

BARNSELY METROPOLITAN BOROUGH COUNCIL

This matter is not a Key Decision within the Council's definition and has not been included in the relevant Forward Plan

REPORT OF THE EXECUTIVE
DIRECTOR OF COMMUNITIES
TO CABINET ON
12 DECEMBER 2018

Creation of a Shared Accommodation Team

1. PURPOSE OF REPORT

- 1.1 This report is brought before members to advise of the current challenges faced by the borough due to the increases in the numbers of properties being turned over into shared and multiple occupancy accommodation. The report outlines the key elements of the challenge before us, the evidence pointing towards how this is likely to become even more of an issue and proposes how we should proactively and robustly respond to this.

2. RECOMMENDATIONS

It is recommended that;

- 2.1 **The proposal outlined in section 4 below to invest £250,000 per annum for five years into a dedicated team to enable the better regulation of shared and multi occupancy accommodation in Barnsley is approved by members.**
- 2.2 **The priority focus be given to locations where high density shared accommodation residential complexes are being developed close to Barnsley Town Centre.**
- 2.3 **Impact and performance will be reviewed annually against the outcomes and action schedule outlined in the proposal and this will be presented in a timely manner through the Housing and Energy Board.**

3. INTRODUCTION

- 3.1 Concerns continue to be voiced with regards the accelerating emergence of residential properties and complexes with high density occupation, particularly on the periphery of Barnsley town centre. These concerns cover a number of themes all interconnecting which can be briefly summarised as follows;

- Environmental decline
- Landlord malpractice
- Tenant exploitation
- Socio-economic/ethnic segregation
- Poor tenant behaviour standards
- Poor property standards and living conditions

- Physical decline
- Economic decline
- Community tensions and community instability (transitory)

3.2 Area Councils have for some time recognised and prioritized the challenges associated the private rented sector reflective of the conditions and concerns highlighted in 3.1. For this reason all Area Councils with the exception of Penistone currently invest in Housing and Environment officers (or equivalent) attached to the Safer Neighbourhoods Service to proactively work in the sector. These roles have proved invaluable in being able to drive improvements in many locations however they have also been instrumental in identifying the sheer scale of issues presenting which would not necessarily be immediately noticeable in the absence of such a proactive approach.

3.3 The private rented sector housing market has grown rapidly in recent years in Barnsley and whilst the market is diverse and varies hugely in quality and customer base the sector undoubtedly caters for some members of our community who have the least economic means, the most challenging and complex vulnerabilities and are the least engaged within our broader community and society. For this reason we have begun to see tangible consequences emerging in the low value rented market, which if left unchecked could have significant impact on both the sustainability of specific geographic communities and the wider economic ambitions for the borough.

3.4 An increasing tendency in the sector in order to maximise potential financial yields on rented accommodation is to optimise the numbers of people (tenants) housed in various types of accommodation. This can range from typical 2 up 2 down terraced properties being used to accommodate more than 1 household, the conversion of larger Victorian homes into multiple occupancy homes with shared facilities through to the conversion of larger often ex municipal office buildings into high density bedsit accommodation. Notwithstanding that not all property turned over for multiple or shared accommodation purposes is inevitably badly managed the propensity for the concern themes described above is increased significantly where accommodation is both low cost and shared.

4. PROPOSAL AND JUSTIFICATION

4.1 The Current Position and Justification for the Proposal

- **Regulatory Framework** - The Housing Act 2004 and the Housing and Planning Act 2016 provide a regulatory framework against which housing authorities can attempt to manage standards within the private rented sector. Typically this framework relates to the physical standards of property and the fitness of propriety with the Housing Health and Safety Rating System providing a benchmark of standards which should be maintained. More recently the Housing and Planning Act 2016 has provided additional scope to challenge the fitness of landlords and also sought to consider further regulation through widening licensing criteria for multiple occupancy housing. There are also broader powers available to local authorities through legislation such as the Anti-Social Behaviour, Crime and Policing Act 2014 and the Environmental Protection Act 1990. However, perhaps ironically whilst regulatory tools and powers do exist, the dramatic rise in the numbers of households in the private rented sector has

coincided with a period of austerity where capacity to regulate has been significantly reduced.

