

**REPORT TO:** Executive Board

**DATE:** 5 November 2015

**REPORTING OFFICER:** Strategic Director, People & Economy

**PORTFOLIO:** Physical Environment

**SUBJECT:** The Private Rented Sector Offer Policy

**WARD(S)** Borough-wide

## **1.0 PURPOSE OF THE REPORT**

- 1.1 The report seeks the Board's agreement to the introduction of a new policy, the Private Rented Sector Offer (PRSO) policy, to make use of powers contained in the Localism Act 2011 to discharge the authority's homelessness duty by the making of suitable offers of accommodation in the private rented sector.
- 1.2 The Policy (see Appendix) explains the circumstances when the policy may be used and the safeguards built in to the procedure.

**2.0 RECOMMENDATION: That Executive Board agrees the introduction of the Private Rented Sector Offer Policy as detailed in section 3.16 of the report.**

## **3.0 SUPPORTING INFORMATION**

### **Background**

- 3.1 Prior to the Localism Act 2011 local authorities could only discharge their homeless duty with the offer of a tenancy in the private rented sector if the applicant consented. Most did not and preferred to wait for housing in the social rented sector.
- 3.2 The Localism Act 2011 introduced provisions that now allow local authorities to end the main housing duty by means of a private rented sector offer without the applicant's consent, provided certain safeguards are met.
- 3.3 The reasoning for this was that social housing is in increasingly short supply. Homeless households are experiencing longer and longer stays in temporary accommodation, at considerable public expense, therefore it is logical to utilise accommodation available in the private rented sector if it means homeless households could be housed more quickly.

## Sub Regional Approach

3.4 Halton is a member of the Cheshire Sub Regional Homelessness Group which includes Cheshire East, Cheshire West and Chester, and Warrington Councils.

3.5 The Group is responsible for looking at how services can be improved, and to explore how authorities can share resources and work together on a sub-regional basis to prevent future homelessness.

3.6 One of the initiatives developed by the Group was the PRSO policy and toolkit which is the subject of this report. The majority of Local Authorities across Cheshire and Merseyside have already successfully introduced this or a similar policy.

## Use of the Power

3.7 In order to make use of the power the Act requires authorities to adopt a clear policy on how the power will be used. For Halton a toolkit and suite of materials have been developed to utilise the powers safely and effectively, which include;

- **Policy** – Setting out how the powers available to the Authority can be exercised.
- **Procedure** – Explains what, when and how each action needs to be undertaken to use the powers.
- **Process** – A flow diagram illustrating how the powers can be put into action.
- **Paperwork** – A series of template letters and forms to be used.

3.8 The Act imposes certain safeguards if the power is to be used.

- Any tenancy offered must be an assured shorthold tenancy for a minimum of 12 months.
- The Authority is required to take into account the location of accommodation offered when determining suitability.
- The Act sets out minimum quality standards that must be met, including that the landlord is accredited and the property meets a number of standard condition requirements.
- If an applicant makes a further homelessness application within two years of accepting a private rented sector offer, s/he is automatically treated as being in priority need. If the Authority finds that s/he is homeless, eligible and intentionally homeless, the main duty is revived and the applicant can be referred back to

the Authority that made the original PRS offer (except where there is a risk of domestic abuse).

- The reapplication duty will only be revived once, whereby, if the applicant became homeless again, there would be no duty owed by the Council in the continuation of the original duty and the household would be required to make a fresh application.

- 3.9 As part of the prevention agenda the private rented sector has been utilised to accommodate clients for a number of years, however, there is no legal requirement and clients have had the right to refuse.
- 3.10 The PRSO policy will be aimed specifically at statutory homelessness clients, which will be used to allow the Local Authority to discharge its statutory housing duty. Although it is not envisaged that the power will be over utilised, it allows the Authority additional options to assist clients to meet their specific housing needs.
- 3.11 The policy will reflect the priorities and rules shown within the Authorities local documents and be implemented and managed by the Housing Solutions Team.
- 3.12 The PRSO policy will only utilise accommodation from the Accredited Landlords Scheme, which complies with Local Authority standards and regulations.
- 3.13 The vast majority of private landlords in Halton are responsible landlords who have a vested interest in maintaining their properties to a good standard and implement the appropriate action to tackle clients who are in breach of the terms and conditions of their tenancy agreement.
- 3.14 As well as the regulatory role of the Authority in enforcing minimum housing standards and reducing homelessness, the Council strives to increase standards in the sector by encouraging landlords to apply for accredited status through the Landlord Accreditation Scheme. The scheme has built up positive relationships with private landlords, which is particularly important for the authority to prevent statutory homelessness and minimise the need to temporarily house homeless households.
- 3.15 One of the main objectives of the Environmental Protection Team is to ensure private rented homes are fit and safe to live in, having regard to the health, safety and welfare of the tenants. The PRSO policy has a robust process in place that will involve both teams conducting a joint inspection to ensure the property is suitable and meets the required standards.

