <u>Corporate</u> Community Strategy Local Plan Affordable Warmth Strategy	Amend existing grant procedures, documentation and forms to implement revised grant system. Publicise changes on website and in local press	Time input from Housing Standards Team and Central Services	April 2005	Grant procedures, documentation and leaflets adapted to reflect revised grants. Changes notified publicly.		

Objective	Priority	Links to Other Strategies	Work to be Done	Resources Required	Target Date	Indicator(s) Outcome Achieved/Performance Measure	Lead Officer	Risk
8. Home improvement agency service brought back in-house prior to expiry of contract with Torbay Staying Put in March 2005	High	<u>National</u> ODPM Guidance, Foundations Review <u>Regional</u> Regional Housing Strategy <u>Corporate</u> Housing Strategy Supporting People	Undertake negotiations with Anchor Housing Trust over the transfer of staff and other resources. Undertake review of existing staffing arrangements in Housing Services in conjunction of resources of Housing Standards Team. Put in place new working arrangements and procedures including separate accounting. Train staff in new procedures	Time input from Housing Services Manager and Housing Standards Team.	March 2005	All new working procedures and accounts in place. All staff trained in new arrangements and procedures. Changes notified publicly		
9. An agreement with a specialist financial provider to offer a range of equity release and similar financial packages to residents	Medium	<u>National</u> ODPM Guidance, Foundations Review <u>Regional</u> Regional Housing Strategy Supporting People Strategy <u>Corporate</u> Housing Strategy	To be developed with other Devon Authorities Undertake negotiations with specialist agencies such as the Home Investment Trust or ART Homes or others over financial product availability and investment required. Negotiate and finalise agreement	Resources to be identified in future capital programmes for Council contribution to financial provider. Time input from Care and repair Agency, Strategic Housing Services Team	Dependant on outcome of the pilot project between the Somerset Authorities	Resources identified in capital programmes. Agreement with specialist financial provider in place.		
10. A new approach to financial assistance based on hierarchy of assistance	Medium	<u>National</u> ODPM Guidance <u>Regional</u> Regional Housing Strategy Supporting People Strategy <u>Corporate</u> Housing Strategy	Development of principles and procedures for the new approach to giving financial assistance undertaken in consultation with stakeholders including Social and Community Services, voluntary agencies and specialist financial agency	Resources to be identified in future capital programmes for Council contribution to financial assistance under the hierarchy of assistance. Time input from Strategic Housing Team, Care and Repair Agency, Private Sector Housing Team,	Dependant on outcome of the pilot project between the Somerset Authorities	Resources identified in capital programmes. Principles and procedures for hierarchy of assistance established and service agreements in place with all agencies. Working procedures, documentation and leaflets for hierarchy of assistance approach completed. Changes notified publicly		

Appendix A

Torbay Council - Housing Assistance Policy 2004

This policy will commence 1 April 2005 and is made under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002. It sets out the basis on which Torbay Council will offer financial assistance ("Housing Assistance") for works of repair or renewal in the private housing sector. It is to be read in conjunction with the Council's Private Sector Housing Renewal Strategy. Along with that Strategy this Policy will be subject to annual review to take into account changing policies at national and regional level and all available information on the condition of private sector housing in Torbay.

All grants approved under this policy will be discretionary and are subject to the Council having sufficient funds. The policy does not affect the offer of mandatory Disabled Facility Grants.

1.0 Purpose and Form of Housing Assistance

1.1 Housing Assistance may be offered by Torbay Council in accordance with this policy towards the cost of:

- (i) the improvement, repair or adaptation of existing living accommodation including mobile homes and houseboats
- (ii) works to comply with statutory standards in houses in multiple occupation
- (iii) the creation of new living accommodation by the conversion of existing buildings (including existing dwellings and commercial premises) and the bringing back into use of long term empty dwellings
- (iv) any other initiatives which are consistent with the aims and objectives of the Council's Private Sector Renewal Strategy

1.2 Housing Assistance may be offered in any form including but not restricted to grants, advice, provision of materials, carrying out of works, loans or loan guarantees. Some forms of financial assistance are delivered by the Council's In-house Home Improvement Service. The Council may enter into partnership with other organisations or agencies to deliver financial assistance.

1.3 The specific types of Housing Assistance available at the time of this policy, the conditions for eligibility (including details of the test of resources) and the amounts are for each type of grant are specified in Part 7 of this policy.

2.0 Persons Eligible for Housing Assistance

2.1 Any person who makes an application for Housing Assistance must:-

- (i) be over 18 years of age at the date of the application, and
- (ii) live in (or intend to in the case of relocation grants)the dwelling as his/her only main residence (except where the applicant is a landlord who intends to let the dwelling), and
- (iii) have an owner's interest in the dwelling (other than an interest by virtue of being a Registered Social Landlord under Part 1 of the Housing Act 1996 or being eligible for such registration), or be a tenant or licensee of the dwelling, alone or jointly with others but not being a member of the landlord's family, with a tenancy or license permitting occupation of the dwelling for a minimum period of 12 months after approval of the grant, and
- (iv) have the power or duty to carry out the works and where appropriate have the owner's consent in writing to carrying out the works, and

- (v) satisfy such test(s) of resources as the Council may from time to time have in place
- (vi) in the case of applications in respect of houseboats and mobile homes (and in the event of any approved applications for major works outside the scope of grants listed in Part 7 which may be approved in wholly exceptional circumstances), an owner occupier must have owned the property for a period of three years prior to making the application.
- (vii) not be ineligible by virtue of the Housing, Grants, Construction and Regeneration Act 1996, regulations made under the Act or any other enactment.

