

DURHAM COUNTY COUNCIL

ECONOMY AND ENTERPRISE OVERVIEW AND SCRUTINY COMMITTEE

At a Meeting of the **Economy and Enterprise Overview and Scrutiny Committee** held **remotely via Microsoft Teams** on **Monday 7 December 2020** at **9.30 am**

Present:

Councillor M Clarke (Chair)

Members of the Committee:

Councillors E Adam, J Atkinson, A Batey, R Bell, R Crute, S Dunn, T Henderson, J Higgins, S Iveson, R Manchester, R Ormerod, E Scott, T Tucker, M Wilkes and M Wilson

Co-opted Members:

Mr G Binney and Mrs R Morris

Also Present:

Councillors B Avery, D Boyes, J Charlton and J Turnbull

1 Apologies for Absence

Apologies for absence were received from Councillor P Sexton and Co-opted Members from the Safer and Stronger Communities Overview and Scrutiny Committee, Chief Fire Officer, S Errington and Mr AJ Cooke.

2 Substitute Members

No notification of Substitute Members had been received.

3 Minutes

Subject to the correction of typographical errors, changing “enquires” to “enquiries”, the minutes of the meeting held 30 October 2020 were agreed as a correct record and would be signed by the Chair.

4 Declarations of Interest

Councillors R Bell and M Wilkes both declared an interest in Item 6 – Housing Update, relating to selective licensing, as private landlords.

5 Items from Co-opted Members or Interested Parties

There were no items from Co-opted Members or Interested Parties.

6 Housing Update

The Chair welcomed Officers from Spatial Policy and Housing Solutions who were in attendance to provide the Committee with an update in relation to the Housing and Homelessness Strategies; rough sleeping in the county and the response to COVID; work undertaken with the private housing sector, working in partnership with Registered Providers; and progress of the Selective Licensing scheme (for copy see file of minutes).

The Policy Team Leader, Spatial Policy, Graeme Smith thanked the Chair and Committee for the opportunity to update Members and noted the elements to be covered were: the Housing Strategy; a Homelessness Overview and Response to COVID-19; Rough Sleeping and Response to COVID-19; the Private Rented Sector (PRS); and Selective Licensing.

The Policy Team Leader reminded Members that the Housing Strategy had been adopted by Cabinet July 2019 and had been developed to consider housing issues across County Durham, providing a framework to inform the actions and investment of the Council and its partners. He added it had been developed to ensure the Council was well positioned to maximise future opportunities for funding support.

The Committee learned that the Housing Strategy sought to put people first and that the Council would continue to focus on raising standards in the PRS. The Policy Team Leader added that the Housing Strategy would deliver homes for our communities, and specifically planned to meet the needs of our older people and to support people to live independently for as long as possible. He noted that the Council would work within those communities most affected by long-term empty properties and that the delivery of affordable housing would be maximised.

The Housing Manager, Housing Solutions, Marie Smith reminded Members of the aims of the Homelessness and Rough Sleeping Strategy, with the Council having been very successful in the prevention of homelessness through early intervention.

She explained as regards the increase in supply of accommodation for those who were homeless or at risk of becoming homeless, adding more provision for those with complex needs would be welcomed. She noted that there was a wide range of support services in place to reduce the risk of households becoming homeless. It was noted rough sleepers would be covered in more detail later in the presentation.

The Housing Manager, M Smith explained the duty for organisations to refer to the Council's Housing Solutions section in respect of homelessness and the Hospital Discharge Protocol. She added that work was ongoing with housing providers and private landlords to increase the supply of accommodation. She explained the work being undertaken by the service in relation to understanding support needs, including working with Public Health in terms of mental health needs. Members noted that the service offer for clients in financial difficulty had been reviewed, especially in the context of COVID-19. She explained that a team to address rough sleeping had also been established.

The Housing Manager, M Smith referred to a slide setting out the headline statistics relating to the Housing Solutions service, with: 13,118 contacts to the service; 2,046 properties improved, adapted or brought back into use; 212 empty properties brought back into use; 541 households helped to stay at home; and 993 households helped to find alternative accommodation.

The Committee were reminded of the Homelessness Reduction Act and were given details of the homelessness statistics noting 7,511 presentations as homeless, threatened with homelessness or in need of housing advice in 2019/20. Members noted the main client group that required advice in Durham was single people. The Housing Manager, M Smith reiterated that the service offer for clients in financial difficulty had been reviewed and the impact of the lifting of the eviction ban (March 2021), would be an issue to look at, working closely with corporate colleagues and partners. Members were referred to additional statistics, including information highlighting County Durham as sixth best in terms of prevention in England, and seventeenth in terms of relief. It was explained that in terms of homelessness duty there had been a total of 105 main duty decisions in 2019/20, a 48 percent increase from previous year. It was added that more accommodation options, to be able to prevent or relieve at an earlier point, would be explored.

The Housing Manager, M Smith explained that in terms of the headline statistics for 2020/21 the Housing Solutions service had 3,548 presentations, homeless, threatened with homelessness or in need of housing advice, between April and September 2020. She added that the top three reasons for homelessness had been: end of private rented tenancy, assured shorthold tenancy (899); family no longer willing to accommodate (840); and relationship with partner ended, non-violent breakdown (378). It was noted that the majority were single person households, that 582 people had been threatened with homelessness within 56 days and that there had been 840 people homeless.

In terms of current figures, and the impact of COVID-19 and potential lifting of the eviction ban, it was noted there had been a seven percent decrease year-on-year and that the main reasons for homelessness remained the same, albeit the order had changed, with the main reason now being the end of a private rented tenancy.