### **Options Considered**

- 3.16 Three policy options were considered;

1. Not to adopt the power to end the duty to any accepted Homelessness cases.
- 2. To adopt the power to end the duty for some accepted Homelessness cases.**
3. To adopt the power to end the duty for all accepted Homelessness cases.

- 3.17 Due consideration was given towards all the identified options, however it is proposed that Halton adopts option 2. This preferred option would ensure that the Council is able to safely comply with its statutory duty. Weight was given to the fact that the local Homelessness Strategy already promotes the use of private rented accommodation to prevent homelessness.
- 3.18 The Housing Solutions Team has successfully helped numerous households who may be threatened with homelessness to obtain accommodation from a private landlord, fully utilising various incentives, such as bond guarantee, GIFT (furniture scheme) and discretionary housing payments.
- 3.19 To ensure that households are not exposed to any threat, a risk assessment will be undertaken prior to making an offer. Each household will also be secured the appropriate support to promote independent living.
- 3.20 Allocation of available properties will be at the Councils discretion. Each case will be assessed on individual circumstances and in line with the terms of this policy. Where the property is being let directly by a private landlord or letting agency, the landlord of the property will have the final decision regarding allocation.
- 3.21 Statutory homeless households are entitled to one reasonable offer of accommodation. The Council will consider its homelessness duty discharged if a suitable offer is refused. The PRSO offer will be an assured short hold tenancy, for a minimum fixed term of 12 months. This will be considered the households one offer of suitable accommodation, however, if refused, the Council can end its statutory duty, as once the offer has been formally made, the households homelessness application can be closed. The household can remain on the housing waiting list and their Property Pool Plus application will be dealt with in line with the Councils Allocation Policy.
- 3.22 Upon the Council discharging its statutory homelessness duty, the household has a right to review of the suitability of the offer of accommodation. The review process will be administered in accordance with the Homelessness Act 2002.
- 3.23 If a household is not satisfied with the review decision, they can appeal to the County Court on a point of law. Furthermore, if a household is not satisfied with the review decision, they can also complain to the Local

Ombudsman, who will consider all the relevant matters raised.

#### **4.0 POLICY IMPLICATIONS**

4.1 The approach set out in this report is fully compliant with the Localism Act 2011, and outlines the powers available to the Authority when discharging its statutory homelessness duty. The policy further identifies the aims of the Council which will be included in the Homelessness Strategy 2013 – 2018, and will be consistent with the wider prevention agenda.

4.2 The proposed policy should result in a more effective homelessness service, making better use of the private rented sector and providing significant benefits and choice for homeless households.

#### **5.0 OTHER/FINANCIAL IMPLICATIONS**

5.1 The policy will make changes to the service provision and effect how the Authority discharges its main housing duty to homelessness households.

5.2 There will be no additional financial implications, as the process will be administered and delivered within existing resources.

5.3 Indeed the Council may be able to reduce the length of stay for households in temporary accommodation and the associated costs. Additionally, it will help the Council to avoid future use of B&B accommodation.

#### **6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

##### **6.1 Children & Young People in Halton**

None.

##### **6.2 Employment, Learning & Skills in Halton**

Research suggests that poor housing conditions can have an adverse impact on educational attainment.

##### **6.3 A Healthy Halton**

Poor housing conditions can have an adverse effect on health & homelessness, subsequently improving access to social and private rented stock can bring about positive health benefits.

##### **6.4 A Safer Halton**

The safety of vulnerable homelessness clients paramount, therefore property standards are a key consideration in assessing whether properties meet minimum standards and can be used to reduce homelessness.

**6.5 Haltons Urban Renewal**

None.

**7.0 RISK ANALYSIS**

7.1 Due consideration has been given to the risks to the Council of not complying with the relevant legislation and statutory duty, but it is considered the policy and procedural guidance should prevent this.

**8.0 EQUALITY AND DIVERSITY ISSUES**

8.1 None.

**9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

9.1 None.