3.0 Making a Formal Application

3.1 All applications must be on a form provided by the Council and must include the following original documentation:-

- (i) Where the estimated cost of the works exceeds £1,000, a minimum of two quotations set out on the schedule of grant works provided by the Council. The Council may accept less than two quotations in exceptional circumstances. If the estimated cost of works is below £1,000, a minimum of one quotation is required.
- (ii) Particulars of the work to be carried out including where appropriate plans, schedule of work/specifications and specialist reports.
- (iii) Details of any professional fees or charges relating to the work and for which assistance is being sought.
- (iv) Confirmation of planning and/or building control approval where appropriate.
- (v) Proof of ownership from a solicitor or mortgagee, or copies of the title deeds/land certificate, or copy of the tenancy agreement or licence to occupy.
- (vi) Where the application is the owner, a signed undertaking to repay the Housing Assistance if the conditions imposed by this policy as to future occupation or letting.

3.2 The application will only be considered complete when the Council has all the information it needs to be able to make a decision on the application. Part 9 explains how to go about making initial enquires and processes before the formal application.

4.0 Restrictions on Assistance

4.1 No assistance will normally be given for work started before formal approval of an application, except that:

- (i) The Council may in exceptional circumstances exempt an application from this condition for example where a defect may present a serious risk to health and safety
- (ii) The Council may, with consent of the applicant, treat the application as varied so exclude any works that have been started before approval
- (iii) This provision will not apply where the relevant works have been started/completed by the applicant in order to comply with a statutory notice served by the Council but should be agreed in principle.

4.2 The Council will not consider an application for assistance in respect of premises built or converted less than 10 years from the date of the application, except in the case of an application for a disabled facility grant or a relocation grant associated with this.

- 4.3 No assistance will be given in respect of properties owned by Statutory Authorities or trusts. This includes properties owned by Registered Social Landlord, NHS Trusts and Police Authorities.

5.0 Supervision of Works

- 5.1 In the absence of any agency agreement with the Councils in house Home Improvement Service, the responsibility for supervision of the works rests with the applicant or with any suitably qualified and indemnified building professional or agent acting on the applicant's behalf and not with the Council.

6.0 Payment of Assistance

- 6.1 The Housing Assistance will only be paid if
- (i) the assisted works are completed within twelve months from the date of approval (6 months for Minor Works Assistance), and
 - (ii) the assisted works are carried out in accordance with the schedule of work/specifications set out in the formal approval or as varied with the agreement of the Council, and
 - (iii) the assisted works are carried out to the reasonable satisfaction of the Council and the applicant, and
 - (iv) the Council are provided with an invoice, demand or receipt for payment in an acceptable format. Any such invoice must contain sufficient detail for the Council to identify in full the works carried out and the price charged and must not be provided by the applicant or a member of his/her family.
- 6.2 If the cost of the work varies because of agreed changes in the schedule of work/specification the Council may vary the amount of grant payable and notify the applicant accordingly.
- 6.3 The Council would normally pay the Housing Assistance direct to the builder following the written agreement with the applicant. The Council may choose to pay the applicant in the builders or contractors name. The Housing Assistance may be paid in one lump sum on satisfactory completion of the works or in instalments ("stage payments") as the work proceeds. Stage payments will only be made where the Council is satisfied the value of the work completed exceeds the value claimed. The final payment shall be a minimum of one tenth of the total value of the Housing Assistance approved.
- 6.4 No Housing Assistance will be given until agreements appropriate to the form of assistance have been formally executed.
- 6.5 The Council will not enter into any Form of Contract with a builder or contractor and, in the absence of any agency agreement between the applicant and the Council's In-house Home Improvement Service, it is a matter for the applicant to agree any contract with the builder or contractor.

7.0 Types of Housing Assistance

- 7.1 The types of Housing Assistance offered from 1 April 2005, and the conditions applicable, are as follows and will remain so until this Housing Assistance Policy is revised and published. All are discretionary and are subject to the Council having sufficient resources. Please see the notes at 7.41 concerning mandatory Disabled Facility Grants
- 7.2 Where the Policy refers to a "test of resources", the test uses the same mechanism as the means test which was used prior to the Regulatory Reform Order 2002 for Renovation Grants (updated in line with the statutory means test which continues for mandatory Disabled Facility Grants). A copy of the information required in order for the Council to carry out the test of resources is available and forms part of the application.

An initial means test can be calculated by the applicant with the information provided with the initial enquiry pack.

Major Works Assistance

7.3 Major Works Assistance may be available

- (i) Where a property is unfit for human habitation or in substantial disrepair.
- (ii) To owner occupiers and long leaseholders with a lease of more than 21 years where there is a power and a duty to carry out the works under the terms of the lease, who have been resident in the property for a minimum period of 3 years prior to the date of the application. (A test of resources applies – please see 7.5 below).

7.4 The works for which Major Works Assistance will be offered are works of repair and/or improvement to put the property in good repair and where necessary to make the property fit for human habitation. Where appropriate, insulation works may be included (for example where the assisted works include the renewal of a roof covering or replacement of a solid floor).

7.5 The maximum eligible expense is £15,000. Applications are subject to a test of resources to determine whether applicants are in a financial position to make a contribution to the cost of the work and the extent of any such contribution. The test of resources takes into account means tested benefits.