The Housing Manager, M Smith reiterated that there had not been an increase in presentations during COVID-19 and explained that the pandemic had required new ways of working and prioritisation of case work. She noted the concerns as regards bed blocking due to the Government's "Everyone In" policy and the eviction ban. She added that joint working with housing providers during lockdown had helped to facilitate fast-tracked moves. The Committee were informed that a "Ready to Rent" approach around private sector accommodation had been developed to streamline offers and that rapid property matching took place for priority cohorts, for example those being released from prison and those in refuges. Members learned of work carried out in respect of food parcels and emergency furniture provision. The Housing Manager, M Smith noted that caseloads remained high due to the ongoing impact of the eviction ban and lack of available accommodation.

Councillors were asked to note that internal and external partnership arrangements, including an internal Housing Board that met regularly, including representation from Regeneration and Development, Spatial Policy and Housing Solutions. It was noted there were also structures in place working with Registered Providers (RPs) with a Housing Forum, chaired by the Council's Corporate Director of Regeneration, Economy and Growth, which was attended by the Chief Executives of the RPs. The Housing Manager, M Smith explained as regards a Development Group, regular individual housing provider meetings and the various task and finish groups that looked at issues including: poverty; Durham Key Options (DKO); Safeguarding; and Health and Housing/Specialist Accommodation.

The Chair thanked the Officers and asked if Members had any questions on the presentation.

Councillor D Boyes, Chair of the Safer and Stronger Communities Overview and Scrutiny Committee referred to rough sleepers, noting some were former prisoners, and of the work in bringing empty properties brought back into use. He asked if there were issues in terms of concentrating a number of people with complex needs into only a few areas in the county and that then impacting upon communities.

Councillor M Wilkes thanked the Officers for their report and hard work. He noted that two years ago, Members agreed to double the number of staff managing empty homes from three to six. He added that in December 2019 the management post within the department was deleted and by May/June 2020 the three extra staff employed had been laid off. Councillor M Wilkes noted that the three extra staff were employed following a motion he had put to full Council, which had been fully supported by every Councillor who had been present at that meeting.

He noted the figures within the presentation, 212 homes brought back into use, showed the excellent work the department with those extra staff, hitting the target that had been set, therefore paying for themselves. Councillor M Wilkes reiterated that the management post had been deleted and half the staff had been laid off.

He explained that Councillors had not been given any update in that regard or a report on the work that was being carried out. He added that he believed that Scrutiny should ask Cabinet to reinstate the posts, noting the number of empty homes being brought back into use was starting to fall. He explained there were around 6,000 empty properties within the county and the Council, instead of investing in that area, had cut the number of staff in half. Councillor M Wilkes noted he felt it was not fair on the department or the remaining staff and reiterated that he felt Scrutiny should be asking for the posts to be reinstated as those Officers had been doing an excellent job.

The Housing Manager, Marion Rucker noted, in reference to the question from Councillor D Boyes, that she managed the Rough Sleeper Team and that in general there were people located all across the county and that people were located in areas they would settle into, feel safe and explained that the service would wrap support around those people. She added that support included: Tenancy Sustainment Officers, a Substance Misuse Worker; and a host of multi-agency meetings for complex clients, meeting weekly or fortnightly. She explained that those meetings involved all relevant partners and would have a plan, reactive to the needs of the individual. The Housing Manager, M Rucker added that if an individual was not settling within an area, or was unable to maintain a tenancy, then a planned move would be looked at to either supported accommodation or a different area.

The Housing Manager, Alan Hunter noted he would cover issues in relation to empty homes within his section of the presentation.

Councillor R Bell noted a case within his area, an individual with complex needs who was facing eviction from social housing. He noted the presentation set out the figure in terms of the immediate causes of homelessness, however, it had not set out why evicted from a private tenancy, for example a landlord wishing to sell a property or a parent no longer willing to accommodate. He added he asked for the reasons why, as it could follow that if an individual was evicted from one form of housing, for example for anti-social behaviour, they could be evicted from further properties if that behaviour continued.

Councillor J Atkinson asked as regards Selective Licensing and landlords, that may consider themselves good landlords with good properties, who have had their properties included within a selective licensing area. He noted some had felt they had been unfairly placed in with bad landlords. He added that he was concerned that the selective licensing fee would be passed to the tenants within their rent and therefore he had concerns in terms of increasing rent on properties that should be at affordable levels.

The Housing Manager, M Smith noted in response to Councillor R Bell that while the high level figures were within the presentation, more details were gathered when an individual engaged with the Housing Solutions service.

She explained that, in line with the Homelessness Reduction Act, Housing Officers would produce a personalised housing plan with the client and would look at the factors behind why that individual became homeless. She noted ongoing work relating to collating information in terms of better understanding the support needs of clients, why they were evicted, and what could be done in terms of the prevention agenda. She added once the information was collated, work with partners such as Public Health, would help in terms of those support needs identified.

The Housing Team Leader, John Kelly noted he would cover issues in relation to selective licensing within his section of the presentation.

Councillor E Adam noted reference to an annual report and asked when it would be produced and would it be presented to Overview and Scrutiny. He also asked as regards how the Housing Strategy dealt with the issue of homelessness, specifically that of single people, and whether there was sufficient housing stock to accommodate those single people. He noted the report referred to a focus on older people and added he felt that perhaps there should also be a focus on single people.