- **The Shared Accommodation Market** – Private sector housing officers working proactively within areas of high density, low quality private accommodation are increasingly identifying issues suggesting some areas of real concern within the sector. In the last two years there has been an increase in problems proactively identified associated with the sector including;
 - Unlawful eviction of tenants
 - Fly-tipping and illegal disposal of waste
 - Graffiti and other criminal damage
 - Landlord and tenant alleged fraudulent activity
 - Overcrowding
 - Serious malpractice
 - Subletting
 - Fraud
 - Alleged modern slavery

In addition the Safer Neighbourhoods Service also currently licenses 101 Houses in Multiple Occupation (HMO) falling under the statutory criteria for mandatory licensing and have registered a further 240 properties operating as HMOs but not currently fulfilling licensing criteria. It is believed that the actual number of HMOs operating in Barnsley is significantly higher than this however identification of all properties operating in this way is not straightforward and typically relies upon either customer intelligence or proactive identification by officers. The number of residents living in HMOs could be as high as 5000 in the borough with the main concentrations being in the residential areas around the town centre.

A further dimension to the shared accommodation market is the emergence of larger (typically old municipal and office type accommodation) being converted into large numbers of small, relatively low cost residential units. Properties either recently converted or due to be converted include;

- Skyline flats, Heelis Street
- Regent House, Regent Street
- Joseph Locke House, Heelis Street
- Springfield House, Springfield Street

Accommodation conversions such as these above seem to fit the business models of some more medium size developers and tend to be offered to management agents to find tenants. In the experience Barnsley has so far, flats such as Skyline at Heelis Street have been largely occupied by a more transient economic migrant community. Issues associated with Skyline have included environmental decline around the external boundaries and some concerns relating to alleged potential criminality.

- **Current Resource Comparisons.** It is estimated there are around 16000 to 17000 households currently in private rented accommodation in Barnsley. Of these probably in the region of 1500 are thought to be shared accommodation as described above. That is households in multiple occupation or multiple occupancy residential complexes. To provide some sort of regulation in the sector where arguably the most complex and socially damaging conditions exist, the Safer Neighbourhoods Service has a total of 4 permanent housing staff at a ratio of

approximately 1 officer to every 4000 properties. Although these numbers have been boosted more recently by Area Council investment and government grant the overall capacity to provide robust regulation in the sector is minimal despite a legislative framework existing which allows local housing authorities to do so. This level of resource is clearly disproportionately low when compared to the social housing sector despite, arguably, the standards, conditions and challenges presented by parts of the private rented sector being comparable if not greater than those presented in traditional social housing.

- **Evidence** - By utilising existing resources more proactively the Safer Neighbourhoods Service have begun to account for the large scale problems existing in the sector and more pronounced in shared accommodation. Looking at a snapshot of demand identified proactively between April 1st and May 31st the scale of the problems being identified can be better demonstrated. Table 1 below shows this demand broadly split between 4 headline categories of property standard and disrepair, environmental standards, tenant (mis)conduct and landlord (mis)conduct.

Table 1 – Two Month Period of Recorded Problems

Broad Category	Number	% of Overall	Enforcement Intervention Options
Property condition and disrepair	102	24%	<ul style="list-style-type: none"> • Housing Act Statutory Notice • Building Act Statutory Notice • Prevention of Damage By Pest Act Statutory Notice
Environmental condition including gardens, yards and waste	239	56%	<ul style="list-style-type: none"> • Environmental Protection Act Fixed Penalty • Anti-Social Behaviour Crime and Policing Act Community Protection Notices
Tenants Conduct including antisocial behaviour, nuisance and drug related activity	73	17%	<ul style="list-style-type: none"> • Community Protection Notice, Civil Injunction, Closure Order, Criminal Behaviour Order
Landlord conduct (excluding physical conditions) including exploitation, malpractice, unlawful treatment of tenants	12	3%	<ul style="list-style-type: none"> • Unlawful Eviction • Unlicensed Premises • Other Criminal Behaviour • Modern Day Slavery

In addition existing demographic evidence suggests that locations with a high density of low cost private rented accommodation tend to have higher than average levels of deprivation, crime and antisocial behaviour and this is further supported by

the proposal to introduce licensing for some geographic areas with high numbers of private rented property in the borough.