7.6 The Council uses a priority points system to allocate grants. The point system takes into account factors which include the following:-

- (i) The extent of disrepair and any conditions giving rise to unfitness
- (ii) Hazards to health in particular to vulnerable groups
- (iii) Condition of other properties in the block/neighbourhood
- (iv) Council tax band

7.7 A owner occupier has to give a signed undertaking to occupy the dwelling as their principal residence for a period of ten years after completion of the assisted works as a binding condition of the grant. The Council will require repayment of the whole grant if this condition is not met. (please also see Part 8).

Minor Works Assistance

7.8 Minor Works Assistance may be available

- (i) Where there is disrepair to a dwelling which is damaging the fabric of the dwelling and/or which is having an adverse effect on one or more of the permanent occupants
- (ii) To owner occupiers, tenants of mobile homes and long leaseholders in occupation subject to a test of resources (please see 7.2).

7.9 The works for which Housing Assistance may be offered are works of repair and/or improvement to rectify the disrepair causing the damage to the dwelling and/or affecting the health of the occupants. Typical types of work are as follows:-

- Repair of structural defects
- Repair or replacement of failed/missing damp proof courses
- Repair or replacement of leaking roof coverings
- Repair or replacement of windows/external doors where beyond economic repair

- Repointing/rendering where the perished pointing/brickwork is causing penetrating damp
 - Repair of defective/leaking plumbing
 - Repair or replacement of defective boilers/heating systems/heating appliances (including heating of domestic hot water)
 - Part/full rewiring where the electrical installation is potentially dangerous
 - Repair or replacement of unsafe boundary walls
 - Repair/relaying of essential paths which are hazardous to users
 - Replacement of lead water service pipes
- 7.10 The maximum eligible expense is £3,000. Applications are subject to a test of resources to determine whether applicants are in a financial position to make a contribution to the cost of the work and the extent of any such contribution. The test of resources takes into account means tested benefits.
- 7.11 Grants are allocated in priority order according to the points systems (see 7.6) The Council may deal with an application out of date order where there is an imminent risk to health and safety.
- 7.12 A owner occupier has to give a signed undertaking to occupy the dwelling as their principal residence for a period of five years after completion of the assisted works as a binding condition of the grant. The Council will require repayment of the whole grant if this condition is not met. (please also see Part 8).

Conversion Grants

- 7.13 **Conversion Grants** may be available
- (i) To carry out works of repair, improvement and adaptation to provide new units of self contained housing accommodation for rent by the conversion of large existing dwellings or the commercial buildings.
 - (ii) To persons who intend to make the new dwellings available for letting as permanent residential dwellings for a 5 year period.
- 7.14 The maximum eligible expense is £10,000 per unit of accommodation provided and the maximum eligible expense for any individual scheme or building is £30,000. The grant payable is 50% of the cost of the eligible work.
- 7.15 Conversion grants are allocated having regard to the best value for local authority ie number of separate units per scheme in date order of application. If demand for conversion grants exceeds the budget available, the Council does not undertake to maintain a waiting list.
- 7.16 A landlord has to give a signed undertaking that the property will be available for letting as permanent residential accommodation for a minimum period of five years after completion of the assisted works as a binding condition of the grant. The Council will require repayment of the whole grant if this condition is not met. (please also see Part 8).
- 7.17 The Council reserves the right to require nomination rights to all or a proportion of the lettings arising during the five year lettings period as a condition of making the assistance.

Special Initiatives Grants

- 7.18 **Special Initiatives Grants** may be available
- (i) To continue support to approved agencies delivering energy efficiency and home security measures. This support is not available to the general public.
 - (ii) Subject to approval of the Assistant Director of Housing individual grant schemes (including types of grant, grant amounts and conditions), may

be given to facilitate block/area regeneration or special works such as dealing with radon.

- 7.19 Where grants within 7.18 (ii) are given to owner occupiers or long leaseholders in occupation, they have to give a signed undertaking to occupy the dwelling as their principal residence for a period of ten years after completion of the assisted works as a binding condition of the grant. Where given to landlords, they will have to give a signed undertaking that the property will be available for letting as permanent residential accommodation for a minimum period of five years after completion of the assisted works as a binding condition of the grant. The Council will require repayment of the whole grant if conditions are not met. (please also see Part 8).

Basement Grants Mandatory Disabled Facility Grants

7.20 Basement Grants may be available

- (i) Where a basement dwelling is unfit for human habitation or is in substantial disrepair or has serious defects with fire precautions, natural lighting and/or ventilation or internal layout To qualify as a “basement flat, the majority of the dwelling must be located under the main entrance floor to the building.
- (ii) To owner occupiers or long leaseholders in occupation who have been where such owner occupiers have been resident in the property for a minimum period of 3 years prior to the date of the application (a test of resources of resources applies – please see 7.2) except in the case of landlords.

- 7.21 The works for which Basement Grants may be offered are works of repair and/or improvement to put the property in good repair, and/or to correct serious defects with fire precautions, natural lighting and/or ventilation, or internal layout and/or where necessary to make the property fit for human habitation. Where appropriate, insulation works may be included (for example where the assisted works include replacement of a solid floor or to improve sound insulation where part of a wider scheme).

- 7.22 The maximum eligible expense is £10,000. Applications from owner occupiers or long leaseholders are subject to a test of resources to determine whether applicants are in a financial position to make a contribution to the cost of the work and the extent of any such contribution. The test of resources takes into account means tested benefits. For landlords, the appropriate percentage will be 50% (ie the grant is 50% of the eligible expense).