Councillor T Tucker asked as regards when families became homeless and had children of school age, attending local schools, did the Council try to house the family locally so that their children could remain at the same school to ensure some stability remained in their family life. Councillor T Tucker also asked as regards the selective licensing fee, she recalled a figure of £300 quoted, with the Committee report stating £500.

The Policy Team Leader noted that the intention was to publish the annual reports relating to the Housing Strategy and Homelessness Strategy early next year, adding that it was also intended to capture the Council's response to COVID-19 in those areas within those reports. He added that the reports would be available for Overview and Scrutiny, noting a usual annual housing update to Committee, and the reports and findings would form part of that regular update to Members. In terms of the question relating to the focus on older people and the needs of single people, the Policy Team Leader noted that the Housing Strategy, from a strategic perspective, did identify a priority for older persons housing based upon the demographic profile and the understanding of needs. He added that the Housing Strategy looked to identify the needs of all the residents within the county and that delivering older persons' homes would not preclude delivery of accommodation for other groups, including single people.

The Housing Manager, M Smith noted that the needs of single people had been recognised and that there was a need to increase the numbers in terms of accommodation suitable for single people, in particular those that had become homeless.

She added that a housing market position statement had been produced and that certain client groups would be prioritised, including single homeless people. She noted ongoing proactive conversations with housing providers in terms of understanding needs, whether in terms of more bed spaces in supported accommodation or more properties with tenancy support.

Councillor B Avery noted a figure of around 6,000 had been mentioned in relation to the number of empty properties within the county. He noted issues within his local area, with around 200 empty properties within the Dene Bank area. He noted recent improvements in terms of the Council working with Benicia Homes, including demolition of 50 properties and landscaping, and improvements to properties such as cladding. He noted that many of the properties had stood empty for around 20 years and added that there appeared to be no programme to encourage private landlords to bring their properties up to a certain standard, feeling the properties would be suitable for single people. He asked as regards any progress, noting that empty properties were a problem across the county, with issues in the east of the county including fly-tipping and arson.

The Housing Manager, A Hunter noted that in terms of the former mining properties standing empty, there was a lack of demand for those types of property. He added that two-bed properties would attract the spare room subsidy and added there were a number of socio-economic impacts that led to empty properties.

The Housing Manager, M Smith noted in reference to the question from Councillor T Tucker that Housing Officers would assess a family's situation when a property was being offered, with schooling being a factor taken into account. She added that she would ask for additional information from the relevant Officer and that could be circulated to Members.

The Chair thanked Members for their questions and asked the Officers to continue with the presentation.

The Housing Manager, M Rucker explained as regard rough sleepers, with the Council having received £550,303.75 from the Rough Sleeper Initiative (RSI) to fund rough sleeper work including: outreach; substance misuse; Tenancy Sustainment Officers; a Prison Accommodation Officer; and the "somewhere safe to stay" unit, a six bed spaces to accommodate rough sleepers. She explained that was for 2020/21 and that the bidding round for RSI Year Four would open shortly and the Council was working with the Ministry for Housing, Communities and Local Government (MHCLG) to help prepare the bid.

The Housing Manager, M Rucker reminded Members of the Government's (MHCLG) announcement of "Everybody In" on 27 March 2020, in a bid to house all rough sleepers. She noted the Council's Team had helped 97 rough sleepers March to November 2020, an increase from the previous year, and now the work was carried out in-house, having previously been outsourced.

She explained that COVID-19 restrictions had meant “sofa-surfing” was prohibited and that had impacted upon the figures. She noted a number of people living within woodland were often hidden from figures, however, had been reported or self-reported in light of COVID-19. The Housing Manager, M Rucker noted the hard work of staff and private landlords and RPs to house 50 rough sleepers in long-term accommodation, with tenancy sustainment support in place. She noted 25 were in temporary accommodation and 15 were in supported accommodation, the Team keeping in touch with those in supported accommodation. She explained seven individuals had decided to return to the streets or sofa-surfing, and support was offered to those people. She referred to prevention, relief and main duties and noted that often rough sleepers in County Durham had already been through that process and therefore may have had duties discharged, however, the Team would still look to offer support.

The Housing Manager, M Rucker noted in terms of future housing for rough sleepers, the Government had announced the Next Steps Accommodation Funding (NSAP) and the Council had been successful with a NSAP funding bid, £852,130.00. She noted the funding would be used in terms of supporting: shortfall in Housing Benefit; tenancy deposits; a nine bed unit supporting those with complex needs; and five, one bed flats specifically for rough sleepers, together with a Complex Worker to support the project. Members were informed that the five, one bed flats would be set up on the “Housing First” principles, ensuring a sustainable tenancy and then wrapping round additional support as needed, and it was hoped they would be ready in May/June 2021. The Housing Manager, M Rucker noted NSAP would change to RSAP (Rough Sleepers Accommodation Programme) for future bids and those bids would be to refurbish existing Council owned housing stock to bring into use for rough sleepers.

In respect of the winter night shelter in Durham, the Housing Manager, M Rucker noted it had helped over the last three years in terms of severe weather emergency protocol (SWEPE) provision, with North East Mission operating the shelter. She added that the shelter would open again this winter, albeit with individual sleeping pods and with additional protocols including: various COVID-19 risk assessments; Local Authority referral only; and a limit of six beds, previously having been 20.

The Housing Manager, M Rucker explained in terms of Tenancy Sustainment Officers, the two Officers had helped support over 90 clients that had rough slept, against a target of 80, and of the cohort of entrenched rough sleepers, one client had sustained a tenancy for 12 months and 12 clients had sustained tenancies for six months. She noted that if such a tenancy was not working, then the Team would work with clients in terms of a surrendered tenancy and planning move, rather than a tenancy failing and leading to eviction.