Nationally the Casey Review “a review into opportunity and integration” published in December 2016 references the dangers of segregation in housing both in terms of quality and location to achieving cohesive, strong and sustainable communities.

4.2 **Proposal**

To mitigate the challenges outlined above the council have identified around £1.25 million over 5 years to specifically address those issues being presented by multiple occupancy and high density shared accommodation. It is proposed that this funding will be invested carefully to build resilience to proactively manage and regulate the sector within the boundaries set by the legislative framework and the councils’ private sector housing enforcement policy. It is proposed that a dedicated Shared Accommodation Team be established to achieve the following outcomes

4.3 **Outcomes the proposed approach will seek to deliver the following outcomes;**

- High standards of rented accommodation for those living in shared accommodation
- More sustainable communities boosting economic growth prospects
- Maintain clean and pleasant environments for all
- Avoid housing segregation based on ethnic/socio demographic divides
- Eliminate exploitation and unlawful practises

4.4 **Proposed Activities** Working towards these outcomes the Team would develop and deliver activities establishing

- Clear understanding of the rights and responsibilities of landlords and tenants for all.
- Proactive early visits to all new tenants and the provision of direct support and comprehensive guidance around satisfactorily maintaining a tenancy.
- Full Housing Health and Safety Rating System (HHSRS) risk assessments on all shared accommodation as described above.
- Prompt decisive and proportionate enforcement action for any breaches in HHSRS.
- The use of civil penalties and rent default interventions where landlord compliance is not achieved
- The maintenance of a local “rogue landlords” register and the debarring of inappropriate landlords and agents from managing tenanted property in the borough
- Full schedule of comprehensive quarterly inspections/assessments for all large accommodation complexes such as Joseph Locke House, Springfield House, Regent House and Skyline. These inspections are to include physical and safety standards, behaviour standards and internal and external environmental standards.
- Stronger regulation of lettings agents operating in multiple-occupancy and shared accommodation dwellings.
- Robust enforcement against overcrowding, illegal subletting, council tax and other financial fraud, modern day slavery, unlawful practices and tenant exploitation.

- Early signposting of vulnerable tenants to appropriate services including debt and welfare advice, mental health, substance misuse, victims of crime/violence, physical health, family support, council tax and department of work and pensions, planning and building control and South Yorkshire Fire and Rescue preventative services.
- Robust enforcement against environmental blighting and antisocial behaviour by/of tenants.
- Facilitate strong and supportive landlords and tenants groups.
- Develop robust data and intelligence function to enable predictive modelling of emerging threats and risks.
- Ensure HMO mandatory licensing conditions are adhered to and an up to date audit of emerging HMO patterns and risks is established.

4.5 Measuring Impact and Activity

Activity and impact will be robustly measured within the Safer Neighbourhoods Service Performance Framework and will focus on the identified activity described in the table below.