- 7.23 Where basement grants are given to owner occupiers or long leaseholders, they have to give a signed undertaking to occupy the dwelling as their principal residence for a period of ten years after completion of the assisted works as a binding condition of the grant. Where given to landlords, they will have to give a signed undertaking that the property will be available for letting as permanent residential accommodation for a minimum period of five years after completion of the assisted works as a binding condition of the grant. The Council will require repayment of the whole grant if conditions are not met. (please also see Part 8).

- 7.24 The Council reserves the right to require nomination rights to all or a proportion of the lettings arising during the five year lettings period as a condition of making the assistance.

Empty Property Grants

7.25 Empty Property Grants may be available

- (i) Where a dwelling is unfit for human habitation or is in substantial disrepair and has been empty for a at least one year before the date of the application.

- (ii) To persons who have inherited the property and who wish to occupy the property as their main residence and also to persons who intend to make the new dwellings available for letting as permanent residential dwellings.
- 7.26 The works for which Empty Property Grants will be offered are works of repair and/or improvement to put the property in good repair and where necessary to make the property fit for human habitation. Where appropriate, insulation works may be included
- 7.27 The maximum eligible expense is £10,000. Applications from owner occupiers or long leaseholders are subject to a test of resources to determine whether applicants are in a financial position to make a contribution to the cost of the work and the extent of any such contribution. The test of resources takes into account means tested benefits. For landlords, the appropriate percentage will be 50% (ie the grant is 50% of the eligible expense).
- 7.28 Where empty property grants are given to owner occupiers or long leaseholders, they have to give a signed undertaking to occupy the dwelling as their principal residence for a period of ten years after completion of the assisted works as a binding condition of the grant. Where given to landlords, they will have to give a signed undertaking that the property will be available for letting as permanent residential accommodation for a minimum period of five years after completion of the assisted works as a binding condition of the grant. The Council will require repayment of the whole grant if conditions are not met. (please also see Part 8).
- 7.29 The Council reserves the right to require nomination rights to all or a proportion of the lettings arising during the five year lettings period as a condition of making the assistance.

Fire Safety Grants

- 7.30 **Fire Safety Grants** may be available
 - (i) Where a dwelling is located in a building converted into flats which has been or could be the subject of a Statutory Notice served under a Housing Act provision requiring fire precaution works to be carried.
 - (ii) To owner occupiers and/or long leaseholders in occupation who have been resident in the property for a minimum period of 3 years prior to the date of the application and/or tenant with a repairing obligation.
- 7.31 The works for which Fire Safety Grants will be offered are works to provide fire precautions to the minimum statutory standard.
- 7.32 The maximum eligible expense is £6,000. Applications are subject to a test of resources to determine whether applicants are in a financial position to make a contribution to the cost of the work and the extent of any such contribution. The test of resources takes into account means tested benefits.
- 7.33 A owner occupier has to give a signed undertaking to occupy the dwelling as their principal residence for a period of ten years after completion of the assisted works as a binding condition of the grant. The Council will require repayment of the whole grant if this condition is not met. (please also see Part 8).

Insulation Grants (Rented Property)

- 7.34 **Insulation Grants (Rented Property)** may be available
 - (i) Where a privately rented dwelling (let on a periodic tenancy or assured shorthold tenancy) complies with statutory standards and is in good repair but lacks effective thermal insulation or effective form of heating.
 - (ii) To landlords.

- 7.35 The works for which Insulation Grants (Rented Property) will be offered are works to improve standards of insulation including provision of loft insulation, cavity wall insulation and associated ventilation.
- 7.36 The maximum eligible expense is £1,000 per dwelling in single occupation or £600 per dwelling in a house in multiple occupation. The appropriate percentage will be 50% (ie the grant is 50% of the eligible expense).
- 7.37 A landlord has to give a signed undertaking that the property will be available for letting as permanent residential accommodation for a minimum period of five years after completion of the assisted works as a binding condition of the grant. The Council will require repayment of the whole grant if this condition is not met. (please also see Part 8).

Relocation Grants

- 7.38 **Relocation Grants** may be available for applicants who are eligible to apply for a disabled facilities grant.
- (i) In exceptional circumstances to assist an owner occupier or long leaseholder in occupation to relocate to a more suitable property if their existing property has become unsuitable for their occupation and cannot be adapted at reasonable expense.
 - (ii) To owner occupiers and long leaseholders in occupation who have been resident in the property for a minimum period of 3 years prior to the date of the application (unless a change in circumstances which could not been predicted before taking up residence has lead to the application).
- 7.39 The maximum eligible expense is £8,000. Applications are subject to the same statutory means test as applies to Disabled Facility Grants.
- 7.40 The Relocation Grant will payable towards the costs incurred in moving from the existing property to a property which is suited to the needs of the applicant. The cost can include any differential in value between the more suitable property and the existing property together with essential costs incurred including legal fees and removal expenses. Grant will only be assessed against the minimum cost of a suitable alternative property having regard to property prices prevailing at the time of the application.
- 7.41 A owner occupier or long leaseholder has to give a signed undertaking to occupy the dwelling as their principal residence for a period of ten years after completion of the assisted works as a binding condition of the grant. The Council will require repayment of the whole grant if this condition is not met. (please also see Part 8).