The Chair thanked the Housing Manager, M Rucker and asked if Members had any questions on the presentation.

Councillor E Scott asked as regards the level of take up in relation to “somewhere safe to stay”, noting that some rough sleepers were reluctant to use such provision and also asked, if the programme was successful, how sustainable was it in the longer term.

Councillor T Tucker noted the winter shelter provision having been reduced from 20 to six as a result of COVID-19 and asked as regards how the Local Authority referral process would work and how oversubscription would be dealt with.

The Housing Manager, M Rucker noted the “somewhere safe to stay” statistics showed that there had been 131 referrals from 1 April to date into that service and with only six bed spaces it was heavily oversubscribed. She added that how the provision would be offered in the future was being looked at, including within the RSI Year Four bid. She noted that the provision would need to go out to procurement and issues such as having provision dispersed across the county rather than in one centre would be looked at through that process. In terms of sustainability, it was noted that the offer was a short-term measure, usually around one week, while other provision was being arranged. She noted this had been the intention of Government when setting up “somewhere safe to stay”.

In response to Councillor T Tucker, the Housing Manager, M Rucker explained that as the Council would know the dates that the night shelter would open, the Council could filter who would be better being placed in supported accommodation, other forms of temporary accommodation or the night shelter. She added that the referral had to be via the Local Authority as it was required to carry out a risk assessment due to COVID-19 based upon individuals’ health measures, and therefore the Team had worked with Public Health in terms of a health questionnaire. She noted the example of Police attending the night shelter with a rough sleeper at 2.00am, the centre would speak to Council out-of-hours staff to go through the procedure, if space was available at the shelter.

Councillor E Adam noted the NSAP bid and award of around £850,000 and asked how long the funding would sustain any shortfalls in housing benefit and tenancy deposits. The Housing Manager, M Rucker noted each of those areas received a certain amount of specific funding, with the shortfall in housing benefit being complex in terms of predicting how many people would be in temporary accommodation up to 31 March 2021 and therefore what the shortfall would be. She explained that Government had noted if there was a requirement beyond 31 March then Government would provide an additional funding pot or another solution. In terms of tenancy deposits, she noted that funding also had to be spent by 31 March and it had been decided to have 20 deposits at three months’ rent in advance to hold a property. She noted that quite often the client group had complex needs and therefore a higher deposit was often required by landlords.

Councillor D Boyes asked as regards how it was known if those being offered support were from the county and not from other areas, an example being former prisoners. The Housing Manager, M Rucker noted the prison would have a duty to refer and that prisoners should go back to their home Local Authority, adding that a person had to live within an area for six months before a duty was owed by a Local Authority. She noted some rough sleepers were from other areas, however, some rough sleepers from Durham were rough sleeping in Newcastle and Sunderland, and work was undertaken to bring those people back to the county. She noted she was Chair of the regional Rough Sleeper Steering Group and explained there were protocols within the group in terms of reconnecting rough sleepers to their Local Authority area. She added that if someone was temporarily housed in the area then a Section 208 Notification would be received, and the Council would then look to have any temporarily housed person relocated to their Local Authority area.

The Chair thanked Members for their questions and asked the Officer to continue with the presentation.

The Housing Manager, M Rucker explained as regards the work of Housing Solutions in terms of the PRS, focused on improving standards in private rented stock. It was noted the areas across the county were now aligned with those operated by Empty Homes Officers, to assist with targeted work such as the Community Action Team (CAT). Members noted a focus on knowing tenure, landlords, being a physical presence and also a refresh of housing health and safety rating system (HHSRS) training and to ensure standards and processes linked with Environmental Health.

Members were informed of "Ready to Let" to address issues of securing accommodation during the first COVID-19 lockdown. Councillors were asked to note the work of the Council with private landlords and lettings agents, within guidance. It was noted that pre-inspected properties were then used to create a Ready to Let list and Officers worked with the Homelessness Team and supported providers to allocate properties and that Ready to Let would continue as a direct let list.

The Housing Manager, M Rucker noted the "Stop b4u Serve" support scheme, launched in August 2020 to help support landlords with evictions embargos under COVID-19. It was explained that the early intervention scheme would look to mediate, assist with financial support, and remind in relation to tenancy conditions. It would request that the landlord holds notice for 28 days whilst the Council contacted the tenant and for referrals to other services and organisations, such as the Citizens' Advice Bureau, as necessary.

The Housing Manager, A Hunter noted that the Council's Empty Homes Team worked to: bring empty properties back into use; investigate and respond to complaints; identify owners of empty properties; provide financial assistance, such as move in grants and interest free loans; advise, negotiate with and support owners; and, as a last resort, use enforcement powers.

He explained as regards key achievements and performance, including achieving annual targets since 2016, with 831 properties brought back into use from 2016 up to the end of quarter two 2020/21. Members noted in 2019/20, 212 properties were brought back into use and 99 properties were brought back into use at the end of quarter two, 2020/21, against an annual target of 200. Councillors noted in terms of financial assistance, five empty homes loans and four move-in grants were provided at the end of quarter two, 2020/21. It was explained that the first enforced sale of a property took place and the Team assisted in the recovery of council tax debt through partnership work with the Council Tax Team. The Committee noted successful interventions with several problematic empty homes had been undertaken.

