

COUNCIL

24 May 2022

HOUSING AND HOMELESSNESS

This briefing note sets out the potential implications of the motion submitted to Council. It is designed to support the Chairman in making her decision as to whether

- (i) the constitutional provision of automatic referral to the relevant Committee should apply; or
- (ii) if she considers it convenient and conducive to the despatch of business or sufficiently urgent, she may allow the motion to be dealt with at the meeting of the Council at which it is brought forward.

The briefing note will also be included in the Council agenda to enable Members to understand the wider context.

<p>Has the Council or is the Council doing any work at the current time in relation to this motion or any associated issues?</p>	<p>In respect of item 1 in September 2020 this Council published the completed report of the Economic Growth OSC inquiry into Private rented sector housing. The report's recommendations were agreed and passed by Cabinet and full council to be implemented.</p> <p>The portfolio holder for homes made an individual decision on the 19 March 2021 recommending the following:</p> <p>'That the Portfolio Holder for Homes agrees the recommendations made by the Economic Growth and Development Overview and Scrutiny Committee arising from the Private Rented Sector (PRS) Inquiry Member report.'</p> <p>The motion presented specifically references recommendation 1 of the PRS Inquiry member report and this is highlighted below:</p> <p>1 - That Cornwall Council undertake a three month consultation, as soon as reasonably practicable (the timing of which to be directed by the Strategic Director for Economic Growth and Development) on the following:</p> <ul style="list-style-type: none"> i) To introduce a Selective Licensing Scheme in Cornwall focussing on Cornwall's communities that are most in need as set out in the commissioned report. ii) To further investigate the quality of the management of Houses in Multiple Occupation in the Falmouth and Penryn area to identify if the evidence exists to consider the introduction of an Additional Licensing Scheme. <p>The move to consultation on introducing selective landlord licensing in identified towns in Cornwall has been kept under review since the recommendation was made by the EG&G OSC final report issued in</p>
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	<p>September 2020. The pandemic featured heavily in these considerations with government guidance issued during the pandemic directing that where consultation had not been initiated it should be delayed pending a relaxation of the controls in place. Following the relaxation of controls consideration moved to the impact the pandemic on the housing market and specifically the Private Rented Sector (PRS). Available intelligence indicated that the PRS was under unprecedented pressure and struggling to function normally with supply faltering and rent levels increasing across many areas.</p> <p>This week the Queens speech announced significant changes to the regulation of the PRS with the introduction of the renters reform bill. Fuller detail will follow as the parliamentary process takes its course but the government has made it clear the following will be introduced by new legislation:</p> <ul style="list-style-type: none">• Applying the legally binding Decent Homes Standard in the Private Rented Sector for the first time ever, giving tenants safer, better quality and better value homes.• Introduce a new Ombudsman for private landlords so that disputes can easily be resolved without the need to go to court, which is often costly and lengthy, and ensure that when residents make a complaint, landlords take action to put things right.• Introducing a new property portal to help landlords understand their obligations, give tenants performance information to hold their landlord to account as well as aiding local authorities. <p>Given these new developments consideration should be given to understanding if the introduction of these controls and support mechanisms to the sector contribute towards or even fully address the issues Members sought to tackle through the PRS Inquiry recommendations.</p> <p>In relation to Item 2 the Council's current Post Right to Buy Policy was published in 2019 with the aim of identifying:</p> <ul style="list-style-type: none">• The process current owners will need to follow to vary or release part of a restrictive covenant on their former RTB property; and
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	<ul style="list-style-type: none"> • The specific circumstances under which a breach of covenant is likely to result in enforcement action being taken. <p>Any suspected breaches of covenant have been reported to the Housing Service and working with colleagues across a number of services (mainly Legal and Fraud), a series of system check and open-source enquiries have been carried out following which responses have been prepared. Given the limited resources available some progress has been made in bringing a few former Council owned homes back into residential use.</p> <p>Breaches of covenant generally fall into two categories:</p> <ul style="list-style-type: none"> • Use as holiday accommodation – the case law in this area is clear and the majority of owners accept this and, after a period of grace to honour current bookings, are returning properties to residential use. There are 27 cases identified and 21 have been or are in the process of being returned to residential use. • Use as student/HMO type accommodation – the legislation in this area is not clear, particularly where residents share kitchen, bathroom and living spaces and very few properties have been returned to residential use. It is often harder to find evidence of breach in this area as properties are not consistently advertised and full addresses are seldom provided on adverts. It has become increasingly clear that if the Council wants to bring more of these types of property back into residential use then a case/cases will need to be taken through the courts process to clarify what the law is in this area. Currently there are just over 70 cases identified – 13 cases have been closed – mainly due to the fact that they were not student lets and have been mistakenly reported. <p>In relation to item 3 the school transport policy provides for short term support where there is a temporary change of address due to exceptional circumstances beyond the parent's control. In such cases where this is</p>
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	<p>evidenced, this short-term support would normally comprise of support with transport for up to one term.</p> <p>In relation to Item 4 when an applicant approaches the Cornwall Housing Limited, or at risk of homelessness, a rapid assessment is carried out, tailored advice is given, and a Personalised Housing Plan (PHP) is agreed. This written plan details the steps that the applicant needs to take to resolve their situation the assistance that can be offered and signposting to relevant information. The PHP takes into account support needs as well as housing needs.</p> <p>All applicants placed into emergency or temporary accommodation should receive a letter that sets out the details of the offer, the costs of the accommodation that the applicant is liable for, the terms and conditions of the accommodation and details of any right to request a review. Cornwall Housing Limited have informed us that this letter is being provided inconsistently due to staff shortages and mitigations are in place to try and address this. Cornwall Housing Limited is currently introducing a new IT system to manage temporary accommodation placements. This involves a review of the policies, procedures and letters issued to applicants, and which will also introduce a portal that applicants can sign into to see the accommodation charges, payments made and outstanding balances. An induction and training plan is being agreed for new and existing staff and this will focus on customer services and communication relating to accommodation costs and how they can be paid.</p> <p>Applicants do not have an allocated worker once a main housing duty has been accepted. At this point, all efforts to prevent or relieve homelessness have been unsuccessful, they have been provided with temporary accommodation (if appropriate) and have been given written advice, through the PHP, on the steps they must take to secure alternative accommodation and the assistance that can be offered They need to follow the plan to secure alternative accommodation and have a contact number in the event that their circumstances change, or they need additional advice. Significant additional staffing would be required to work on a caseload basis</p>
Does the motion: -	