Mandatory Disabled Facility Grants

- 7.42 These grants are mandatory under the Housing Grants, Construction and Regeneration Act 1996 and are subject to statutory means test. This policy deals with discretionary grants made under the provisions of the Regulatory Reform Order 1992. The maximum eligible expense is set by legislation at £25,000.
- 7.43 There is no age limit for properties and other than the means test there are no prior qualifying or repayment conditions.
- 7.44 Entitlement to a **Disabled Facility Grant** is mandatory but before approval the Council has to be satisfied that the relevant works are both necessary and appropriate for the Registered Disabled Person, and also that it is reasonable and necessary to carry out the works. A referral from a Social Services Department Occupational Therapist is required. The Occupational Therapist will assess the needs of the applicant having regard to the nature and extent of disability and recommend to the Housing Authority the need to adapt the property. The Housing Authority will specify any grant aided work for which financial assistance will be given.
- 7.45 Conditions relating to the recovery of equipment in specified circumstances are applied.

- 7.46 The Council does not normally pay discretionary grant aid towards the cost of aids and adaptations for Registered Disabled Persons outside the definition of mandatory works. However, discretionary grant aid may be considered in wholly exceptional circumstances. The procedure in such cases is set out in Part 12 of this Policy.

8.0 Repayment of Housing Assistance

General

- 8.1 If an application is approved but it subsequently appears to the Council that the applicant (or one of two or more joint applicants) was not, at the time the application was approved, entitled to the assistance approved, then no payment shall be made (or no further instalments paid) and the Council may seek to recover immediately any payments made together with interest accruing from the date of payment.
- 8.2 If the applicant is the owner of a dwelling in respect of which Housing Assistance has been approved and ceases to be the owner before the works are completed he/she shall repay to the Council on demand the total amount of Housing Assistance that has been paid.

Breach of Undertakings

- 8.3 Where an owner occupier or leaseholder has given a signed undertaking to occupy a property as his/her principal residence after completion of the assisted works, and if the owner occupier ceases to occupy the relevant dwelling as their principal residence during the ten year period the owner occupier or leaseholder shall repay on demand to the Council the total amount of housing assistance or grant paid out.
- 8.4 Where a landlord has given a signed undertaking that the property will be available for letting for a period of five years after completion of the assisted works, and if the landlord ceases to make the relevant property available for letting during the five year period then the landlord shall repay on demand to the Council the total amount of Housing Assistance paid out.
- 8.5 Where the Council has the right to demand repayment but extenuating circumstances exist, the Council may determine to waive the right to repayment or to demand a sum less than the full amount of Housing Assistance.

Death of Applicant

- 8.6 If the applicant should die before the Housing Assistance is approved, the application will be treated as withdrawn.
- 8.7 If the applicant should die after approval of the Housing Assistance or whilst the approved works are in progress, the Council may at its discretion agree to completion or making good of the works and pay the Housing Assistance in full or, if the works originally agreed are not completed in full, an appropriate proportion of the Housing Assistance.
- 8.8 Where an applicant dies after completion of the works but before the expiry of the period of the undertaking, the Council will seek repayment of the Housing Assistance from the applicant's estate if a disposal by sale or a change in tenure takes place.

Additional Conditions

- 8.9 The Council reserves the right to impose additional conditions when making a grant approval. These may include but are not restricted to:
- (i) A contribution to the cost of the assisted works by the applicant

- (ii) The right to nominate tenants to housing accommodation available for rent
- (iii) Housing accommodation being maintained in repair after completion of the assisted works.
- (iv) The right of the Council to recover specialised equipment when no longer needed.

8.10 Breach of any additional conditions gives the Council the right to seek repayment of the Housing Assistance on demand.

Security and Repayment

8.11 Where a grant condition imposes a liability to repay the Housing Assistance, the condition will be registered by the Council as a local land charge.

8.12 The Council may at its discretion determine to require repayment of a lesser sum than the full amount of Housing Assistance.

9.0 Enquires and Applying for Assistance

9.1 All enquiries should be addressed to the Housing Standards Team at Pearl Assurance House 101 – 107 Union Street Torquay, TQ1 3DW. Telephone number 01803 208717 or e-mail private.sectorhousing@torbay.gov.uk. Leaflets explaining the financial assistance and advice will be normally available during usual opening hours. Informal advice is available by telephone contact. Where appropriate, visits may be made to the home of a person enquiring.

9.2 If the Council varies this Policy to introduce a test of resources for particular types of financial assistance, persons wishing to pursue a grant where a test of resources applies will be asked to complete a preliminary assessment form to confirm whether they are eligible and their financial status. After preliminary assessment, the Council will give an initial indication of the assistance likely to be available before the enquirer decides if they wish to proceed further with an application.

9.3 Where a person decides to continue with an application, then an inspection of the property will be carried out and where appropriate to proceed a schedule of works drawn up. The schedule will specify the works to be carried out as a requirement for financial assistance and will be used by the applicant to obtain quotations from builders and/or specialist suppliers.

9.4 Applicants aged 60 years and over or those applying for a disabled facilities grant may use the Council's in house Home Improvement Service. A fee (currently 10% of the cost of the works) is made for this service and is treated as part of the eligible expense.

9.5 The applicant may then submit a formal application along with a priced schedule and any other document required (such as plans, building and planning consents, specialist reports, etc). The documents required are set out in Part 3.

9.6 Once approval has been given, the applicant has up to 12 months from the date of approval to complete the works (6 months for Minor Works Assistance).

10.0 Decision and Notification

10.1 The Council will notify applicants in writing whether their application has been approved or refused. The decision will be notified as soon as reasonably practicable and in any event no later than six months after receipt of a complete application.

10.2 If the application is approved, the notification will specify the works that are eligible for assistance, the value of the assistance, the form the assistance will take and the builder/contractor who will carry out the works and the time for which approval is valid and by which the works must be completed.