The Housing Manager, A Hunter referred Members to a table setting out the five year performance of the Empty Homes Team and noted recent changes. He referred to three members of staff on temporary contracts with additional funding, with two of those contracts coming to an end on 31 March 2020. He noted one Officer remained in post, funding having been sourced and that they continued to work within the Empty Homes Team. He added that in terms of performance, there had not been too much of an impact in terms of the number of empty properties being brought back into use. Members noted several changes brought in to mitigate against the loss of the two Officers, including changes to the areas the Officers covered: East, Central, South and North. It was explained the change allowed Officers to gain a better understanding and local knowledge of the area, spending less time travelling between properties and localities. Councillors noted the existing manager for the Empty Homes and Private Landlord Officers left the Authority in January 2020 and there had been a split in the job role between Private Landlord Officers and Empty Homes Officers, those now separate job roles with the Private Landlord Officers managed by the Housing Manager, M Rucker and the Empty Homes Officers managed by the Housing Manager, A Hunter. It was added that the new job role would enable a more focused approach to dealing with empty properties, both short term and long term.

Councillor R Crute left the meeting at 11.00am

The Housing Manager, A Hunter noted that a number of schemes were undertaken that also helped to bring empty homes back into use, however, they were not included in the performance figures previously mentioned. He noted the Local Lettings Agency and also the buy to lease programme, where empty properties were purchased and brought back into use to help house vulnerable individuals.

Members noted three properties had been brought back into use via the buy to lease programme and a further four were in the pipeline. The Committee were referred to a number of slides with photographs highlighting examples of properties that had been brought back into use in areas including Waterhouses, Trimdon Station and Stanley.

The Housing Manager, A Hunter noted another area within the Council was the Housing Regeneration Team, which was responsible for delivering neighbourhood, environmental and housing improvement schemes across the county. He explained that included: the co-ordination of investment in housing regeneration areas from Registered Providers, landlords, government departments, housing developers, and other funding sources; estate regeneration and a master planning role with key partners; facilitation of community / steering groups in key areas; development of bids and acquiring external funding to deliver innovative solutions to housing problems; co-ordination of fuel poverty grants from the energy companies for boiler replacements, insulation measures and external wall insulation; and co-ordination of the Managing Money Better service to help reduce domestic energy bills.

Councillors noted key achievements and performance in terms of housing regeneration included working in partnership with Bernicia Homes, facilitating the continued regeneration of Dean Bank, Ferryhill. Members noted other work included: an enabling bungalow development in Chilton in partnership with Esh and Livin; development of the Horden masterplan, with two rounds of community consultation; consultation on, and purchase of, the former Easington Colliery Junior and Infant School; and delivery of several Group Repair schemes, most recently in Dawdon and Easington Colliery. It was noted that there had been a successful bid for £600,000 via Homes England for the Purchase and Repair Initiative and that Targeted Delivery Plans were being developed to assist with regeneration and delivery of the Housing Strategy.

The Housing Manager, A Hunter noted other achievements included the Heat Hero Award for joint working with Clinical Commissioning Group in the assistance provided to fuel poor households with ill health, 10,200 patients having been contacted. Members noted a North East Council of Year Award for 4th highest uptake nationally of ECO grants and highest number of fuel poor households in North East Region having been assisted in 2019/20. It was noted that the Managing Money Better service had provided advice to 264 households as at end of quarter two 2020/21, saving almost £25,000 for those households and that in 2019/20, 651 households had been assisted, with £116,000 saved for those households. Members learned that 251 properties benefited from an energy efficiency measure at the end of quarter two 2020/21; and the county had the 6th highest uptake of fuel poverty grants nationally, as at end of quarter two 2020/21. Members noted several slides demonstrating the work undertaken in terms of group repairs and improvements made through master planning activity in Stanley.

The Housing Manager, A Hunter noted the final area he would discuss was the Home Improvement Agency (HIA), part of the Council's Housing Solutions section. He explained that the HIA would provide advice, guidance, and practical assistance to vulnerable people to help them remain in their own homes for as long as they wish to do so. He added the types of works could include: ramps, access to and from a property; level access showers; stair lifts, access between levels; through floor lifts, access between levels; internal alterations; extensions, ground floor living; and property improvement.

Members noted key achievements in terms of the HIA included 289 Disabled Facilities Grants (DFGs) completed in quarter 2 (2020/21), against an annual target of 552, and three Home Improvement Loans . Members noted previous years' performance with: 628 DFGs and six Home Improvement Loans in 2019/20; 557 DFGs and 13 Home Improvement Loans in 2018/19; and 579 DFGs and 10 Home Improvement Loans in 2017/18. Councillors were referred to photographs of several case studies in terms of the types of improvement works carried out.

The Housing Manager, A Hunter concluded by noted ongoing work within his area of work included: the Buy to Lease accommodation project; Horden masterplan; purchase and demolition of the former Easington Colliery Junior and Infant School; Targeted Delivery Plans, to be considered at Cabinet in February 2021; Chilton regeneration; Dean Bank regeneration; facilitation of steering groups; empty homes work; HIA ongoing assistance, advice and DFGs; delivery and monitoring of the countywide Warm Homes Campaign; co-ordination of fuel poverty grants from the energy companies for boiler re-replacements and insulation measures; and the co-ordination of Managing Money Better service to help reduce domestic energy bills.

The Chair thanked the Housing Manager, A Hunter and asked Members for their questions.