Issue and Aim	Early Intervention	Enforcement
<p>Property Standards</p> <p><i>“Improving property standards and ensuring all accommodation is fit and safe.”</i></p>	<p>Number of new HMOs identified</p> <p>Proportion of HMOs inspected during the calendar year</p> <p>Proportion of shared accommodation dwellings inspected</p> <p>Number of hazards rectified within agreed timescales</p> <p>Number of safety and condition improvements facilitated</p>	<p>Additional use of Civil Penalties</p> <p>Number of Housing Act 2004 Prosecutions</p> <p>Number of properties identified as operating as unlawful HMOs</p> <p>Number of “Rogue Landlords” identified and subject of banning orders</p> <p>Number of landlords entered onto national rogue landlord database</p>
<p>Environmental Standards</p> <p><i>“Improving environmental standards and ensuring streets yards and alleys are free of waste and rubbish”</i></p>	<p>Number of “educational” visits to tenants to advise on appropriate waste disposal.</p> <p>Number of waste disposal and in curtilage audits.</p> <p>Number of street and alley environmental audits.</p>	<p>Number of Environmental Fixed Penalties Issued</p> <p>Number of Community Protection Notice Warnings and Notices</p> <p>Number of Community Protection</p>

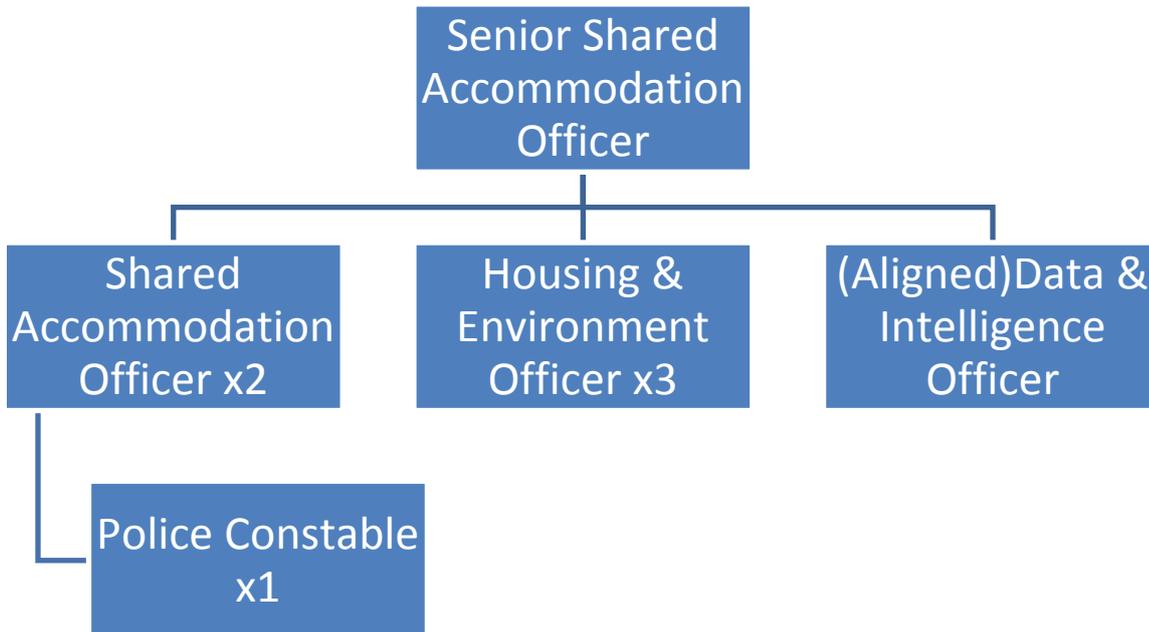
	<p>Early identification of empty and high turnover accommodation</p> <p>Number of street clean up initiatives facilitated</p>	<p>Notice prosecutions</p> <p>Number of Environmental Protection Act prosecutions</p>
<p>Tenants and Residents</p> <p><i>“Supporting and protecting those most vulnerable and isolated and robustly challenging behaviours which damage communities.”</i></p>	<p>Proportion of new tenancy visits</p> <p>Number of early referrals to other support agencies and services</p> <p>Number of fire safety checks</p> <p>Number of tenancy verifications</p> <p>Number of “vulnerable” residents identified and supported</p>	<p>Number of enforcement actions associated with behavioural standards of tenants and residents to include;</p> <ul style="list-style-type: none"> • Injunctions • Arrests • Closure Orders • Warnings <p>Number of joint operations with partners including Her Majesties Revenues and Customs, Gangmasters Labour Abuse Authority and Department of Work and Pensions</p>
<p>Landlords</p> <p><i>“Building strong and effective partnerships with landlords and agents and taking decisive action to address exploitative and unlawful practices”</i></p>	<p>Number of landlords/agents approved and accredited</p> <p>Number of landlord engagement events supported</p> <p>Number of landlord and agent training and advice forums facilitated</p>	<p>Number of “Rogue Landlords” identified and subject of banning orders</p> <p>Number of landlords entered onto national rogue landlord database</p> <p>Number of landlords identified as engaged in exploitative practices</p> <p>Number of prosecutions</p>