10.3 If the application is refused, the Council will give the reasons for the refusal and also confirm the procedure for appealing against the decision.

11.0 Re-determination of Amount of Grant

- 11.1 Where the Council is satisfied that because of circumstances beyond the control of the applicant which could not have reasonably been foreseen, the cost of the assisted works has either increased or decreased, the Council may at its discretion re-determine the assistance given in accordance with grant framework set out in this document and notify the applicant accordingly

12.0 Appeals Against Decisions

- 12.1 Any person who is aggrieved by a decision not to give financial assistance as a consequence of this policy may appeal to seek review of the decision.
- 12.2 The appeal should first be made in writing to the Housing Services Manager. If the person appealing remains dissatisfied, the matter will be referred to the Assistant Director of Housing who will consider representations made by both the person appealing and the Council Officer responsible for the decision.
- 12.3 Any possible departure from Policy will only be considered where the applicant can demonstrate wholly exceptional circumstances to justify such a departure and also that the applicant has no means by which he or she could reasonably be expected to use for the work.
- 12.4 If you are not happy with the service you receive (rather than any part of this Policy) you should first contact the Housing Services Manager, who will arrange for your complaint to be investigated and for you to receive a written reply, usually within 28 days. If you remain dissatisfied, you should contact the Council for your complaint to be considered under the formal Complaints and Representations Procedure

Appendix B

CONSULTATION

As part of the preparation of this Strategy, consultation has been carried out with 300 former grant applicants (by way of questionnaire) and with landlords through the South Devon Residential Landlords Association, who were supplied with a copy of the draft Strategy for comment. The questionnaire was returned by 50% of those contacted and it was clear that the great majority of those replying thought that housing assistance should be targeted to vulnerable groups.

The draft strategy has also been circulated internally for comment within the Council and to members of the Torbay Housing Partnership.

All views received were considered and taken into account in preparation of the Strategy.

Appendix C

THE HOUSING HEALTH AND SAFETY AND RATING SYSTEM

1.0 Introduction

- 1.1 Part 1 of the Housing Act 2004 contains provisions to replace the housing fitness regime set out in the Housing Act 1985 (described in Appendix E) which was based on criteria first introduced 80 years ago. The test of fitness is now to be replaced with an evidence-based risk assessment process, carried out using the Housing Health and Safety Rating System (HHSRS). Local authorities will in future base enforcement decisions in respect of all residential premises on the basis of assessments under HHSRS. This reform will enable local authorities to address more effectively the hazards to health and safety
- 1.2 Action by authorities will be based on a three-stage consideration:
- (a) the hazard rating determined under HHSRS;
 - (b) whether the authority has a duty or power to act, determined by the presence of a hazard above or below a threshold prescribed by Regulations (Category 1 and Category 2 hazards); and
 - (c) the authority's judgement as to the most appropriate course of action to deal with the hazard.
- 1.3 The Act contains new enforcement options which are available to local authorities. The choice of the appropriate course of action is for the authority to decide, having regard to statutory enforcement guidance.

2.0 The Assessment System

- 2.1 The purpose of the HHSRS assessment is not to set a standard but to generate objective information in order to determine and inform enforcement decisions. Technical guidance is given by ODPM in the November 2004 document "Housing Health and Safety Rating System: Guidance (Version 2).
- 2.2 HHSRS assesses twenty nine categories of housing hazard, including factors which were not covered or covered inadequately by the housing fitness standard. It provides a rating for each hazard. It does *not* provide a single rating for the dwelling as a whole or, in the case of multiply occupied dwellings, for the building as a whole.
- 2.3 A surveyor takes into account the type of harm that could arise from a hazard and the risk of it occurring to arrive at a hazard rating. This is expressed through a numerical score which falls within one of ten bands. Scores in Bands A to C are Category 1 hazards. Scores in Bands D to J are Category 2 hazards. The types of hazard that can be assessed are those associated with or arising from:

Damp/mould growth (2)	Radiation	Noise	Fire
Excess heat/cold (2)	Uncombusted fuel gas	Hygiene (2)	Hot surfaces
Asbestos	Volatile organic compounds	Food safety	Entrapment
Biocides	Crowding & space	Water supply	Explosions
Carbon monoxide etc	Intruders	Falls (4)	Ergonomics
Lead	Lighting	Electrical	Structural

- 2.4 The HHSRS assessment is based on the risk to the *potential occupant who is most vulnerable to that hazard*. For example, stairs constitute a greater risk to the

elderly, so for assessing hazards relating to stairs they are considered the most vulnerable group. The very young as well as the elderly are susceptible to low temperatures. A dwelling that is safe for those most vulnerable to a hazard is safe for all.

3.0 The Enforcement Framework

3.1 Local authorities have a duty to act when Category 1 type hazards are found. The courses of action available to authorities where they have either a duty or a power to act are to:

- Serve an improvement notice requiring remedial works;
- Make a prohibition order, which closes the whole or part of a dwelling or restricts the number of permitted occupants;
- Suspend these types of notice;
- Take emergency action;
- Serve a hazard awareness notice;
- Make a demolition order*
- Declare a clearance area*

*(available for Category 2 hazards only in prescribed circumstances)

3.2 While the HHSRS hazard rating is based on the most vulnerable potential occupant, authorities will be able to take account of the vulnerability of the actual occupant in deciding the best course of action. Where an authority takes action and the property owner does not comply, the Act retains the powers available to authorities to act in default (ie carry out the work themselves and recover the cost from the owner of the property) and/or to prosecute. It also enables them to charge and recover charges for enforcement action.