Councillor R Bell noted the issues of fuel poverty and energy efficiency and explained that, following a complaint from a resident as regards the Green Deal and accessing contractors he had learned of Government consultation on energy efficiency, ending in 2020. He added he had spoken to the Corporate Director of Regeneration, Economy and Growth as regards the Government consultation which related to the banning of the letting of properties if the energy efficiency rating was not "C" or above by 2025, with the current requirement being a rating of "E" or above. He noted that in the Dales there were a number of properties that were of solid wall construction and many were not on mains gas supply, which was an issue that would score down their energy efficiency rating. He added that a "D" rating would be the highest obtainable if all other usual measures, such as double glazing and loft insulation were carried out and therefore specialist solid wall insulation and solar panels would need to be installed.

Councillor R Bell noted that for properties over £100,000 in value that may be possible, however, for those less than £100,000 there would be an issue. He noted he had forwarded the link to the consultation to the Overview and Scrutiny Officer. He asked the Housing Manager, A Hunter as regards any information on the energy efficiency of the solid walled and terraced properties that had completed energy efficiency works as part of various regeneration schemes. He continued that there was the potential for a large impact upon the rental sector and homelessness in terms of the cost of these works having to be carried out over the next five years.

Councillor D Boyes thanked the Housing Manager, A Hunter and his Team for their work in the Easington area, a low demand area. He noted the ability to access loans of up to £15,000 to help get empty properties back into use, however, in such low demand areas, property owners may not think they would be able to rent the property even after improvement works were carried out. He noted the properties in the area within Easington he referred to were over 100 years old and explained that a number of years ago, five streets were purchased and demolished at a large cost. He noted there was no longer such money available for large scale demolition and added that therefore such properties were having to be managed the best that they could be. He noted that a comprehensive, wrap around solution was needed in terms of making areas more desirable. He asked what Council would do to assist a property owner, where improvement works to an empty property were completed, with the work funded via loan or their own funds, and they were unable to rent out the property.

The Housing Manager, A Hunter noted, in response to Councillor R Bell, that external wall insulation did make a large difference in terms of energy efficiency, similar to cavity wall insulation. He added that loft insulation and boiler upgrades would all help improve an energy efficiency rating. He noted the point in terms of properties in rural areas more likely to be of solid wall construction and off-gas in terms of fuel and the associated costs to carry out energy efficiency improvements. He added he would gather further information as regards the potential uplift in terms of energy efficiency from such external wall insulation and provide the information for Members.

In reference to the question from Councillor D Boyes, the Housing Manager, A Hunter explained that in many former mining communities there was an oversupply of older, terraced properties and people tended to look for newer properties with a garage and garden. He noted that population decline, and spare room subsidy were also issues and he added he felt selective licensing would make a difference in such areas in terms of the policing of empty homes. He noted from his experience of managing a selective licensing area, that it had helped to improve the area and, while not a panacea, it was a positive step in the right direction in terms of the accountability of landlords and the management of some of the tenants within those communities.

He noted the Council would look to work with those owners that would access the loan available and assist in terms of finding a tenant, reminding Members of DKO and that if a property was within a selective licensing area, the tenants would be vetted.

Councillor M Wilkes noted from the pictures within the presentation relating to empty homes being brought back into use and added that Members could appreciate the impact the empty homes staff could have. He referred to what had been agreed in February 2018, "recent studies have shown that Durham County Council have the largest number of empty properties in the UK by Council area. To address this, our regeneration department will identify three additional staff to work solely on bringing empty homes back into use, with a target of bringing 65 additional properties a year back into use over three years". He noted that the Officers had gone beyond the target, the results being fantastic, however, the posts had been deleted after two years and one of the posts had a six month period with no one in post, adding that during that time the manager of that department had also been lost. Councillor M Wilkes asked why the posts had been deleted a year earlier than as agreed by full Council and noted in respect of targets that had been overachieved, those Officers had been in post until the end of April 2020. Councillor M Wilkes noted it made no sense to him, in the case of posts which were making an excellent impact and were self-funding, and agreed by all Councillors, to remove those posts that were exceeding their targets without informing Members. Councillor M Wilkes asked why the posts were deleted early and what would be done to have them reinstated, noting if full Council passed a motion in respect of an issue and then he would expect Members to be informed of any changes.

Councillor T Tucker noted the issue of fuel poverty and pre-payment meters, adding in some cases the cost of electricity and gas via such meters could be double the cost of paying via Direct Debit. She asked what the Council could do to help, especially in light of COVID-19, as people were spending much more time in their homes. She asked what work the Council was undertaking with providers in terms of encouraging them not to promote pre-payment meters and what support could be given to residents to ensure they do not get into a situation where pre-payment meters were their only option. She noted care leavers were a group that faced particular difficulties, with many, due to the nature of their tenancy, not likely to be accepted to pay via Direct Debit by providers.

The Housing Manager, A Hunter noted in reference to the question from Councillor M Wilkes that the two posts referred to were temporary contracts up to 31 March 2020 and one post had been retained following funding being found. In reference to performance, the Housing Manager, A Hunter noted the Officers left 31 March 2020 and the performance for quarters one and two was 99 empty properties brought back into use, approximately half the target of 200 properties, suggesting that while areas and other issues within the Team had been changed, there had not been a dip in performance.

He added that looking forward, Target Delivery Plans would look to carry out intensive interventions in the areas with the highest numbers of empty homes.

In respect of the question from Councillor T Tucker, the Housing Manager, A Hunter noted that he agreed with her in terms of pre-payment meters being a huge issue, penalising some of the poorer members of society. He noted he was not aware of any specific work undertaken with utility companies in terms of pre-payment meters.