4.6 Composition of the Team Alignment and Roles

It is proposed that the Team be integrated within the Case Management arm of the Safer Neighbourhoods Service (SNS) and would consequently benefit from access to service resources across a range of agencies, disciplines and organisations the Team would align into the existing management structure. The team would also

work closely with all other aligned SNS resources and this includes the proactive officers currently commissioned by the Area Councils as described in 3.2 above.

PROPOSED SHARED ACCOMMODATION TEAM STRUCTURE



Senior Shared Accommodation Officer

This post would provide team leader capacity as well as being an operational role itself. The post-holder will be a qualified Environmental Health Officer to be able to discharge the council specific powers relating primarily to property standards and standards of stewardship by landlords determined by the Housing Act 2004 and Housing and Planning Act 2016. These are described further in table 2 below

Shared Accommodation Officer

These posts would specifically lead on investigative and case management activity and be responsible for managing escalated cases of tenant and landlord misconduct where initial interventions have failed to resolve problems. These roles would typically take cases on at the point of service of a statutory notice. Powers will include leading on the use of civil penalties to address landlord misconduct, preparing prosecution files for offences relating to fly-tipping and unlawful disposal of waste, using all the enforcement tools and contained within the Anti-Social behaviour Crime and Policing Act specifically utilising Community Protection Notice and Civil Injunction interventions where appropriate. The role would work closely with the broader case management team within the SNS hub which is a combined police and council resource.

Housing & Environment Officer

The Housing and Environment Officer would have a much larger caseload operating proactively at a lower level of intervention. These officers would be responsible for proactive inspections of standards both physical and environmental, working collaboratively with landlords, tenants and the wider community to identify problems and resolve them at the earliest possible stage and escalate cases to the shared accommodation officers and senior officer where circumstances dictate. These officers would be responsible for the service of initial warnings and statutory notices associated with property stewardship, antisocial behaviour and

environmental crime and blighting. The role would be empowered to discharge certain environmental offences using fixed penalty notices. In addition the Housing & Environment Officer would have a pivotal role in developing and substantiating Intelligence profiles enabling more effective planning of appropriate interventions and links with other partners including the police, Her Majesty's Revenue and Customs. Department of Work and Pensions and Gangmasters and Labour Abuse Authority.

Data & Intelligence Officer

This post would be professionally aligned to the Council's Business Improvement and intelligence Team but would be hosted and aligned into the team. The post would provide the specialist data required to enable the team to be effectively deployed and would improve upon our intelligence of this sector of the housing market.

South Yorkshire Police Officer (Constable)

This post would provide a dedicated warranted officer to work directly alongside the team with the capacity to discharge powers and interventions restricted to those of a warranted officer. This would include powers to seek and execute warrants, powers to arrest and detain for certain offences and the opportunity to link into and deliver other investigatory into criminal activity associated with fraud and human exploitation.

Additional Legal Capacity

It is anticipated that the team will generate more Housing Act litigation as it becomes more proactive and proficient in the sector. For this reason it is proposed that an amount of the over financial allocation is held in reserve to enable the securing of specialist legal support as and when required for the progression of cases.

For a schedule of intervention powers and types see table 2 in Appendix 1.