Appendix D

ODPM GUIDANCE ON DECENT HOMES STANDARD

1.0 Introduction

- 1.1 The Government has introduced the “decent homes standard” in order to link increased funding for housing with clear improvements in standards. The first guidance on the decent homes standard was issued in July 2001, with revised guidance in February 2004.
- 1.2 The decent homes standard was originally applied only to homes owned by local authorities and registered social landlords. However, the standard has now been applied by the Government to vulnerable households in the private sector by Target 7 of the Public Services Agreement.
- 1.3 “Vulnerable” groups are considered by the Government to be those who may suffer health problems as a result of living on poor housing conditions which they do not have the resources to remedy themselves. Examples include those over 60, people with long term illness or disability or families with young children. In addition they are in receipt of income or disability related benefits.
- 1.4 Measurement of progress against the target is achieved through the annual English House Condition Survey (EHCS). The EHCS measures both property condition and the social circumstances of the household. To measure progress against the decent homes target in the private sector, the Government target refers to analysis of EHCS results in two consecutive years (to give robust figures).
- 1.5 The target applicable to private sector homes is:-
 - To secure a year on year increase in the proportion of vulnerable households in decent homes;
 - Proportion of vulnerable households in decent homes to be more than 65% in 2006-07;
 - Proportion of vulnerable households in decent homes to be more than 70% in 2010-11;
 - Proportion of vulnerable households in decent homes to be more than 75% in 2020-21

2.0 What is the Decent Homes Standard?

- 2.1 The most recent definition of the decent homes standard was given in guidance from the Office of the Deputy Prime Minister in February 2004. The guidance is based on four main principles:-
 - a) It meets the current minimum standard for housing;
 - b) It is in a reasonable state of repair;
 - c) It has reasonably modern facilities and services;
 - d) It provides a reasonable degree of thermal comfort.
- 2.2 The standard is a *minimum* standard. The Government expects both social landlords and local authorities responsible for securing standards in the private sector to aim for the best standards attainable. The meaning of the individual criteria are explained in more detail below:-

a) It Meets The Current Statutory Minimum Standard For Housing

- 2.3 The current minimum standard for housing is the “fitness standard” set by the Housing Act 1985. The Act lists nine factors to take into account when a local Council is deciding whether a home is “reasonably suitable for occupation” and so “fit for human habitation”. (The factors include freedom from damp, structural stability, lighting, ventilation and amenities.)
- 2.4 The standard, which dates back 80 years and was last revised in 1985, is described in detail at Appendix I. It is the standard used to trigger enforcement action such as repair notices or where appropriate demolition orders or slum clearance areas. Please see Appendix G for details of the fitness standard.
- 2.4 The Government intends to replace the Fitness Standard with the Housing Health and Safety Rating System (HHSRS), which will assess health and safety hazards in the home. This system is unlikely to come into force before 2005. health and safety of the residents.

b) It Is In A Reasonable State Of Repair

- 2.5 A home is in a reasonable state of repair unless:
- One or more key building components are old **and** because of their condition need replacing or major repair; **or**
 - Two or more other building components are old **and** because of their condition need replacing or major repair.

What are “key” and “other” building components?

- 2.6 Building components are the
- Structural parts of a dwelling (eg wall structure, roof structure),
 - Other external elements (eg roof covering, chimneys) and
 - Internal services and amenities (eg kitchens, heating systems).
- 2.7 **Key building components** are those which, if in poor condition, could have an immediate impact on building integrity and cause further deterioration in other components. They are the external components plus internal components that have potential safety implications and include external walls, roof structure and covering, chimneys, windows/doors, chimneys, fixed heating appliances and electrics.
- 2.8 If any of these components are old and because of their condition need replacing, or require immediate major repair, then the dwelling is not in a reasonable state of repair and remedial action is required.
- 2.9 **Other building components** are those that have a less immediate impact on the integrity of the dwelling. The standard takes into account their combined effect - a dwelling is not in a reasonable state of repair if 2 or more are old and need replacing or require immediate major repair.

What is old and in poor condition?

- 2.10 A building component is treated as 'old' if it is older than its expected or standard life. The Government lists the lifetimes that may typically be expected for individual building components eg 50 years for a roof structure.
- 2.11 Components are in poor condition if they need major work, either full replacement or major repair. Again the Government sets out definitions for different components. For example, with a wall structure this would mean replacing 10% or more or repairing 30% or more, and with a wall finish replacing or repointing more than 50%.

- 2.12 One or more key components, or two or more other components, must be both old and in poor condition to render the dwelling non-decent on grounds of disrepair. Components that are old but in good condition or in poor condition but not old would not, in themselves, cause the dwelling to fail the standard eg a roof structure that was less than 50 years old but which had failed because of a fault.

c) *It Has Reasonably Modern Facilities And Services*

- 2.13 A dwelling is considered non decent under this heading if it lacks three or more of the following facilities:
- A kitchen which is 20 years old or less
 - A kitchen with adequate space and layout
 - A bathroom which is 30 years old or less
 - A bathroom and WC located in an appropriate place
 - Adequate noise insulation
 - Adequate size and layout of common entrance areas for blocks of flats
- 2.15 These standards have been measured in the English House Condition Survey (EHCS) for many years. Examples in practice would be:-
- A kitchen with adequate space and layout would be too small to contain all the required items (sink, cupboards cooker space, worktops etc) appropriate to the size of the dwelling.
 - A main bathroom or WC located in a bedroom or accessed through a bedroom (unless the bedroom is not used or the dwelling is for a single person).
 - A dwelling would also fail if the main WC is outside or located on a different floor to the nearest wash hand basin - or if a WC without a wash hand basin opens onto the food preparation area.