Councillor M Wilkes asked for clarification in terms of the empty homes posts, noting they started in June 2018, with the motion being for a three year period, and at the end of the three year period if they were working in terms of impacting empty homes, then the officer posts were to continue. He reiterated that the question was why the posts had ended after two years instead of three and why the posts ended if they were achieving the target. The Housing Manager, A Hunter noted he began managing the Team from 1 January 2020. The Chair noted Councillor M Wilkes had raised a reasonable point and asked the Overview and Scrutiny Officers to make enquires into the matter. Councillor A Batey, Vice-Chair of the Corporate Overview and Scrutiny Management Board noted that further clarification was needed on the point raised by Councillor M Wilkes and agreed enquires could be made by Overview and Scrutiny Officers.

The Chair thanked Members for their questions and asked the Housing Team Leader to continue with the presentation.

The Housing Team Leader thanked the Chair and noted he would provide Members with an update in respect of Selective Licensing. He noted that consultation on selective licensing had ran from February to August 2020 and Officers from Housing Solutions had attended a meeting of the Committee in March, prior to lockdown, as regards the data being gathered and the proposals that were being brought together. He noted the update would refer to the response to the consultation and the final proposal that went to Cabinet in September.

Members noted 1,187 people responded to the online and paper questionnaire and over 300 e-mails and 50 letters were also received. It was explained that 40 percent of the questionnaires were completed by landlords, 3 percent by letting agents, 20 percent by private tenants and 41 percent by residents that were not private tenants. The Housing Team Leader noted 59 percent of all respondents strongly agreed / agreed that the Council should ensure the PRS was properly managed, with 29 percent of respondents noting they strongly disagreed / disagreed. Councillors were asked to note 45 percent strongly agreed / agreed with the proposed selective licensing proposals and 52 percent strongly disagreed / disagreed. It was noted that only 7 percent of landlords and letting agents strongly agreed / agreed, however, 78 percent of residents strongly agreed / agreed.

The Housing Team Leader explained that 90 percent of landlords said the scheme would have a negative impact on them, 41 percent of tenants said it would have a positive impact, with 32 percent saying negative, mainly due to potential rent increases. He added that 67 percent of residents said the scheme would be positive for them.

The Housing Team Leader noted changes made following consultation included moving from Middle Super Output Area (MSOA) analysis to Lower Super Output Area (LSOA), to be able to drill down in greater detail in all areas across the proposed selective licensing areas. He explained that had reduced the coverage of licensing proposals in County Durham, reflecting the more detailed analysis of the individual areas. Members noted a discount had been added in terms of the licence fee for those accredited by the National Residential Landlords' Association (NRLA), alongside the discount for accreditation by the Council. It was explained there would also be a discount for landlords who have more than one property and that the earlier proposed discount for 'early bird' applications remained in place.

The Housing Team Leader noted that the final proposals for submission were for 104 of 324 LSOAs to be included (32 percent), covering approximately 28,000 properties, or 42 percent of the estimated PRS stock in County Durham. He added there would be four designations, with areas meeting one or more of the three conditions: low demand; anti-social behaviour; and/or deprivation. Members were referred to a map setting out the final proposed selective licensing areas.

The Housing Team Leader referred to the question from Councillor T Tucker and noted that there had not been any proposals for a fee as low as £300, however, a media release earlier in the year referred to a fee of between £390 - £590, and at consultation a fee of £500 was referred to, with those landlords accredited with the Council to have a discounted fee of £390. He noted the final proposals in terms of fee were set out, with the fee starting at £500 and with various discounts for early application, accreditation, and multiple properties.

In reference to the questions from Councillor J Atkinson, the Housing Team Leader noted it had been identified as a risk that landlords could pass the fee on to tenants, however, it was hoped landlords would not and the fee proposed was competitive with other Local Authority fees. He reiterated that good landlords, accredited and applying early would benefit from a discount fee. He noted it was hoped landlords would get back their fee in other ways over the course of the five year period, in terms of multi-agency work to help with problem properties, or work in areas with low demand. Members noted the possibility of paying the fee in instalments was being considered, including in terms of the administration cost for the Council.

The Housing Team Leader noted the next steps in terms of selective licensing would be for submission to the Secretary of State in December 2020, with a decision expected within a few months and with the potential for the scheme to go live in Spring 2021, following a three-month notice period.

In terms of the issue of fairness to landlords in respect of the areas chosen for selective licensing, the Housing Team Leader explained that selective licensing legislation did not allow for individual landlords to be pinpointed and it had to be by area, examples a cluster of streets, by MSOA, by LSOA or by electoral division. He added that selective licensing helped to pull together other tools and linked in, and built upon, the work of housing at the Council.

The Chair thanked the Housing Team Leader and asked Members for their comments and questions.

Councillor T Tucker asked how we would ensure that landlords within a selective licensing area did register.

Councillor M Wilkes noted that often consultation processes were simply “tick-box exercises”, however, as many of the concerns raised had been listed and looked at it was a testament to the Officers involved and the Portfolio Holder. He noted the suggestion of payment by instalment or Direct Debit and asked if, at the end of the five year period if the scheme was to be continued, would landlords be approached for the fee again. He also noted that Direct Debit seemed more sensible than an upfront payment as landlords’ circumstances may change and they may need to sell a property.

The Housing Team Leader noted instalments for payment of the fee was an issue being looked at, with it felt to be of benefit given the stresses of COVID-19 on top of other issues faced by landlords. In reference to landlord participation in the selective licensing scheme, he noted that legislation made it mandatory, subject to Government agreeing the proposals, checks and monitoring would take place building upon the data gathered as part of the consultation exercise. He noted there were also options in terms of taking landlords to court and civil penalties.