5. CONSIDERATION OF ALTERNATIVE APPROACHES

- 5.1 Do nothing – Council could decide not to provide additional capacity to more proactively regulate behaviour and activity in the rapidly growing shared accommodation sector in the borough. Doing nothing would rely upon self - regulation and market forces to deliver higher standards and more stable affluent and cohesive communities. Evidence suggests that this sector of the housing market is already causing significant challenges and as such by not providing a robust mechanism to regulate in a more sustained way there is a danger that the broader strategic ambitions for the borough could be jeopardised
- 5.2 The council could decide to consider using a third party provider to operationally deliver this proposal. By doing so costs may be reduced. It is not felt that a partner or third party provider would have the authority, skills and existing supportive operational infrastructure to deliver this proposal in line with the requirements set out in the outcomes and activities schedule. Reference is made to table 2 of appendix 1 where powers and authorities are described in more detail.

6. IMPLICATIONS FOR LOCAL PEOPLE/SERVICE USERS

- 6.1 This proposal is designed to provide assurance that living standards, behaviour standards and environmental standards of those living in low cost high density shared accommodation are maintained to the highest possible level. The proposal seeks to establish the appropriate capacity to address those issues most affecting those with limited economic means or limited engagement with wider society and also provide some commitment to those within long term settled accommodation in key locations where shared accommodation has become a feature that standards will be maintained. The proposal should have a positive impact in terms of maintaining cohesive and sustainable housing communities

7. FINANCIAL IMPLICATIONS

- 7.1 Cabinet approval was received on 13 June 2018 to earmark up to £1.250m from the Council's overall 2017/18 outturn position in order to support the creation of Shared Accommodation Team – the composition of the structure of the team is as outlined in paragraph 4.5.
- 7.2 The staffing proposals outlined in paragraph 4.5 sit within this limit.
- 7.3 Whilst none are anticipated, it is understood any additional costs arising beyond the £1.250m allocation would need to be met from departmental budgets within the Communities Directorate.

8. EMPLOYEE IMPLICATIONS

- 8.1 6 new council posts will be created alongside one dedicated police constable role. See section 4.5 above.

9. LEGAL IMPLICATIONS

- 9.1 The team would be responsible for using all the tools and powers associated with the regulation of housing, the environment and the management of crime and antisocial behavior. For this reason it is anticipated that litigious intervention would increase significantly particularly such intervention arising from the Housing Act and Housing and Planning Act, Environmental Protection Act and Anti-Social Behaviour Crime and Policing Act. This would have resource consequences for the Legal Services Business Unit as the existing Litigation Team does not carry any spare capacity to accommodate the work-stream. As the extent of the additional demands on the Service cannot yet be accurately predicted it is proposed that for the first few months the work would be outsourced using the Legal Services Framework Agreement whilst the impact is assessed. If it appears that outsourcing will not be cost effective in the longer term, i.e., is likely to amount to more than the cost of employing an additional litigation lawyer, it is suggested that a new grade 8 appointment within the Litigation Team may give the Team sufficient overall capacity to manage its total workload.

10. CUSTOMER AND DIGITAL IMPLICATIONS

10.1 This proposal is designed to engage customers typically defined as hard to reach and as such will provide opportunities to make the customer and digital ambitions of the council more inclusive.

11. COMMUNICATIONS IMPLICATIONS

11.1 If agreed communication of the proposal will require more comprehensive consideration to ensure the engagement and ownership of key stakeholders. These will include;

- Communities where English is not the first language
- Landlords, Landlord agents and representative groups
- Property developers
- Settled communities in locations of high turnover of properties to shared accommodation

11.2 Communications messages need to focus on the agreed outcomes for the proposal and be targeted according to relevance with key stakeholders

12. CONSULTATIONS

12.1 The following have all been consulted up to 16/07/2018;

- Service Director Culture Regulation and Housing
- Service Director Finance
- Service Director Business Improvement and Communications
- Service Director Stronger Safer Healthier
- Cabinet Spokesperson Communities and the Leader of the Council
- Executive Director Communities