d) *It provides a reasonable degree of thermal comfort*

- 2.16 The revised definition requires a dwelling to have both **efficient heating** and **effective insulation**.
- 2.17 Efficient heating is defined as any gas or oil programmable central heating or electric storage heaters or programmable LPG/solid fuel central heating. Heating sources which provide less energy efficient options fail the decent home standard.
- 2.18 Because of the differences in efficiency between gas/oil heating systems and the other types of system, the level of insulation considered appropriate also differs:
- For dwellings with **gas/oil programmable heating**, at least 50mm loft insulation (if there is loft space) and cavity wall insulation (if there are cavity walls that can be insulated effectively)
 - For dwellings with the less efficient **electric storage heaters/LPG/programmable solid fuel central heating**, at least 200mm of loft insulation (if there is a loft) and cavity wall insulation (if there are cavity walls that can be insulated effectively). Loft insulation thickness of 50mm is an absolute minimum which will trigger action.

Appendix E

EXISTING HOUSING FITNESS STANDARD

S605 Housing Act 1985

A property, including a house in multiple occupation, is fit for human habitation unless, in the opinion of the Council, it fails to meet one or more of the following requirements and because of that failure is not reasonably suitable for occupation:

- (a) it is structurally stable;
- (b) it is free from serious disrepair;
- (c) it is free from dampness prejudicial to the health of the occupants (if any);
- (d) it has adequate provision for lighting, heating and ventilation;
- (e) it has an adequate piped supply of wholesome water;
- (f) there are satisfactory facilities within the dwelling house for the preparation of and cooking of food, including a sink with a satisfactory supply of hot and cold water;
- (g) it has a suitably located water-closet for the exclusive use of the occupants (if any);
- (h) it has, for the exclusive use of the occupants (if any), a suitably located fixed bath or shower and a wash hand basin, each of which is provided with a satisfactory supply of hot and cold water; and
- (i) it has an effective system for draining of foul, waste and surface water.

If the property is a flat and it meets all of the above requirements, it can still be unfit for human habitation if, in the opinion of the Council, the building or a part of the building outside the flat fails to meet certain requirements similar to items (a), (b), (c), (d) and (i) above and by reason of that failure the flat is not reasonably suitable for occupation.

Appendix F

Additional Information In Respect Of HMOs

DEFINITION OF HMO IN THE HOUSING ACT 2004

The definition of "house in multiple occupation" for the purposes of the Housing Act 2004 is significantly more detailed than the previous definition given in the Housing Act 1985

Section 254 provides that a building or part of a building is a "house in multiple occupation" if:-

- (a) it meets the "the standard test";
- (b) it meets the "self contained flat test";
- (c) it meets the "converted building test";
- (d) an HMO declaration under S255 is in force; or
- (e) it is a converted block of flats to which s257 applies.

A building or part of a building meets the **Standard Test** if:-

- it consists of one or more units of accommodation (not self contained flat or flats);
- the accommodation is occupied by persons who do not form a single household;
- the accommodation is occupied as their main residence;
- their occupation is the sole use of the accommodation;
- rent or other consideration is payable; and
- two or more households occupying the living accommodation share one or more basic amenities or the living accommodation lacks one or more basic amenities

A part of a building meets the **Self Contained Flat Test** if:-

- it consists of a self contained flat; and
- all the conditions set out above for the standard test except the first apply

A building or part of a building meets the **Converted Building Test** if:-

- it is a converted building;
- it contains one or more units of living accommodation not self contained flat or flat(s); and
- all the conditions set out above for the standard test except the first apply

"Basic amenities" means a toilet, personal washing facilities or cooking facilities.

Schedule 14 to the Act excludes a number of buildings that would fall within the definition but for their ownership or type of occupation. These include properties owned by local authorities, RSLs, health, police and fire authorities etc together with student halls of residence, certain religious communities and properties where two households comprise two people.

Section 259 specifically states that a person is to be treated as occupying a building or part of a building as their main residence if they are a full time student or resident in a refuge.

A local authority may make a **HMO declaration** in respect of a building or part of a building where they are satisfied that, whilst the occupation in a manner which otherwise meets the requirements of the three tests is not the sole use of the building or part of a building, it does constitute a significant use of the accommodation or flat.

Property owners can appeal to the Lands Tribunal. A local authority can revoke an HMO declaration if they consider that it now longer applies. **Section 260** provides that there is presumption that the conditions of sole use or significant use are met unless the contrary is shown.

The 2004 Act also states that certain converted blocks of self contained flats are within the definition of "house in multiple occupation":-

- (a) Where the building work associated with the conversion did not comply with appropriate building standards if not exempt at the time (if conversion before 1 June 1992 the Building Regulations 1991 or otherwise Section 1 of the Building Act 1984); and
- (b) Less than two thirds of the flats are owner occupied (by person(s) with a lease over 21 years or a freehold estate)

The 2004 Act makes the meaning of "person not forming a single household" in **Section 258** by stating that persons do not form a single household unless:-

- (a) they are all members of the same family,
- (b) their circumstances fall within descriptions given in regulations which the Act empowers appropriate national authorities to make.

Section 258 also sets out particular circumstances where person are to be regarded as members of the same family.