Councillor M Wilkes noted the fee could potentially be two months’ rent for some properties within the county and that his understanding was that the fee was based upon the cost of the employees in terms of administrating the scheme. He explained he felt some of the money could be used to regenerate some of the more rundown areas, although he accepted the way in which the scheme had been proposed. He reiterated that the fee could represent up to two months’ rent for a property, and that there was potential, especially if a property was uninhabited, for landlords to decide not to be part of the scheme. Councillor M Wilkes asked Officers where additional funds could come from in term of being able to carry out the regeneration work in areas where such work was required.

Councillor J Atkinson noted that he felt if the scheme was to work, the policing of the scheme would need to be punitive against poor quality landlords to ensure that it was successful. He asked in addition to revoking licenses for poor landlords, would a system to highlight successes, such as a rating for good landlords, help to provide incentives and benefit landlords rather than simply a licence.

The Housing Team Leader noted the comments from Councillor J Atkinson and noted while the consultation period had ended Officers would always welcome comments from Members. He noted in the past there had been a star system with the accreditation scheme and added this could be a consideration. He reiterated that the Council would look to support and help good landlords as much as possible.

The Housing Team Leader noted the issues raised by Councillor M Wilkes in terms of payment of the fee by instalment and he noted that it had been highlighted during the consultation that individual landlord's circumstances would be looked into and the Council would look to work with landlords in respect of payment of the fee. He noted that legislation meant that the selective licensing fee could not be used for regeneration purposes.

The Housing Manager, A Hunter noted that the Council worked with Government agencies, such as Homes England, in terms of schemes within the county. He added that Government, including Homes England did not have funds available for some regeneration activities, such as acquisition and demolition, and noted under a previous Government, there had been a funding stream known as Housing Market Renewal which Local Authorities were able to bid for to tackle issues such as oversupply, empty homes, excess stock to bring supply and demand into alignment. He noted that currently the focus from Government was on net gains in terms of properties, rather than acquisition, demolition, and regeneration. He noted that the Council reviewed funding streams regularly and would always look to bid wherever possible to secure funding to carry out further regeneration activity.

Councillor E Scott left the meeting at 11.53am

Councillor R Bell noted the points raised by Councillors J Atkinson and M Wilkes and noted the comments from the Housing Team Leader that legislation did not permit individual landlords to be targeted. He noted that once landlords were signed up to the scheme, he hoped that the focus would be on the bad landlords, the Council using its discretion in how it would operate the scheme to target problems and issues. He also asked as regards whether the licence was attached to the property or the landlord.

Councillor D Boyes noted that the selective licensing scheme in Easington had been a success eventually, with around only 50 percent of landlords signing up initially. He noted in that process, landlords had been required to send in multiple pieces of information, and some would send them individually, prolonging the process. He noted another issue was that fines issued by Courts at the time were a lot less than the licence fee and he felt that could undermine the scheme and therefore those issues would need to be noted.

The Housing Team Leader noted the comments from Councillor R Bell and explained that resources would be prioritised in terms of poor landlords. In terms of the licence, he noted it was issued to the liable person for a property. He noted the comments from Councillor D Boyes in terms of issues faced by the scheme at Wembley. Councillor D Boyes asked if Courts were on board, in terms of the level of fines. The Housing Team Leader noted that fines were one element, adding that a landlord without a licence for a property could not rent out that property and they would need to put forward another liable person and the Council would look to inspect the property to ensure the property was up to standards. He added there were other options including Rent Orders, and therefore it was not only fines, but the impact upon a landlord and their business that could help encourage landlords to be responsible.

Councillor T Tucker noted the Government was encouraging Local Authorities and developers to build new homes and the Council was investing in working with developers and other organisations to build new homes, including social housing. She asked if there was any scope in terms of raising money for regeneration via those activities as when more new homes were built, older properties within selective licensing areas would become less desirable.

The Housing Team Leader noted that selective licensing fit in with other activities within housing and the wider Council, noting the CAT, Neighbourhood Wardens, and the activities in terms of regeneration. He added those activities may help improve the licensing scheme, as could the work of the Empty Homes Team and other Council services. The Housing Manager, A Hunter noted levels of regeneration funding from Government had declined in comparison to previous levels and Officers were always looking for any available funding. He noted that internally there was the Town and Villages fund which had a significant amount of resources that could, and was, accessed for regeneration. He added that he was not aware of any external funding streams that related to acquisitions and demolitions, though Homes England were looking to influence Government in terms of the housing market, and added that Government housing policy appeared to be focussed on London and South, where the issues with housing and housing stock were different from the North East. Councillor T Tucker noted the issues in terms of external funding and asked, in the case of where the Council was working on investments, whether there were discussions in terms of a portion of any potential profit being used for regeneration activity, given the limitations of external funding. The Housing Manager, A Hunter noted that as he understood there would always be discussions as regards how to fund certain activities, and colleagues from the Council's Finance section would be best placed to speak to Members in that regard.

The Chair thanked the Officers for their excellent, detailed presentation and for all the hard work undertaken by Officers relating to housing activities.

Resolved:

- (i) That the report and presentation be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee includes a further update on the development of the Council's Housing and Homelessness Strategies, delivery of regeneration and empty homes projects, work undertaken with Registered Providers and the operation of the Selective Licensing scheme in its 2021/22 work programme.

7 Minutes from the meeting of the County Durham Economic Partnership

The minutes of the meeting of the County Durham Economic Partnership held 17 July 2020 were received by the Committee for information.