<p>(i) have potential financial implications for the Council – if so advise what these might be</p>	<p>In relation to item 1 to proceed to consultation on selective licensing will require additional staffing resource & potentially external resource to undertake the full public consultation exercise required.</p> <p>In respect of item 2, to establish a unit it would need to be determined where this is best undertaken. This may be with the Council’s own Counter Fraud Team as they have:</p> <ul style="list-style-type: none"> • Access to appropriate data sets and systems • Specialist knowledge of the law around tenancy and housing related fraud • Proven track record in dealing with and investigating Tenancy/Fraud related matters • Experience in pursuing cases through the courts. <p>However, there is a financial cost to undertaking this work which would require funding for both Officer time and associated legal costs that is not currently within budgets.</p> <p>In respect of item 3, a change to the school transport policy would incur further costs which would be in excess of the current budget.</p> <p>In respect of item 4, to ensure that everyone who is approaching as homeless or who has a duty accepted and is in temporary accommodation, has an allocated officer would require in the region of nine additional officers, over and above current establishment.</p>
<p>(ii) have potential legal/Constitutional implications for the Council – if so advise what these might be</p>	<p>In relation to item 1 given the passage of time and the changed circumstances in the private rented and housing markets we would need further robust evidence before we could legally and safely proceed. If the supporting evidence base is found not to be robust the selective licensing scheme can be challenged on a legal basis (via Judicial Review) at any point. In the event the challenge succeeds there is significant potential for reputational and financial damages.</p> <p>As set out above in respect of item 2 there would be a need to pursue legal action, the results of which are uncertain.</p>
<p>(iii) require further background information to enable the Council to make a</p>	<p>Yes. Further detail of the resource and costs associated with the proposals 1 and 2. Further information on the extent of the issue in relation to</p>

<p>decision and/or require detailed consideration – if so advised what might be required</p>	<p>school transport costs, the availability of transport solutions and full range of potential solutions.</p>
<p>What would be the implications for the Council if this motion was dealt with at the meeting of the Council at which it is brought forward?</p>	<p>Funding and Officer resource. This would result in expenditure in excess of planned budgets and the need to stop other work in order to enact all the recommendations.</p> <p>Potential adverse impact on the private rental sector at a time where there is an acute need for housing. This is having a significant impact on the numbers of households who are unable to find accommodation and are in need of temporary and emergency accommodation.</p>

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Briefing note approved by:- Phil Mason, Strategic Director, Sustainable Growth and Development