13. THE CORPORATE PLAN AND THE COUNCIL'S PERFORMANCE MANAGEMENT FRAMEWORK

13.1 The Policy supports the delivery of the following strategic priorities;

To achieve a thriving and vibrant economy

- Create more and better housing
- Develop a vibrant town centre

To achieve strong and resilient communities

- Protecting the borough for future generations

Performance is actively monitored in-line with SNS and Communities Directorate performance management frameworks accountable to the Directorate and Corporate Performance frameworks. In addition it is proposed that performance will be robustly monitored through the Housing and Energy Board

14. PROMOTING EQUALITY, DIVERSITY AND SOCIAL INCLUSION

- 14.1 The purpose of the proposal is to ensure that those sections of our community most financially excluded, suffering from housing inequalities and potential exploitation and overrepresented by none white British sections of our community receive a proactive service to assist integration and inclusion into broader society.

15. TACKLING THE IMPACT OF POVERTY

- 15.1 Living in poor, hazardous and health threatening housing conditions is often a direct consequence of limited economic means and poverty. This proposal is designed to ensure that even where people have limited or no means access to housing of an acceptable standard which is hazard free is assured.

16. TACKLING HEALTH INEQUALITIES

- 16.1 Poor housing conditions have a direct correlation to poor health outcomes for individuals and families. The outcomes sought from the proposal should help to reduce health inequalities as experienced by sections of our community whom are living in overcrowded and substandard accommodation.

17. REDUCTION OF CRIME AND DISORDER

- 17.1 It is intended that the team would directly address issues of crime and disorder apparent in locations where there is a predominance of high density shared accommodation. This will include addressing behaviours in a targeted way to tackle crime and disorder of residents and to intervene where there are clear criminal and exploitative practices associated with landlords. Areas of high density transient low cost accommodation typically have higher than average crime and disorder rates and this proposal is designed to do some way towards redressing this.

18. RISK MANAGEMENT ISSUES

- 18.1 The risks of not implementing a scheme include the potential damage to the long term economic prospects of the borough created by deteriorating housing standards and reducing property values. The proposal is intended to mitigate this risk
- 18.2 Additionally where housing becomes segregated along ethnic and economic divides communities can become less cohesive which can lead to accelerated decline and tensions. Barnsley does not have so called “no go areas” and this proposal is designed to ensure that this does not become the case in locations where high density shared accommodation becomes the norm.
- 18.3 Stronger regulation proposed by the introduction of this team could deter prospective speculative investment into low value high return accommodation. It is arguable if this is a positive or a negative implication nevertheless ongoing consideration will need to be given as to the sustainability and need for shared accommodation options longer term vis a vis the links to economic growth and the aim to achieve cohesive and inclusive communities.

19. HEALTH, SAFETY AND EMERGENCY RESILIENCE ISSUES

19.1 There are no immediate Health and Safety or Resilience issues associated with the proposal in this report. Nevertheless by ensuring a robust and proactive service into a sector typically where those who may be more isolated from wider society reside it is hoped that the most extreme manifestations of social division such as radicalization and other extreme behaviours can be either prevented or identified sooner.

20. COMPATIBILITY WITH THE EUROPEAN CONVENTION ON HUMAN RIGHTS

20.1 There are no direct implications however the proposal does support rights established within the act in terms of individual freedoms (avoiding exploitation and potential modern day slavery) and rights to housing.

21. CONSERVATION OF BIODIVERSITY

21.1 None associated with the report.

22. GLOSSARY

SNS – Safer Neighbourhoods Service

23. LIST OF APPENDICES

Appendix 1: Shared Accommodation Discussion Paper

24. BACKGROUND PAPERS

If you would like to inspect background papers for this report, please email governance@barnsley.gov.uk so that appropriate arrangements can be made

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Financial Implications/Consultation



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*(To be signed by senior Financial Services officer
where no financial implications)*